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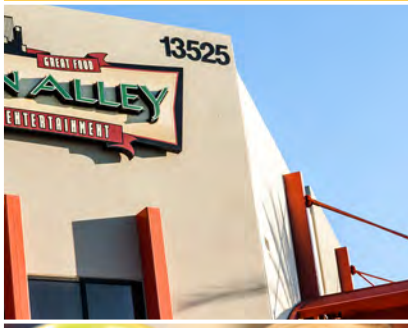

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ARIZONA

FY2016 CITY MANAGER'S RECOMMENDED BUDGET

FY2016

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FY2016 City Manager's Recommended Budget

City Council Meeting
April 21, 2015

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FY2016 CM Recommended Budget

	Amount
Expenses	$272,130,400
Transfers Out	22,533,800
Total Uses	$294,664,200

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Citywide Uses Comparison

Category	2015 Adopted	2016 CM Rec.	$ Variance	% Variance
Expenditures	$ 310.9	$ 272.2	$ (38.7)	(12.5)%
Transfers Out	23.0	22.5	(0.5)	(2.1)%
Total	$ 338.9	$ 294.7	$(39.2)	(11.7)%

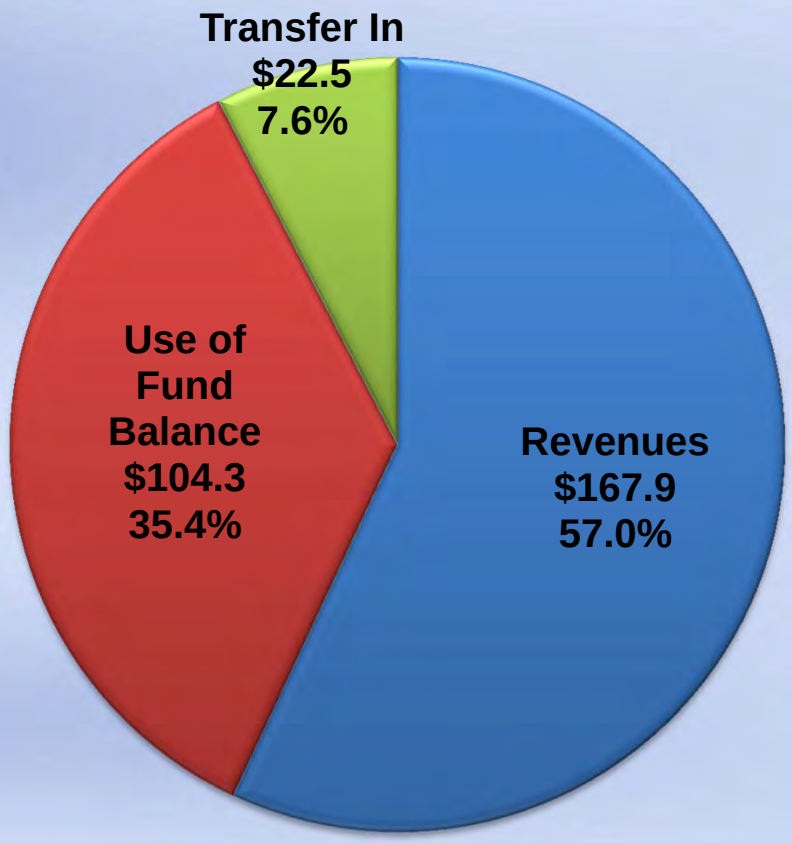
Amounts in millions

Return to TOC

Citywide Sources

Sources of Funds--$294.7 million

Operating Sources (Revenues + Transfers In) $190.4 million



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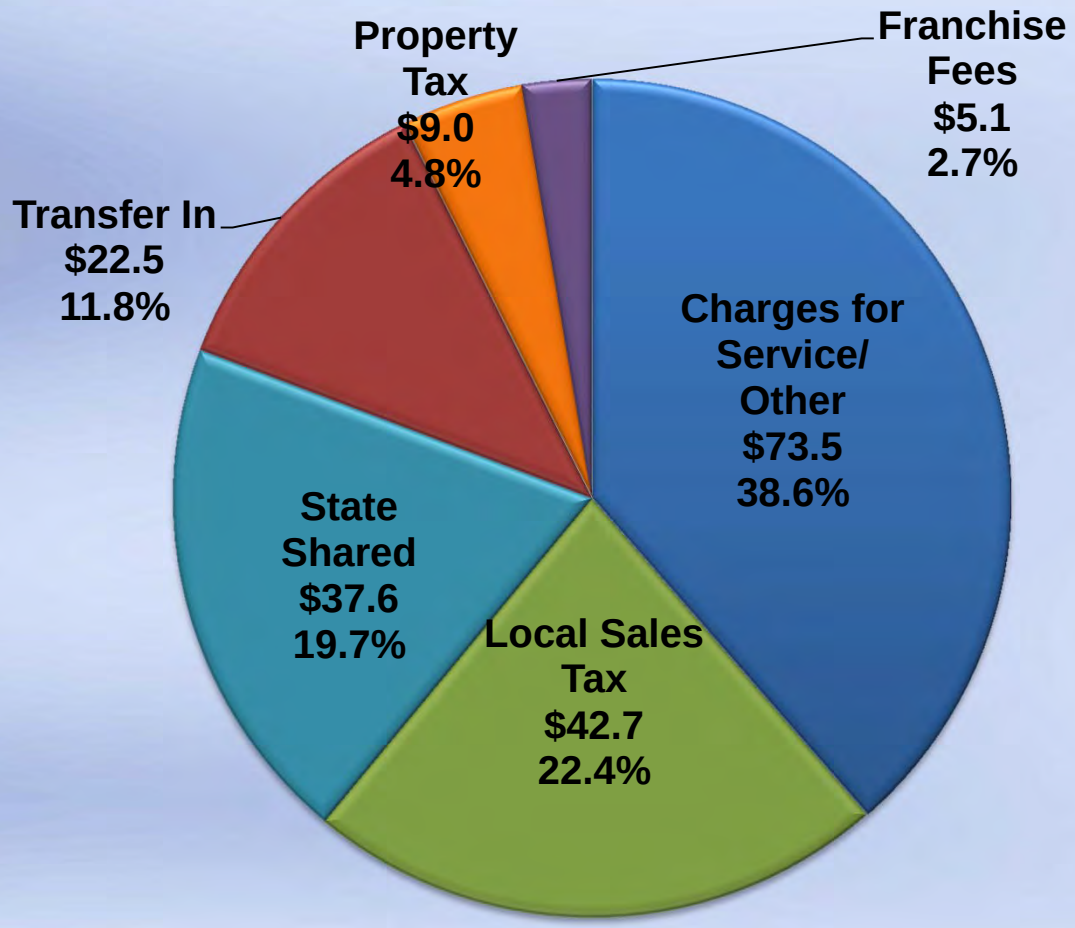
Citywide Operating Sources by Category

SURPRISE ARIZONA

Operating Sources--$190.4 million



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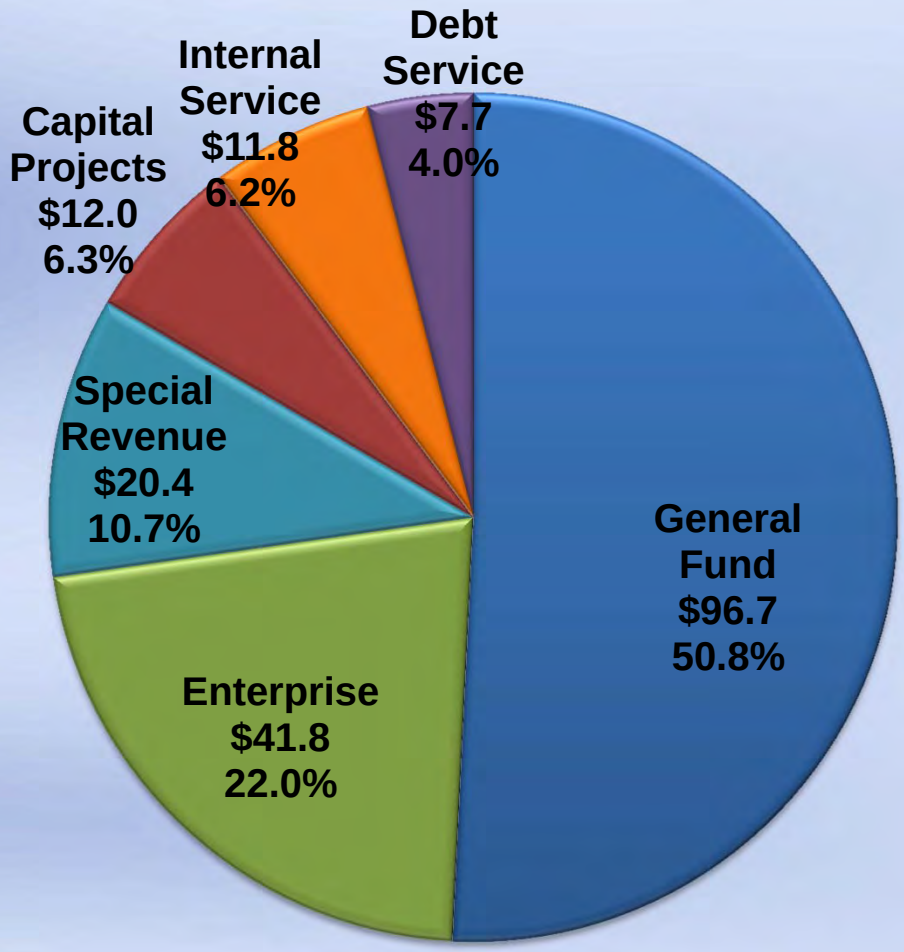
Citywide Revenues by Fund Type

SURPRISE ARIZONA

Operating Sources--$190.4 million



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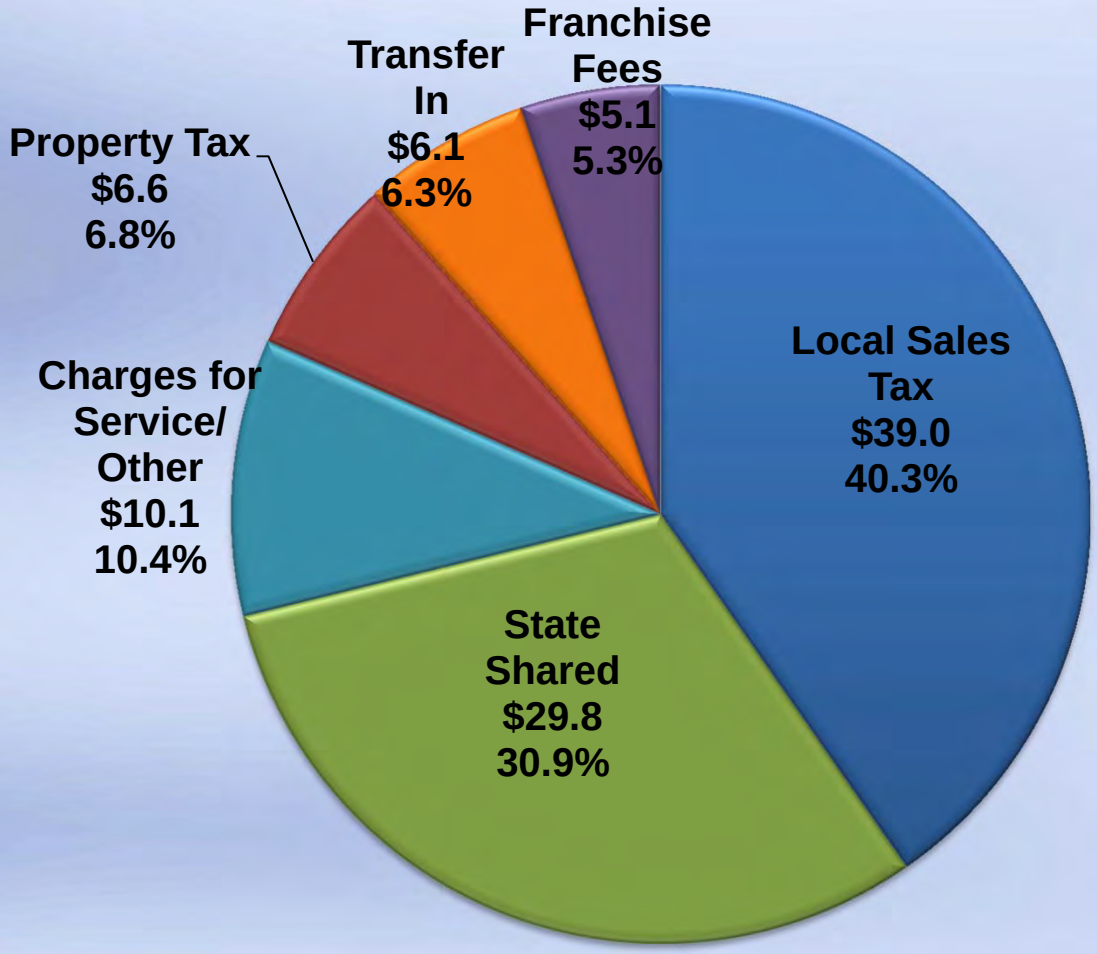
GF Operating Sources by Category

SURPRISE
ARIZONA

General Fund Sources--$96.7 million



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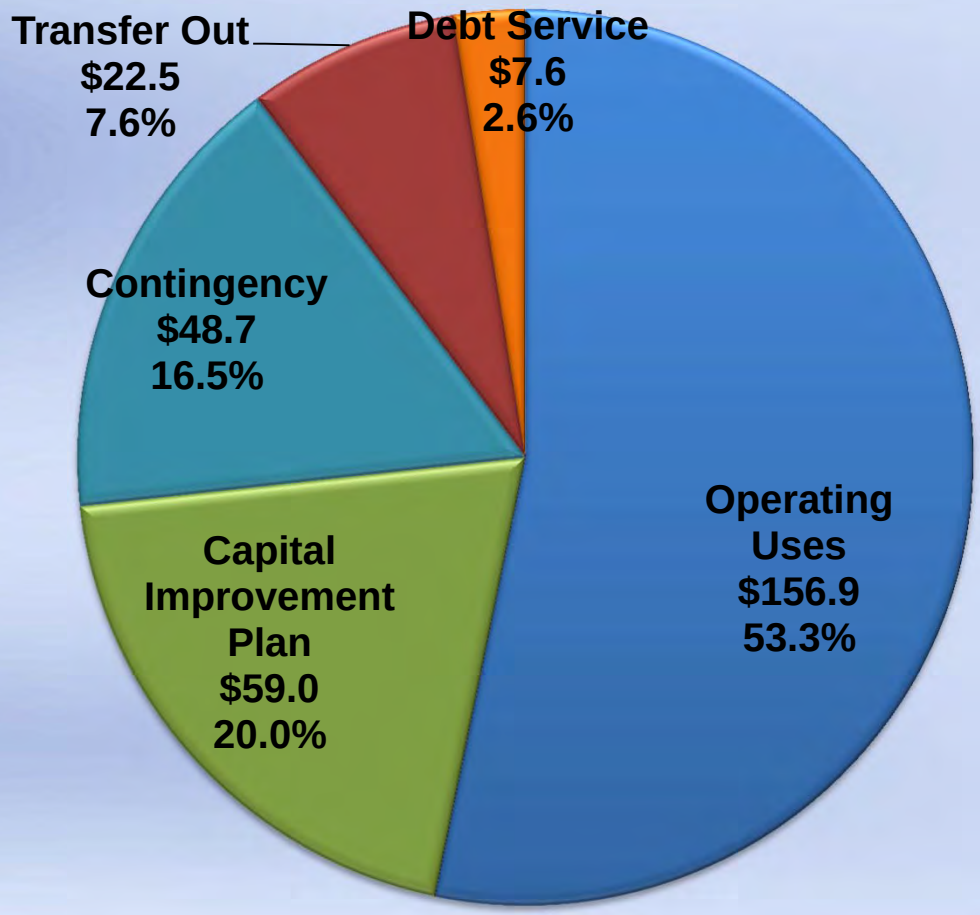
Citywide Uses

Uses of Funds--$294.7 million

Operating Uses + Transfer Out $179.4 million



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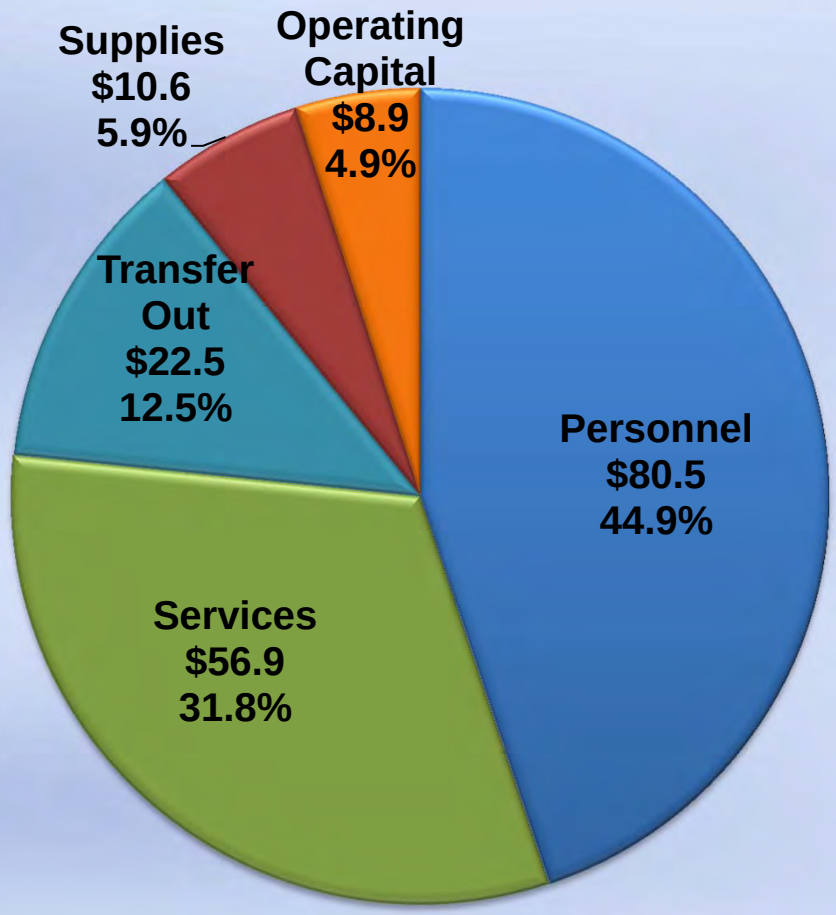
Citywide Operating Uses by Category

Operating Uses--$179.4 million



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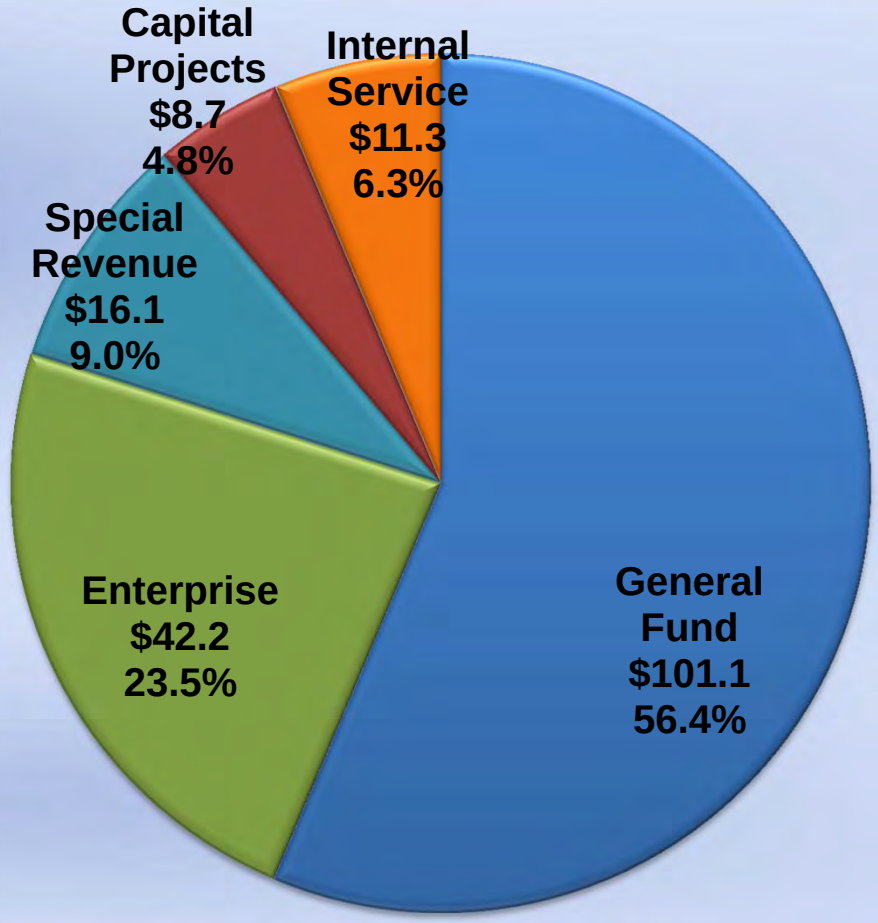
Citywide Operating Uses by Fund

Operating Uses--$179.4 million



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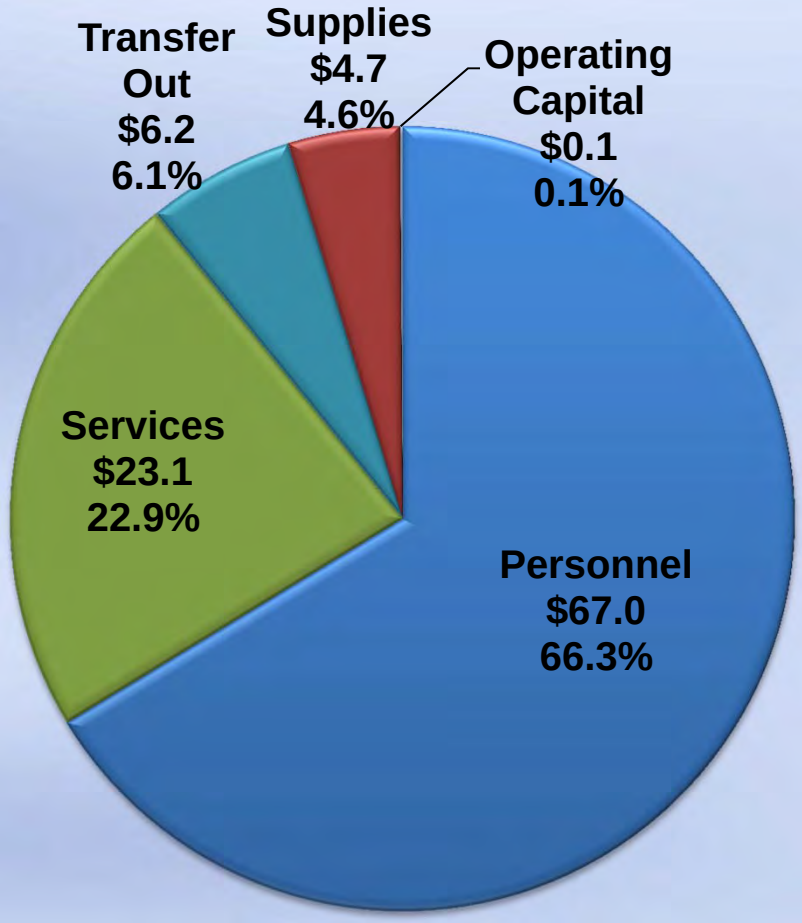
GF Operating Uses by Category

General Fund Uses--$101.1 million



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GF Operating Uses

General Fund Operating Use	Amount
Ongoing Uses	$ 95.4
Recommended Ongoing	1.3
Subtotal Ongoing Uses	96.7
Recommended One Time	0.3
IRIS Development Agreement	0.5
Asset Replacement	1.7
Vehicle Replacement	0.9
General Capital	1.0
General Fund Operating Uses Total	$101.1

Amounts in millions

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FY2016 General Fund Balance

		2016 Recommended
Beginning Balance	**$**	**27.4**
Operating Sources		96.7
Operating Uses		(101.1)
Mid-Decade Census		(1.8)
CIP Carryover		(0.2)
Economic Development Contingency		(1.0)
Grant Match Contingency		(0.1)
Unforeseen Contingency		(1.0)
Fund Balance Contingency		(1.9)
Ending Fund Balance	**$**	**17.0**

Amounts in millions

Return to TOC

FY2016 Highway User Revenue

- Sources
  - No negative impacts from State budget
- Uses
  - Pavement Preservation $874,600
    - $3.0 million total with Transportation Improvement Fund
  - Crack sealing material
  - Asphalt recycling equipment

Return to TOC

FY2016 Sanitation Operations

- Sources
  - No rate increase recommended
- Uses
  - Sanitation Manager position moved from the General Fund
  - Landfill fees and fuel
  - Vehicle and can replacement
  - Roll off truck, can delivery truck

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FY2016 Water Operations

- Sources
  - 8.25% rate increase per previous Council action
- Uses
  - Water Operator
  - Two Service Workers
  - Net of one position moved from Wastewater

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FY2016 Wastewater Operations

- Sources
  - No rate increase recommended
- Uses
  - Senior Wastewater Operator
  - Collections Supervisor
  - Wastewater Mechanic
  - Net of one position moved to Water

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FY2016 Capital Improvement Plan

Project	2016 Recommended
Utility Related	$ 19.6
Clubhouse Renovations	15.2
Public Works Yard	5.7
Transportation Related	3.8
Asset Replacement (Citywide)	3.6
Drainage Related	3.3
Enterprise Resource Planning System	2.0
Mid Decade Census	1.8
Other Projects	4.0
Total Capital Improvement Plan	**$ 59.0**

Amounts in millions

Return to TOC

FY2016 Capital Improvement Plan

- Enterprise Resource Planning System
  - Budget includes staff time to implement
    - Business Services Project Manager
    - Financial Management Analyst
  - Will need to be incorporated into General Fund

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FY2016 Debt Service

- Governmental Debt Service 2015 $3.2 million
  - Refinance of 2003, Clubhouse Renovation
- Proprietary Debt Service 2007 $3.6 million
  - South Plant Expansion
- Proprietary Debt Service 2015 $0.8 million
  - Refinance of 2003
- Total Debt Service Payments $7.6 million

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FY2016 Contingency

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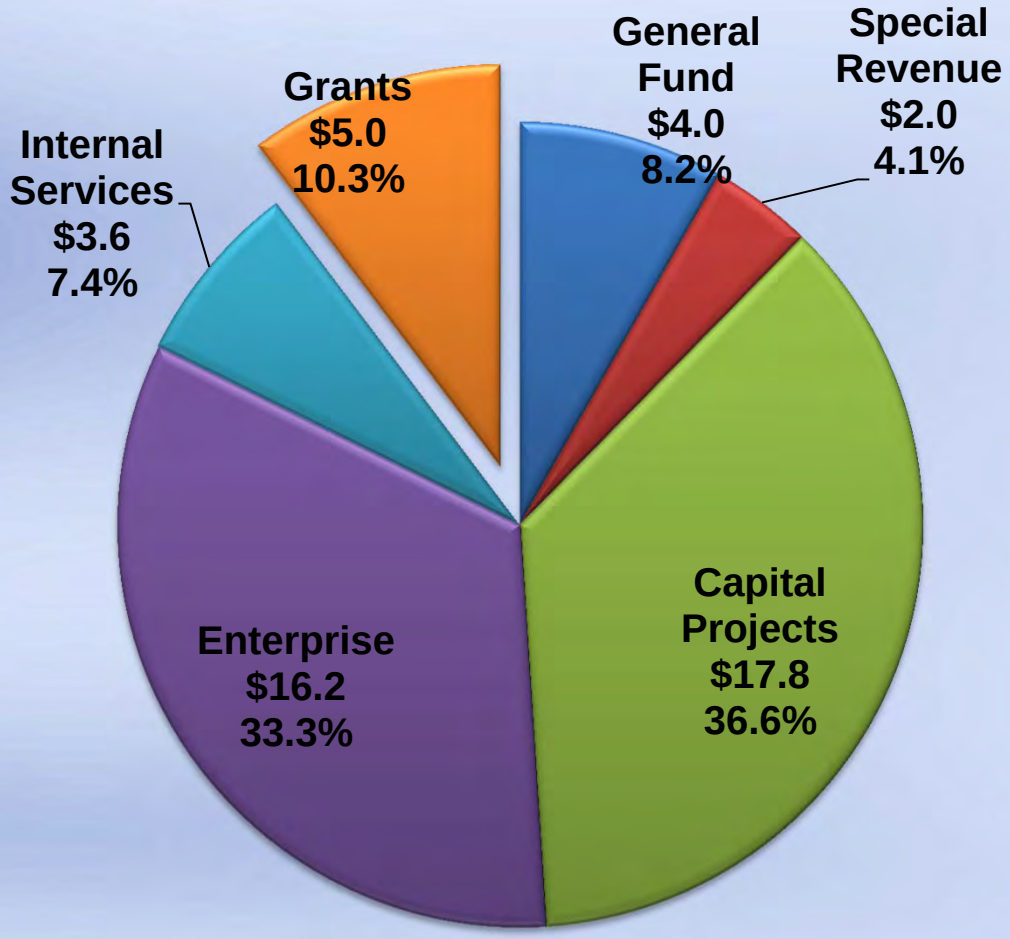
Contingency Total--$48.6 million



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FY2016 Reserves

Fund	2016 Recommended
General Fund	$ 17.0
Spring Training Ticket Surcharge	0.6
Tourism	0.0
General Capital	1.0
Transportation Improvement	0.5
Sanitation	0.9
Water	7.0
Wastewater	3.4
Employee Healthcare	0.8
Risk Management	0.3
Total Reserves	**$ 31.5**

Amounts in millions

Return to TOC

FY2016 Financial Policies

- Recommended changes
  - Include reserve for HURF in the General Fund
  - Debt service reserve in the Spring Training Ticket Surcharge fund
  - Change the Tourism Fund designation to 75% for baseball related items, 25% all other tourism items.
  - Post bond issuance compliance

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FY2016 Outstanding Revisions

- Update carry forward amounts
- Additional contingency
  - Potential bond election
- Layout change to state forms

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Budget Calendar

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Tentative Budget Adoption	May 5
Capital Impr. Funding Report	May19
Final Budget Adoption	June 2
Property Tax Levy Adoption	June 16

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Questions or Comments?

CITY OF SURPRISE, ARIZONA
FY2016 CITY MANAGER'S RECOMMENDED BUDGET
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SURPRISE
ARIZONA

April 21, 2015

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 Fiscal Year 2016 Recommended Budget for the City of Surprise. The recommended budget addresses critical needs and remains fiscally responsible. The budget focuses on shoring up operational areas in need; pursuing higher levels of maintenance and replacement of vehicles, equipment, and buildings; and continuing the service level increases and capital improvement plans outlined by the Mayor and Council over the last fiscal year. There are also recommendations to increase minimum fund balance reserves to help maintain a strong financial position. The result of balancing these important areas against the limited resources available is a recommendation for a $294.7 million budget.

In previous years, it was necessary to reduce staff and delay improvements and maintenance to rebuild fund balance reserves to the amounts outlined in the financial policies. With the fund balances back in line with reserve targets, the city now looks to evaluate the delivery of current services and add resources in areas of need. The recommended budget includes six new positions for public safety, six for utility operations, and six in other general governmental areas including communications, facilities, information technology, finance, and the senior center. These were determined to be the most critical areas of need for the upcoming fiscal year.

As the city ages, allocating resources to maintaining, preserving, or replacing facilities, vehicles, and equipment becomes more important. The maintenance, preservation, or replacement will help the city to continue to provide services. The recommended budget increases funding for maintaining the city's communications, facility, information technology, and recreation infrastructure to a total of $1.7 million. Replacement of the financial, human resource, and permitting software with an Enterprise Resource Planning System is also included. This system will replace outdated software with a consolidated platform. Funding for pavement preservation is also increased to $3.0 million. The allocations of these resources are seen as a first step in planning for the continued maintenance of the city's assets.

The city will continue to maintain its commitment to residents by providing quality transportation options to and from downtown Phoenix with the continuation of express route 571. The mid-year increase in service for dial-a-ride is fully funded as well. Under an agreement with Maricopa County, the city will fund the full cost for the operations of the Surprise Regional Library. Residents will continue to get the level of service they have come to expect in each of these areas.

The recommended budget includes funding for the capital improvement plan in the amount of $59.0 million. Among the projects are the completion of the Surprise Farms and Veramonte Parks, the north public works yard, and the clubhouse expansion project. Additionally, there is nearly $20 million of utility related projects and over $7 million of transportation and drainage projects.

It is also recommended that four revisions are made to the financial policies. Two will increase the minimum fund balance reserves in the General Fund and Spring Training Ticket Surcharge fund. This will further strengthen the city's financial position.

With help from staff in each department and direction from you, Mayor and Council, I submit to you the recommended budget. I look forward to continue working with you to complete the City of Surprise's FY2016 budget.

Sincerely,

Bob Wingenroth
City Manager

MAYOR AND CITY COUNCIL MEMBERS

MAYOR SHARON WOLCOTT – Mayor@surpriseaz.gov

Mayor Sharon Wolcott was elected into office in November 2011 on a platform that called for creating more jobs, providing new educational 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.

As Mayor, she has promised to reach out to the community with regular town hall meetings in neighborhoods across Surprise. Mayor Wolcott 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.

Mayor Wolcott first visited Surprise in 2003. Her first opportunity to serve the City 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 Surprise, Mayor Wolcott lived in Minnesota and served as a state legislator in both the Minnesota House of Representatives and Senate. She also served on the City Council in Newport, Minnesota.

The mayor's term expires in December 2016.

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

John Williams was elected to the City Council from District 3 (Mesquite) in November 2007 and elected Vice Mayor by the City Council on January 6, 2015. 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 Masters 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.

John is a certified teacher and for the last several years has been building the Peoria Unified School District's Career and Technical Education Sports Medicine program. He has been selected by his peers to be the program lead.

John and Melissa have three children, Connor, Ashlyn, and Matthew. Melissa and John are animal lovers and have opened their home to numerous animals in need including Blaze, the three-legged cocker spaniel whose life was extended for 8 years after they took him into their home in 1999.

"I want to give my kids, our kids, the opportunity to be part of a community of connection and opportunity. 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."

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SKIP HALL – Skip.Hall@surpriseaz.gov

Skip Hall was elected to the City Council in an April 2008 special election in District 6 (Palo Verde) and re-elected to office in 2009 to a full term. Redistricting placed Skip in the newly-configured District 5, and on August 27, 2013, he was elected to the District 5 seat. He was sworn in on January 1, 2014 to a four-year term.

Skip served as Vice Mayor in 2011 and 2014. He has been part of the united Council effort that helped pull Surprise back to fiscal health in the last two years, generating a budget surplus and placing the City's fiscal house in order.

Skip's goals for the city include a 100-year water plan, working with transportation partners to expand east-west connections, developing a local circulator, expanding youth involvement in the community, and attracting new businesses to Surprise.

Skip currently serves on the Mayor's Business Roundtable Committee, the Form Based Code Sub-committee, and chairs the Water Sub-Committee. Skip also volunteers his time with the St. Mary's Food Bank at the Surprise location.

Skip is active with the City's Tourism Commission and in promoting the City to local, regional and national organizations. He is active with the Chamber of Commerce and the AZ TechCelerator to promote business growth.

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

Skip has two daughters, a son and five grandchildren.

ROLAND WINTERS – Roland.Winters@surpriseaz.gov

Roland F. Winters Jr. was elected in the newly-configured District 1 (Acacia) on August 27, 2013 and will serve a four-year term, which began January 1, 2014.

Born and educated through high school in New Jersey, Roland earned a degree in Business Administration and Pre Law at Fullerton College in Fullerton, CA. He earned a BA degree in Marketing Management from the University of California.

He worked thirty-five years at Hughes Air Craft Company in Fullerton, Ca. and also owned and operated a photo studio in Fullerton and Placentia, CA. He served on the State Board of Directors for Californians for Disability Rights (CDR).

Roland and his wife Carroll have been married 44 years. They moved with their adult daughter to Surprise in 2008. He was appointed to the Surprise Disability Advisory Commission by the City Council and served 3 years.

In 2011, he was elected to the Board of Directors of his HOA in 2011 and in 2013 elected Vice president by his peers.

JIM BIUNDO – Jim.Biundo@surpriseaz.gov

Jim Biundo was first appointed to the City Council's District 1 on June 14, 2011, and he served as Vice Mayor in 2013. Redistricting places Jim within the new District 2 boundaries and on January 28, 2014 he was elected to the District 2 seat. 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 and 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 Council member 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 forty 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.

RACHEL VILLANUEVA – Rachel.Villanueva@surpriseaz.gov

The Surprise City Council unanimously voted to appoint Rachel Villanueva as the District 4 City Council member on August 20, 2013. Rachel fills the seat left vacant by the death of her husband, City Council member and former Mayor Roy Villanueva.

Rachel has lived in Surprise for 37 years in the Original Town Site (OTS) and is retired following a 30-year career with Honeywell.

Rachel currently serves on the OTS Revitalization Committee and for 10 years served on the Dysart Unified School District Board.

Rachel was instrumental in creating the Fiestas Patrias at Gaines Park, a long-running festival recognizing Mexican Independence Day formally held in the Old Town Site.

"I am honored to carry on the legacy of Roy and will work hard to represent my constituents," said Villanueva. "I plan to continue efforts to revitalize and preserve the history of the OTS and work with this Council for the betterment of the entire City of Surprise."

The term expiration for this appointment is December 31, 2016.

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TODD TANDE – Todd.Tande@surpriseaz.gov

Todd Tande was elected in the newly-configured District 6 (Palo Verde) on August 27, 2013 to a four-year term beginning January 1, 2014.

Todd is a local realtor and a business owner of Education Connection Solutions, LLC. He received his Bachelor of Science degree in Management and his MBA from California State Polytechnic University, Pomona. Todd's career in the private sector includes many years in the theme park and defense industries.

Todd also has experience in public service in California and Indiana. He served as Chief Financial Officer for Indianapolis-Marion County DPS until he joined Indiana State Government as Deputy Director for the Department of Natural Resources. Todd also served in the Indiana State Capitol a Finance Director responsible for Statewide Finances.

Todd and his wife Blossom have been married since 1980 and they have two children and one grandchild who call Surprise home. Todd's parents, Paul and Lois Tande, live in Sun City Grand - making it four generations of Tande's in Surprise.

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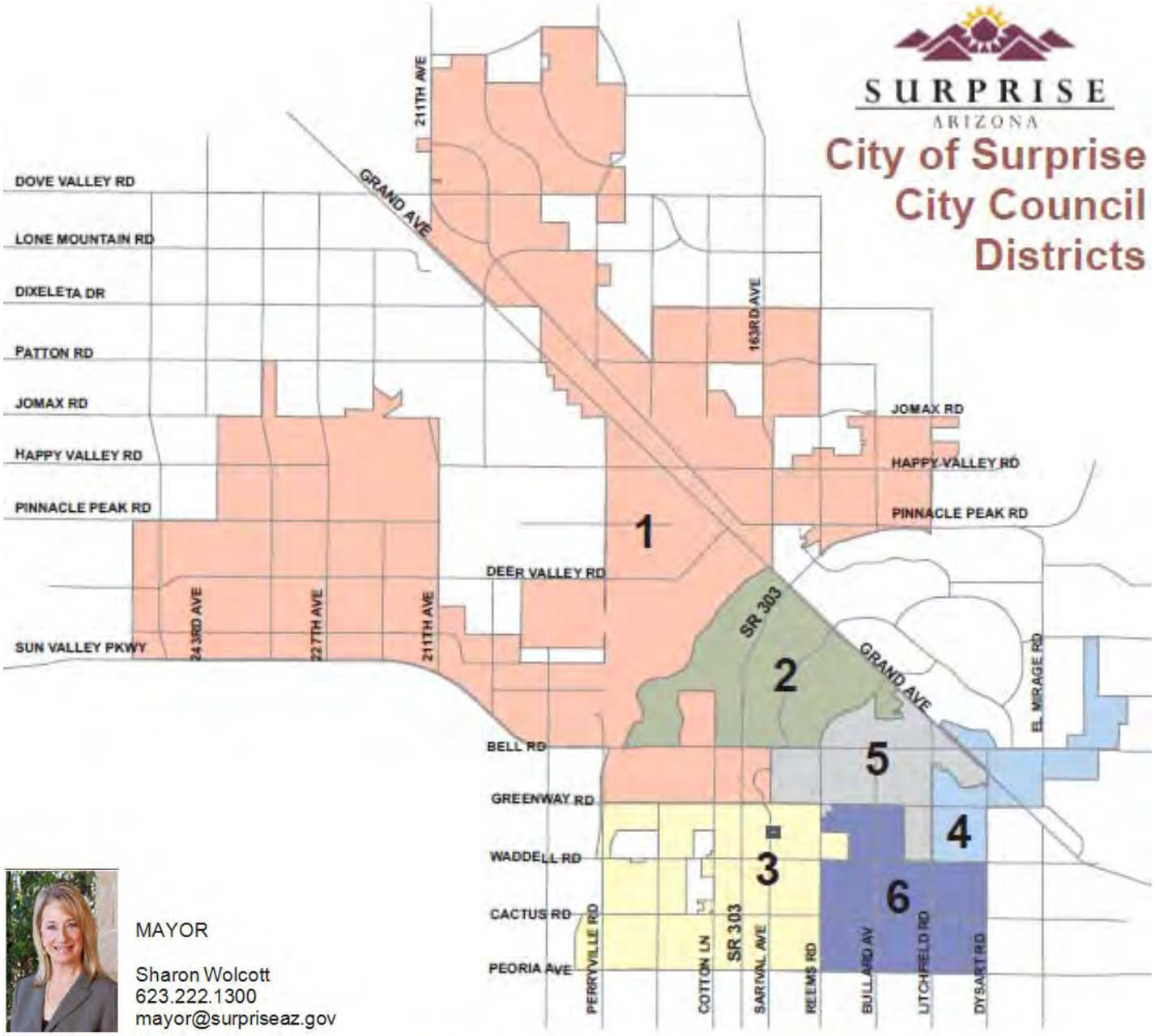
CITY OF SURPRISE, AZ
City Council District Map



MAYOR

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DISTRICT 3

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DISTRICT 4

Rachel Villanueva
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DISTRICT 5

Skip Hall
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DISTRICT 6

Todd Tande
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CITY COUNCIL STRATEGIC PLAN

The Strategic Plan establishes seven elements to guide policy and financial decision making, shape partnerships, and involve the residents of Surprise in building our future based on a shared vision of the community's future.

Vision Statement

"Develop a high standard of community life through shared vision, superior service, and sustainable practices."

Transportation

Develop an efficient, cost effective, multi-modal transportation system that provides connectivity to the region, ease of movement into, within, and out of Surprise, and supports a high standard of community life.

1. Improve access to and from Surprise, specifically east/west connections.
2. Improve internal circulation by completing the arterial network in the city.
3. Develop a robust multimodal transit plan that provides for transit connectivity to the region.
4. Provide local public transit service in Surprise.
5. Institute comprehensive Intelligent Transportation Systems (ITS) in the city.
6. Develop and institute a plan to maintain the city's streets and roads.
7. Identify funding sources for the transportation system.
8. Develop and maintain a balanced transportation system for alternative modes of travel.

Economic Development

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

1. Promote Surprise as a location for clean industry, high-tech manufacturing, and corporate offices.
2. Continue hands-on approach with small business start-ups and retention/expansion opportunities.
3. Partner with Regional Chamber of Commerce to promote jobs.
4. Investigate opportunities to attract family-oriented entertainment venues.
5. Attract specialty medical and/or research clinics.
6. Assist property owners with development of Surprise Center.
7. Implement and market foreign trade zone.
8. Identify and secure additional funding methods for economic development.

Sustainability

Provide a vibrant and sustainable community for a green Surprise today and tomorrow.

1. Reduce total energy usage in city owned facilities, i.e. city hall, stadium.
2. Make good use of our physical resources and ensure proper disposal of those resources.
3. Respect nature by protecting critical wildlife corridors.
4. Ensure sufficient water resources for current and future needs.
5. Protect the air quality in Surprise.

Community Lifestyle

Enhance community lifestyle for the current and the future residents of Surprise.

1. Enhance the beauty of neighborhoods throughout our community.
2. Maintain Surprise as a safe community.
3. Continue to promote quality neighborhoods in design and amenities and smart, controlled growth.
4. Encourage community connectivity when considering development.

CITY COUNCIL STRATEGIC PLAN

Tourism

Infuse tourism dollars into Surprise's economy by diversifying the events, programs, and partnerships offered that make Surprise an attractive destination for a wide variety of interests.

1. Lay the groundwork for creating a multi-use facility that will draw entertainment and tourism.
2. Develop an annual festival framework.
3. Develop a regional entertainment corridor.
4. Create partnerships that offer visitors a wide range of non-baseball activities.

Education

Strive to develop world class education in Surprise by seeking and enhancing educational opportunities that support initiatives, programs, projects, and lifelong learning opportunities throughout the community.

1. Support K-12 initiatives.
2. Expand partnerships and maximize resources for greater access to education.
3. Facilitate development of a 4-year liberal arts college campus.
4. Facilitate development of a technical college.

Public Safety

Public safety departments will work cooperatively with the community to provide a safe and secure city.

1. Mitigate crime and accidents by enhancing community awareness of public safety systems and partnering with other fire and crime prevention programs.
2. Provide public safety workers with the tools and training necessary to meet community public safety needs.
3. Ensure timely and appropriate response.
4. Provide extraordinary internal and external customer service.
5. Ensure fiscal responsibility in all public safety efforts.

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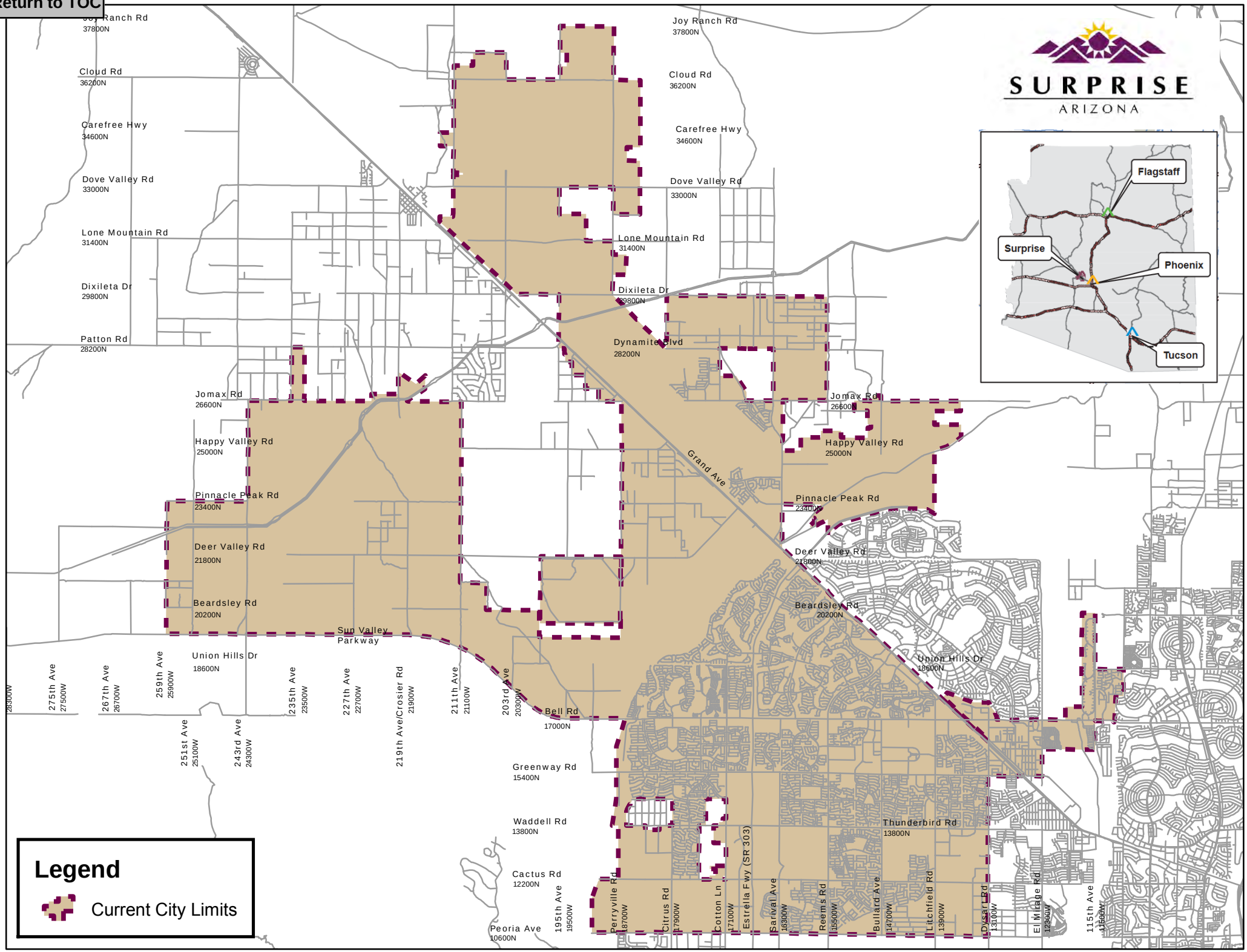

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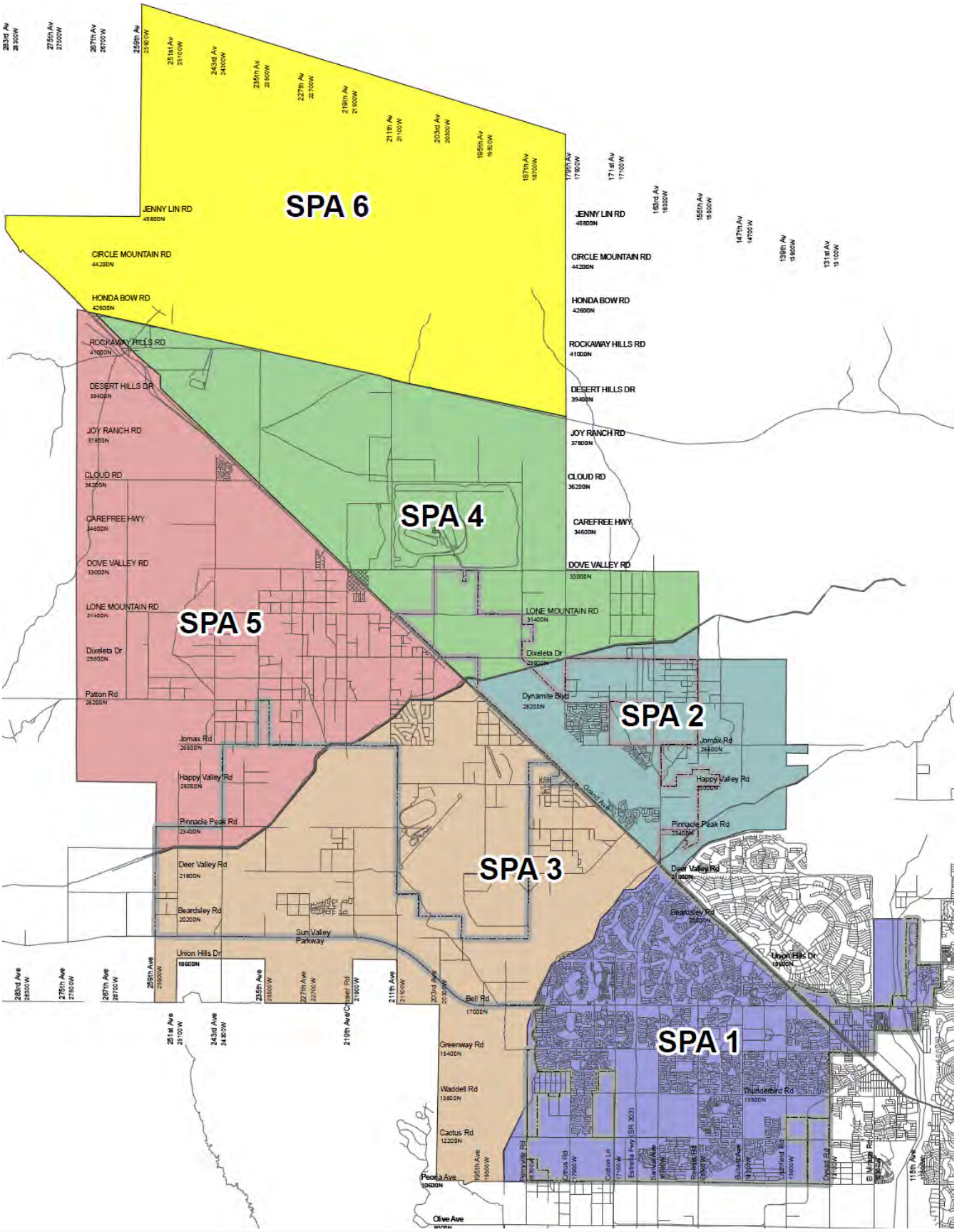

HISTORY OF SURPRISE

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.

Year	End of the Year Population	Percentage Change
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%
2012	119,530	1%
2013	121,629	2%
2014	123,797	2%

Over the past 52 years, Surprise has grown from 500 residents to a city of over 123,000 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.

Besides year-round sunshine and new, clean, safe neighborhoods, bustling Surprise offers excellent opportunities to share a great southwestern lifestyle. Check out awesome White Tank Mountain Regional Park, with ancient petroglyphs and hiking to a seasonal waterfall, or camping under twinkling desert stars. Enjoy Spring Training in Surprise, when major leaguers from 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 two 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 including a fabulous 4th July fireworks display and a December community-wide Surprise Party.

Health and education are top priorities. Medical services are provided at nearby Banner Hospitals and several urgent care centers. Kindergarten through twelfth grade schools are run by the rapidly growing Dysart Unified School District and a number of charter schools. Rio Salado Community College and the Communiversity at Surprise offer collegiate classes in the city. According to the U.S. Census Bureau, 2013 American Community Survey:

- 92.8% of people 25 years and over had at least graduated from high school and 28.8% had a bachelor's degree or higher.
- Total school enrollment in Surprise was 31,474
    - Nursery school and kindergarten enrollment was 4,231
    - Elementary or high school enrollment was 21,147 children
    - College or graduate school enrollment was 6,096

Surprise residents are employed in a variety of occupations including management, professional, and related occupations 32%; sales and office occupations 27%; service occupations 23%, natural resources, construction, and maintenance occupations 9%; and production transportation, and material moving occupations 9% (U.S. Census Bureau, 2013 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

Vision Statement

Develop a high standard of community life through shared vision, superior service, and sustainable practices.

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%
2010	117,517	33%	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	22%
2010	$60,687	12%

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%
2010	36.8	4%

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
2010	107
2011	107
2012	108
2013	108
2014	108
2015	108

Source: City of Surprise

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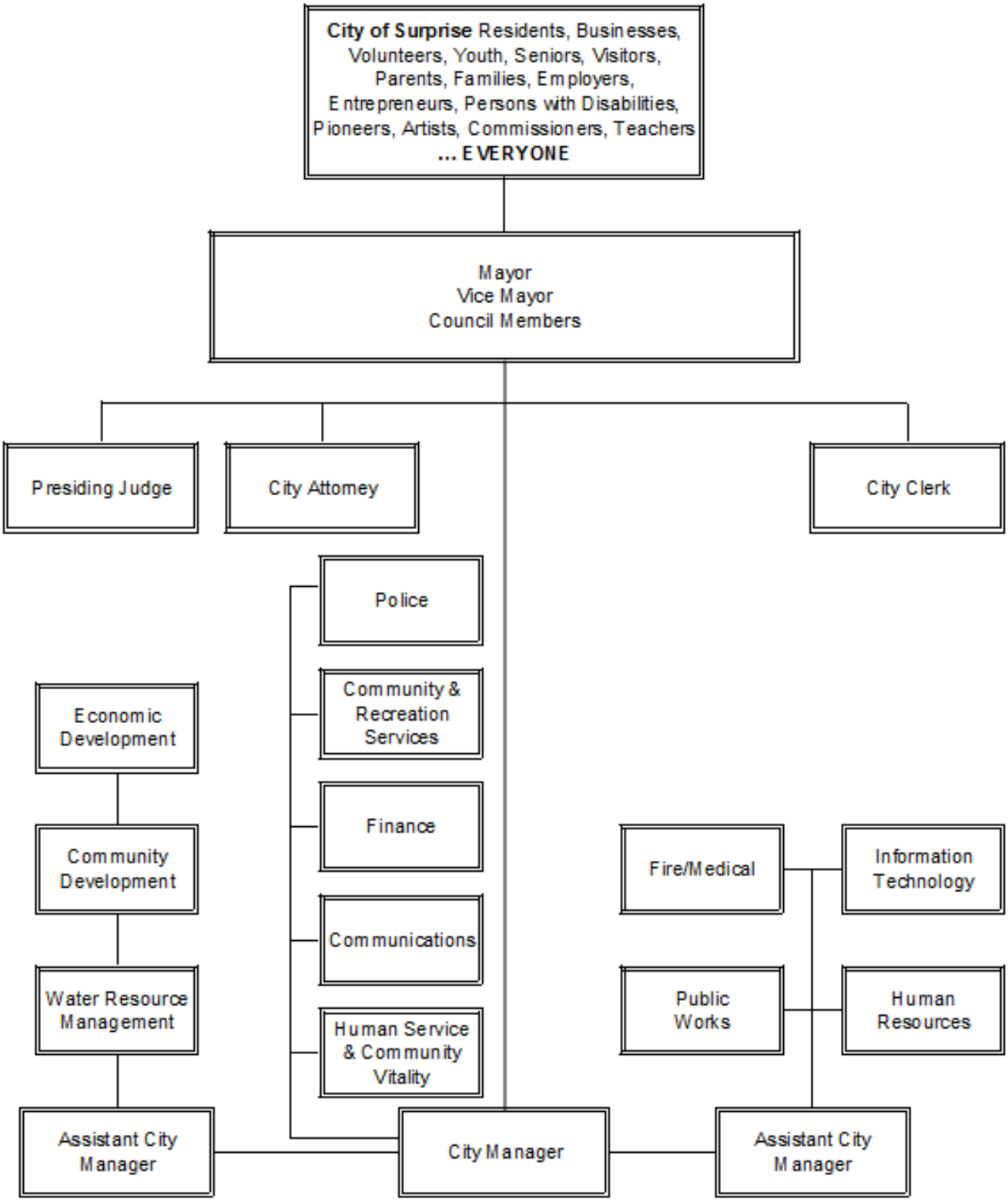


BUDGET SUMMARY

Why have we prepared a budget?

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 city budget is adopted by department within the general fund, by project in the capital funds, and by fund in total for all other funds. In addition, the full time equivalent (FTE) position count is adopted by department within the general fund and by fund in total for all other funds. Changes to the budget that are deemed reasonable and necessary are made through the budget amendment process.

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 FY2016 recommended expenditure budget is $272,130,400. Including transfers of $22,533,800, the total uses for FY2016 is recommended to be $294,664,200. The state forms provided by the Auditor General have been reproduced in the appendix of this document. The state budget forms include consolidated revenues and expenditures by department and fund, primary and secondary property tax levy information, and full time equivalent (FTEs) employees and personnel cost by fund.

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 amendments. During the fiscal year, amendment requests are submitted to the finance department for preparation and processing. Changes can be made pursuant to the policy only if funds are unencumbered and available. The full 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.

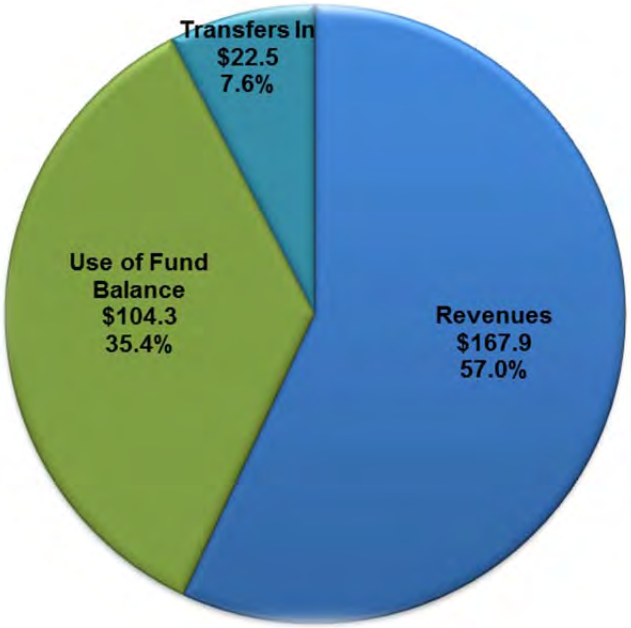
Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. All purchases of capital assets are expensed when purchased; as a result, depreciation is not considered for the budget. Payments for debt service, including principal amounts, are recognized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

Sources of Funds

For FY2016, the city has identified sources of funding in the amount of $294.7 million to be allocated to its budgeted uses. These fall into three main categories: operating sources (ongoing and one time), fund balances, and borrowing.



Operating sources are generated by a variety of activities and are expected to total $190.4 million or 64.6% of total sources in FY2016. Such activities include, but are not limited to, revenues such as local sales tax, state shared revenue, charges for services, property taxes, franchise fees, and development fees as well as transfers in from other funds. Of the operating sources, revenues are expected to make up 88% or $167.9 million, and transfers in from other funds will be 12% or $22.5 million.

Operating sources are categorized as ongoing if they are expected to continue for the foreseeable future, such as local sales tax, and one time if they are expected to only occur for a short period of time, like grant funding. The recommended budget limits the use of one time sources for ongoing uses, such as permanent staffing costs, to avoid potential service reductions when one time sources expire. One time sources are projected to be $9.3 million, or 6% of operating sources and ongoing sources are projected to be $158.5 million, or 94% of operating sources.

Fund Balances, for the purpose of the recommended budget**,** are fund balance or net position amounts excluding items that are 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).

Revenues – Expenditures = Fund Balance

For FY2016, the estimated beginning fund balance is $134.2 million. The recommended budget includes the use of $104.3 million of this fund balance. This represents 35.4% of total uses. Of the use of fund balance amount, $43.6 million is held in contingency that is not identified for a specific use, and can only be used with the approval of the Mayor and Council.

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 minimum fund balance policies. For FY2016, the amount reserved by minimum fund balance policies is $31.5 million. The full list of financial policies can be found in the appendix.

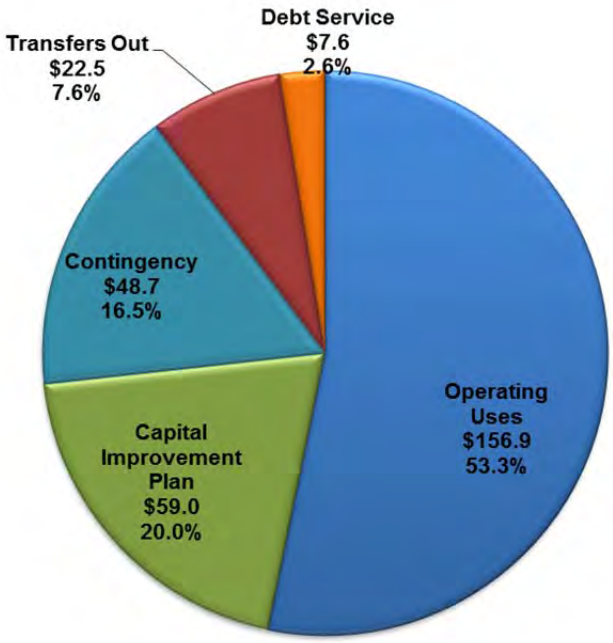
The General Fund has a recommended use of fund balance of $10.4 million, $4.0 million to back contingency amounts. The remaining $6.4 will be used for increased asset ($1.7M) and vehicle replacement ($0.9M), a mid-decade census ($1.8M), transfer to capital projects ($1.0M), an economic development incentive ($0.5M), the Jerry Street drainage project ($0.2M), and various smaller one time outlays ($0.3M).

Two funds are expected to have negative fund balances at the end of FY2016. The Street Light Improvement Districts are expected to have a balance of ($7,300) due to a number of districts being capped at their levy maximum for FY2016. The Stadium Improvements fund is expected to have a balance of ($1.6) million. This negative balance is due to an agreement restricting the recognition of revenue over a period of fiscal years. Fund balances by fund are listed on the FY2016 Fund Balance Summary found later in this section.

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 (MPC). The city has no financial liability for their debt, so it is not included in the debt limit calculation. After refinancing the 2007 MPC bonds, scheduling to do the same with the 2003 MPC, and planning an additional $15.0M issue within the MPC in FY2015, the city does not plan on doing any additional borrowing in FY2016.

Uses of Funds

The FY2016 recommended budget includes a total of $294.7 million in identified uses. These fall into four main categories: operating uses, capital improvement plan, debt service, and contingency.



Operating uses include operating expenses such as personnel, supplies, service, and operating capital costs as well as transfers out. For FY2016, operating uses total $179.4 million, 60.9% of total uses, with $156.9 million in expenses and $22.5 million in transfers out. Operating uses are categorized into ongoing and one time. Ongoing uses are defined as expenditures that regularly occur year-over-year, such as most staffing costs. One time uses are expenditures that will only incur in the given budget year, such as capital projects. It is important to allocate one time sources to one time uses. Of the total of operating uses, $155.5 million are ongoing and $23.9 million are one time.

Capital improvement plan (CIP) is projected to be $59.0 million, 20.0% of total uses for FY2016. The capital improvement plan includes projects designed to enhance and improve existing city assets or create new structures and amenities.

Debt service includes principal and interest payments for outstanding debt, and is budgeted at $7.6 million, 2.6% of the FY2015 total uses. The total outstanding principal is $79.2 million with payments scheduled through FY2033.

Budgeted expenditures that are set aside for future fiscal years or unforeseen uses are labeled **contingency**. The financial policy states, “All use of budgetary contingency accounts must be approved by City Council prior to being expended.” Contingency monies are not intended to be spent and represent budget authority that may be approved for use by the City Council. For FY2016, contingencies total $48.7 million or 16.5% of total uses. Contingency amounts by fund are listed on the FY2016 Fund Balance Summary found later in this section.

Expenditure limitation laws are state imposed upon Arizona cities and towns. The Arizona Economic Estimates Commission (EEC) uses the expenditure of local revenues as reported by the city in FY1980 to calculate the base. The EEC uses this base, adjusted by a standard inflation and the population growth of the city, to calculate the expenditure limitation.

If the calculated limit appears to be correct but does not allow for the expenditure of sufficient funds to meet local needs, then state law provides the following five options:

1. Local Home Rule (Alternative Expenditure) Limitation
2. Permanent Base Adjustment
3. Capital Projects Accumulation Fund
4. One-time Override
5. Emergency Override

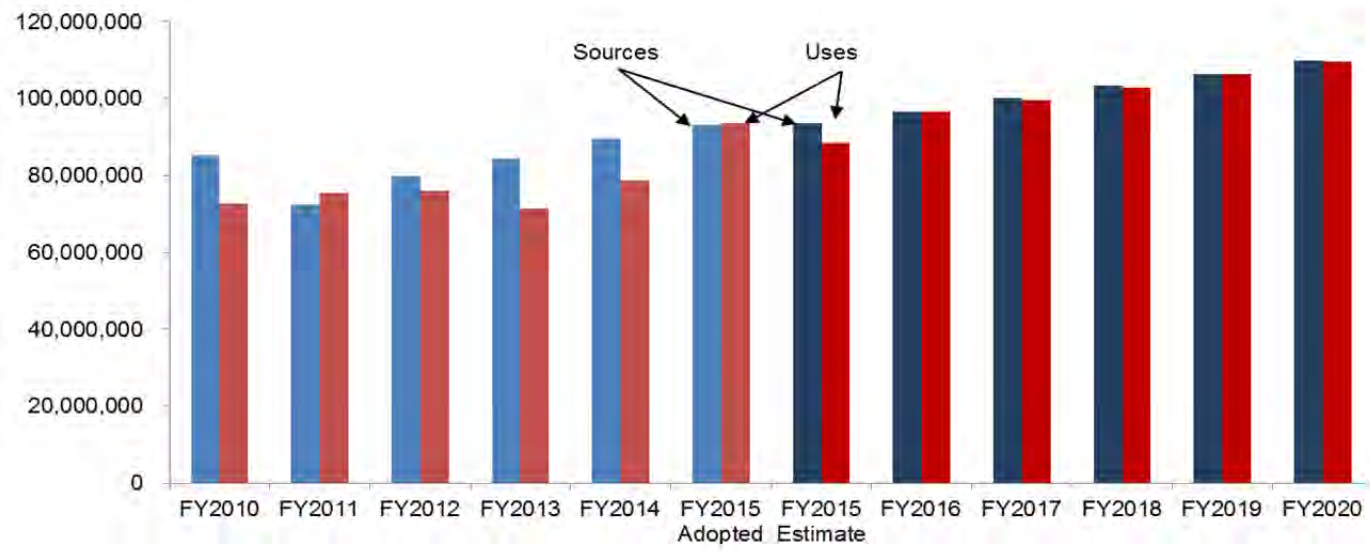
The voters of the city of Surprise in 1987, 1991, 1995, 1999, and 2003 approved an alternative expenditure limitation (Local Home Rule Limitation option). Under this option, the city may adopt its own alternative expenditure limitation (subject to specific procedures) if a majority of the qualified electors votes in favor of the adjustment. This option is effective for four years and requires the city to repeat the procedure with Auditor General review, public notice, and election every four years.

In November 2006, voters approved a Permanent Base Adjustment by 73.22% under option two. This option allows the city to permanently adjust the base when a majority of qualified electors vote in favor of the adjustment. The approved adjustment to the base is then used in calculating the new limitation (taking into account inflation and population) beginning the fiscal year immediately following approval and every year thereafter until a new base is adopted.

The permanent base adjustment increased the base from $474,998 to $9,000,000 effective for FY2008. This figure is adjusted by inflation and population for every subsequent year. The city's FY2016 expenditure limitation is $954,049,200; while the budgeted expenditures subject to the limitation are $272,130,400.

Sources and Uses Compared (General Fund)

The city's long range planning for the general fund shows revenues and expenditures are moving along the same path. For sources, the forecast for the remaining periods are based on a variety of data points such as sale tax collections, state shared revenue projections, charges for services, etc. The revenue information is summarized and detailed in the Revenue section of this report. For uses, the forecast utilized projected inflationary rates, potential staff adds, retirement increases, etc. This information is summarized in the Expenses section of this report.



Financial Policies

The Mayor and City Council unanimously re-affirmed the financial policies. Comprehensive financial policies are an important element of a solid financial structure and long-term financial planning. These polices are reviewed and updated annually. The policies cover the following five areas:

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

For FY2016, finance staff is recommending the following edits to the financial policies:

- Revise Minimum Fund Balance Policy 42a to include the adopted personnel, supplies, and services budgets of the Highway User Revenue Fund (HURF) in the calculation of the General Fund reserve requirement.
- Add a Minimum Reserve Fund Balance for the Spring Training Ticket Surcharge fund in the amount of one year of debt service payments that will be borne by that fund.
- Revise Operating Management Policy 12 to change the Tourism Fund designation from 60% special events, 40% marketing, planning, and capital to 75% for baseball related items, 25% all other tourism items.
- Adding to the Debt Management Policies an item related to post bond issuance compliance to be in agreement with the Securities Exchange Act of 1934. This policy is a best practices list for municipalities issuing new debt.

The complete list of all 48 current financial policies is included in the appendix of this document. Staff will return for action on these policies prior to the beginning of FY2016.

FY2016 Budget Process[1]

The budget is monitored year-round and various informal FY2016 budget meetings and work session presentations to Mayor and City Council members are held through-out the year. A meeting was held on November 5, 2014 with all department directors and 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 budget change requests, update of existing capital projects, and input of new capital projects.

All budget inputs were due by December 19, 2014, at which time the budget database was closed. January 12, 2015 to February 06, 2015, finance department budget staff met with departments to review and discuss major budget changes. From February 7th to April 10th, the budget staff reviewed the base budgets, budget change requests, capital projects, and available resources with the City Manager's Office. The City Manager will deliver the recommended budget to the Mayor and City Council on April 21, 2015.

The City Manager's recommended budget will be presented to the Mayor and City Council for review and discussion on April 21st, May 5th and May 26th with possible additional time reserved for explanations and clarifications. During the work sessions, city staff will present the recommended budget and will be available to address questions from the Mayor and City Council.

The tentative budget is scheduled to be presented to the Mayor and City Council for adoption at a regular City Council meeting on May 5, 2015. Following adoption, the tentative budget will be published for two consecutive weeks in the local paper. A public hearing will be held on the budget, after which the Mayor and City Council will vote on the final budget adoption on June 2, 2015. Budget adoption will adhere to all statutory hearings, publications, and requirements. The property tax will be levied on June 16, 2015, fourteen days after the final budget adoption.

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

[1] The budget process will not be complete at the time of publication, and, therefore, the dates presented in this section are subject to change.

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.

On March 26, 2013, the Surprise City Council unanimously approved a revised Strategic Plan that includes two new elements and more specific goals and strategies. The Strategic Plan Committee, comprised of Mayor Sharon Wolcott, Vice Mayor Jim Biundo and Councilmember John Williams, went to work in 2013 to identify more detailed, specific goals within each of the priorities to further guide the city moving forward. Among the most notable changes are the addition of two priorities- Public Safety and Community Lifestyle. They join Economic Development, Transportation, Sustainability, Tourism and Education.

The revised 2013 City Council Strategic Plan contains priorities organized in seven focus areas:

1. **Transportation:** Develop an efficient, cost effective, multi-modal transportation system that provides connectivity to the region, ease of movement into, within, and out of Surprise, and supports a high standard of community life.
2. **Economic Development:** Create a robust business environment that attracts employment, wealth, capital investment, and enhanced opportunities for investors and residents.
3. **Community Lifestyle:** Enhance community lifestyle for the current and the future residents of Surprise.
4. **Sustainability:** Provide a vibrant and sustainable community for a green Surprise today and tomorrow.
5. **Tourism:** Infuse tourism dollars into Surprise's economy by diversifying the events, programs, and partnerships offered that make Surprise an attractive destination for a wide variety of interests.
6. **Education:** Strive to develop world class education in Surprise by seeking and enhancing educational opportunities that support initiatives, programs, projects, and lifelong learning opportunities throughout the community.
7. **Public Safety:** Public safety departments will work cooperatively with the community to provide a safe and secure city.

BUDGET CALENDAR

Date	Activity
11/05/2014	Budget kick-off – initial meeting with budget contacts (budget process overview, identifying activities, performance measures)
11/08/2014	Mayor and Council Planning Retreat
11/10/2014	TeamBudget opened for department input
12/19/2014	TeamBudget closed
01/12/2015 – 02/06/2015	Finance meeting with departments on change requests and capital
02/07/2015 – 04/10/2014	Review with the City Manager's Office change requests and capital
04/21/2015	City Manager's Recommended Budget delivered to Mayor and Council
[1]4/21, 5/6 & 5/26/2015	Mayor and Council review of the City Manager's recommended budget at Work and Regular Sessions
05/05/2015	Public Hearing and Tentative Budget Adoption – City of Surprise
05/18/2015	Public Notice #1 – Truth in taxation & FY2015 budget estimates
05/25/2015	Public Notice #2 – Truth in taxation & FY2015 budget estimates
06/02/2015	Property Tax Hearing – Primary Property Taxes Property Tax Hearing – Street Light Improvement Districts Public Hearing and Final Budget Adoption – City Of Surprise
06/16/2015	Property Tax Levy Adoption – Primary Property Taxes Property Tax Levy Adoption – Street Light Improvement Districts

[1] These dates are subject to change

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BUDGET OVERVIEW
FY2016 Fund Balance Summary

	Ongoing Sources		Ongoing Uses		Ongoing	One-Time Sources		One-Time Uses	
	Revenues	Transfer In	Expenses	Transfer Out	Surplus/ Shortfall	Revenues	Transfer In	Expenses	Transfer Out
General Fund									
Total General Fund	90,623,200	6,137,500	(94,200,300)	(2,534,300)	26,100	0	0	(743,400)	(3,630,400)
Special Revenue Fund									
Ambulance Contract	157,500	0	(223,100)	0	(65,600)	138,200	0	0	0
Animal Seizure Bond Forfeiture	1,000	0	(1,000)	0	0	0	0	0	0
Donations	461,300	0	(447,400)	0	13,900	0	0	(16,200)	0
Employee Dep Scholarship	1,100	0	(3,000)	0	(1,900)	0	0	0	0
Grants And Contingency	0	0	(79,600)	0	(79,600)	5,567,400	0	(491,400)	0
HALO	156,000	0	(168,900)	0	(12,900)	0	0	0	0
Highway User Revenue	7,390,200	0	(6,832,000)	0	558,200	0	0	(958,600)	0
LTAF II	350,000	0	(350,000)	0	0	0	0	0	0
Municipal Court Enhancement	97,400	0	(85,000)	0	12,400	0	0	0	0
Municipal Court FARE	4,600	0	0	0	4,600	0	0	0	0
Municipal Court JCEF	25,000	0	(58,000)	0	(33,000)	0	0	0	0
Municipal Court MFTG	13,500	0	(13,100)	0	400	0	0	0	0
Neighborhood Revitalization	0	0	0	0	0	2,090,900	0	(2,090,900)	0
Net Premium Seating	25,000	0	(50,000)	0	(25,000)	0	0	0	0
Program 1033 Auction Proceeds	1,000	0	(700)	0	300	0	0	(1,000)	0
Proposition 400	0	0	0	0	0	0	0	(54,700)	0
SB1398 Fines	18,300	0	(42,800)	0	(24,500)	0	0	0	0
SLIDs	2,416,600	0	(2,520,400)	0	(103,800)	0	0	0	0
SPD DEA	0	0	0	0	0	0	0	0	0
SPD RICO	245,000	0	(695,000)	0	(450,000)	0	0	(15,000)	0
SPD Towing	105,000	0	(32,500)	0	72,500	0	0	(50,000)	0
Spring Training Ticket Surcharge	635,000	0	0	(645,000)	(10,000)	0	0	0	0
Stadium Improvements	137,100	0	0	0	137,100	0	0	0	0
Tourism	215,200	0	0	0	215,200	0	0	0	0
Unclaimed Property Disposal	1,000	0	(1,000)	0	0	0	0	0	0
Wildland Fire	143,700	0	(143,700)	0	0	0	0	0	0
Total Special Revenue Fund	12,600,500	0	(11,747,200)	(645,000)	208,300	7,796,500	0	(3,677,800)	0
Debt Service Fund									
Gov Debt Service 2015	0	3,193,700	0	0	3,193,700	0	0	0	0
Total Debt Service Fund	0	3,193,700	0	0	3,193,700	0	0	0	0
Capital Projects Fund									
163rd Ave Roadway Dev Fee 2014	17,800	0	0	0	17,800	0	0	(12,500)	0
Fire & EMS Dev Fee	1,252,200	0	0	(67,400)	1,184,800	0	0	(25,000)	0
General Capital	1,567,500	0	0	0	1,567,500	275,700	2,720,000	(385,000)	0
General Govt Dev Fee	514,400	0	0	(369,900)	144,500	0	0	(25,000)	0
Gov Construction 2015	0	0	0	0	0	0	0	0	0
Library Development Fee	0	0	0	0	0	0	0	(25,000)	0
Parks & Rec Dev Fee	330,500	0	0	(440,700)	(110,200)	0	0	(25,000)	0
Police Dev Fee	217,600	0	0	(136,400)	81,200	0	0	(25,000)	0
Public Works Dev Fee	0	0	(84,000)	0	(84,000)	0	0	(25,000)	0
Roads Of Regional SPA 2, 4, 6	0	0	0	0	0	0	0	0	0
Roads Of Regional SPA 3, 5	0	0	0	0	0	0	0	(12,500)	0
Transportation Improvement	1,921,000	0	(431,500)	0	1,489,500	360,000	0	(2,125,400)	0
Vehicle Replacement	34,100	1,000,000	0	0	1,034,100	859,200	910,400	(4,512,200)	0
Total Capital Projects Fund	5,855,100	1,000,000	(515,500)	(1,014,400)	5,325,200	1,494,900	3,630,400	(7,197,600)	0

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BUDGET OVERVIEW
FY2016 Fund Balance Summary

	Borrowing	Other Non-Operating Uses: Capital	Other Non-Operating Uses: Debt Service	Other Non-Operating Uses: Contingency	Total Fund Balance Inc/(Dec)	FY2016 Beginning Fund Bal	Ending Fund Balance With Contingency	Ending Fund Balance w/o Contingency	Fund Balance Reserve
General Fund									
Total General Fund	0	(2,049,000)	0	(4,022,800)	(10,419,500)	27,424,200	17,004,700	21,027,500	17,004,700
Special Revenue Fund									
Ambulance Contract	0	0	0	(72,600)	0	0	0	72,600	0
Animal Seizure Bond Forfeiture	0	0	0	0	0	0	0	0	0
Donations	0	0	0	(282,200)	(284,500)	284,500	0	282,200	0
Employee Dep Scholarship	0	0	0	(600)	(2,500)	2,500	0	600	0
Grants And Contingency	0	0	0	(5,000,000)	(3,600)	3,600	0	5,000,000	0
HALO	0	0	0	0	(12,900)	12,900	0	0	0
Highway User Revenue	0	(825,000)	0	(343,300)	(1,568,700)	1,568,700	0	343,300	0
LTAF II	0	0	0	0	0	0	0	0	0
Municipal Court Enhancement	0	0	0	(162,600)	(150,200)	150,200	0	162,600	0
Municipal Court FARE	0	0	0	(23,300)	(18,700)	18,700	0	23,300	0
Municipal Court JCEF	0	0	0	(25,700)	(58,700)	58,700	0	25,700	0
Municipal Court MFTG	0	0	0	(24,000)	(23,600)	23,600	0	24,000	0
Neighborhood Revitalization	0	0	0	0	0	0	0	0	0
Net Premium Seating	0	0	0	0	(25,000)	25,000	0	0	0
Program 1033 Auction Proceeds	0	0	0	(1,000)	(1,700)	1,700	0	1,000	0
Proposition 400	0	(98,800)	0	(12,100)	(165,600)	165,600	0	12,100	0
SB1398 Fines	0	0	0	(17,000)	(41,500)	41,500	0	17,000	0
SLIDs	0	0	0	0	(103,800)	96,500	(7,300)	(7,300)	0
SPD DEA	0	0	0	(16,500)	(16,500)	16,500	0	16,500	0
SPD RICO	0	0	0	(323,300)	(788,300)	788,300	0	323,300	0
SPD Towing	0	0	0	(119,800)	(97,300)	97,300	0	119,800	0
Spring Training Ticket Surcharge	0	0	0	0	(10,000)	608,000	598,000	598,000	598,000
Stadium Improvements	0	(200,000)	0	0	(62,900)	(1,578,900)	(1,641,800)	(1,641,800)	0
Tourism	0	0	0	(559,600)	(344,400)	349,400	5,000	564,600	5,000
Unclaimed Property Disposal	0	0	0	(1,000)	(1,000)	1,000	0	1,000	0
Wildland Fire	0	0	0	0	0	0	0	0	0
Total Special Revenue Fund	0	(1,123,800)	0	(6,984,600)	(3,781,400)	2,735,300	(1,046,100)	5,938,500	603,000
Debt Service Fund									
Gov Debt Service 2015	0	0	(3,193,700)	0	0	0	0	0	0
Total Debt Service Fund	0	0	(3,193,700)	0	0	0	0	0	
Capital Projects Fund									
163rd Ave Roadway Dev Fee 2014	0	0	0	(1,400)	3,900	(3,900)	0	1,400	0
Fire & EMS Dev Fee	0	0	0	(2,296,700)	(1,136,900)	1,136,900	0	2,296,700	0
General Capital	0	(11,284,100)	0	0	(7,105,900)	8,105,900	1,000,000	1,000,000	1,000,000
General Govt Dev Fee	0	0	0	(748,300)	(628,800)	628,800	0	748,300	0
Gov Construction 2015	0	(15,000,000)	0	(4,800)	(15,004,800)	15,004,800	0	4,800	0
Library Development Fee	0	0	0	(4,520,400)	(4,545,400)	4,545,400	0	4,520,400	0
Parks & Rec Dev Fee	0	(1,000,000)	0	(1,153,000)	(2,288,200)	2,288,200	0	1,153,000	0
Police Dev Fee	0	0	0	(1,414,900)	(1,358,700)	1,358,700	0	1,414,900	0
Public Works Dev Fee	0	(4,597,600)	0	(4,893,200)	(9,599,800)	9,599,800	0	4,893,200	0
Roads Of Regional SPA 2, 4, 6	0	0	0	(2,450,500)	(2,450,500)	2,450,500	0	2,450,500	0
Roads Of Regional SPA 3, 5	0	0	0	(10,800)	(23,300)	23,300	0	10,800	0
Transportation Improvement	0	(1,753,700)	0	(293,100)	(2,322,700)	2,822,700	500,000	793,100	500,000
Vehicle Replacement	0	0	0	0	(1,708,500)	1,708,500	0	0	0
Total Capital Projects Fund	0	(33,635,400)	0	(17,787,100)	(48,169,600)	49,669,600	1,500,000	19,287,100	1,500,000

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BUDGET OVERVIEW
FY2016 Fund Balance Summary

	Ongoing Sources		Ongoing Uses		Ongoing	One-Time Sources		One-Time Uses	
	Revenues	Transfer In	Expenses	Transfer Out	Surplus/ Shortfall	Revenues	Transfer In	Expenses	Transfer Out
Enterprise Fund									
Prop Debt Service 2007	0	3,711,800	0	0	3,711,800	0	0	0	0
Prop Debt Service 2015	0	809,100	0	0	809,100	0	0	0	0
Prop Reserve 2007	0	0	0	(73,400)	(73,400)	0	0	0	0
Replenishmt Dev Impact Fees	143,000	0	0	0	143,000	0	0	(25,000)	0
Sanitation Operations	7,282,600	0	(5,398,400)	(1,882,600)	1,600	0	0	(3,296,700)	0
Sewer Operations	16,767,000	0	(10,034,700)	(2,430,600)	4,301,700	0	0	(341,800)	(4,051,300)
Sewer System Dev Impact Fees	1,229,500	0	(25,000)	(4,447,500)	(3,243,000)	0	4,051,300	(25,000)	0
Water Dev Impact Fees	248,700	0	(235,800)	0	12,900	0	0	(96,500)	0
Water Operations	11,956,300	0	(7,186,400)	(1,824,300)	2,945,600	105,000	0	(784,300)	0
Total Enterprise Fund	37,627,100	4,520,900	(22,880,300)	(10,658,400)	8,609,300	105,000	4,051,300	(4,569,300)	(4,051,300)
Internal Service Fund									
Employee Healthcare	10,021,000	0	(9,697,600)	0	323,400	0	0	0	0
Risk Management	1,735,900	0	(1,616,600)	0	119,300	0	0	0	0
Total Internal Service Fund	11,756,900	0	(11,314,200)	0	442,700	0	0	0	0
Grand Total	158,462,800	14,852,100	(140,657,500)	(14,852,100)	17,805,300	9,396,400	7,681,700	(16,188,100)	(7,681,700)

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BUDGET OVERVIEW
FY2016 Fund Balance Summary

	Borrowing	Other Non-Operating Uses: Capital	Other Non-Operating Uses: Debt Service	Other Non-Operating Uses: Contingency	Total Fund Balance Inc/(Dec)	FY2016 Beginning Fund Bal	Ending Fund Balance With Contingency	Ending Fund Balance w/o Contingency	Fund Balance Reserve
Enterprise Fund									
Prop Debt Service 2007	0	0	(3,638,400)	(529,100)	(455,700)	455,700	0	529,100	0
Prop Debt Service 2015	0	0	(809,100)	0	0	0	0	0	0
Prop Reserve 2007	0	0	0	(4,921,400)	(4,994,800)	4,994,800	0	4,921,400	0
Replenishmt Dev Impact Fees	0	(2,493,500)	0	(1,941,900)	(4,317,400)	4,317,400	0	1,941,900	0
Sanitation Operations	0	(2,150,000)	0	(2,472,600)	(7,917,700)	8,831,700	914,000	3,386,600	914,000
Sewer Operations	0	(11,260,700)	0	(1,920,400)	(13,272,500)	20,276,700	7,004,200	8,924,600	7,002,200
Sewer System Dev Impact Fees	0	(1,683,600)	0	(699,500)	(1,599,800)	1,599,800	0	699,500	0
Water Dev Impact Fees	0	(450,000)	0	(878,500)	(1,412,100)	1,412,100	0	878,500	0
Water Operations	0	(4,150,800)	0	(2,850,900)	(4,735,400)	8,175,000	3,439,600	6,290,500	3,439,600
Total Enterprise Fund	0	(22,188,600)	(4,447,500)	(16,214,300)	(38,705,400)	50,063,200	11,357,800	27,572,100	11,355,800
Internal Service Fund									
Employee Healthcare	0	0	0	(1,495,200)	(1,171,800)	1,995,300	823,500	2,318,700	823,500
Risk Management	0	0	0	(2,142,800)	(2,023,500)	2,285,100	261,600	2,404,400	261,600
Total Internal Service Fund	0	0	0	(3,638,000)	(3,195,300)	4,280,400	1,085,100	4,723,100	1,085,100
Grand Total	0	(58,996,800)	(7,641,200)	(48,646,800)	(104,271,200)	134,172,700	29,901,500	78,548,300	31,548,600

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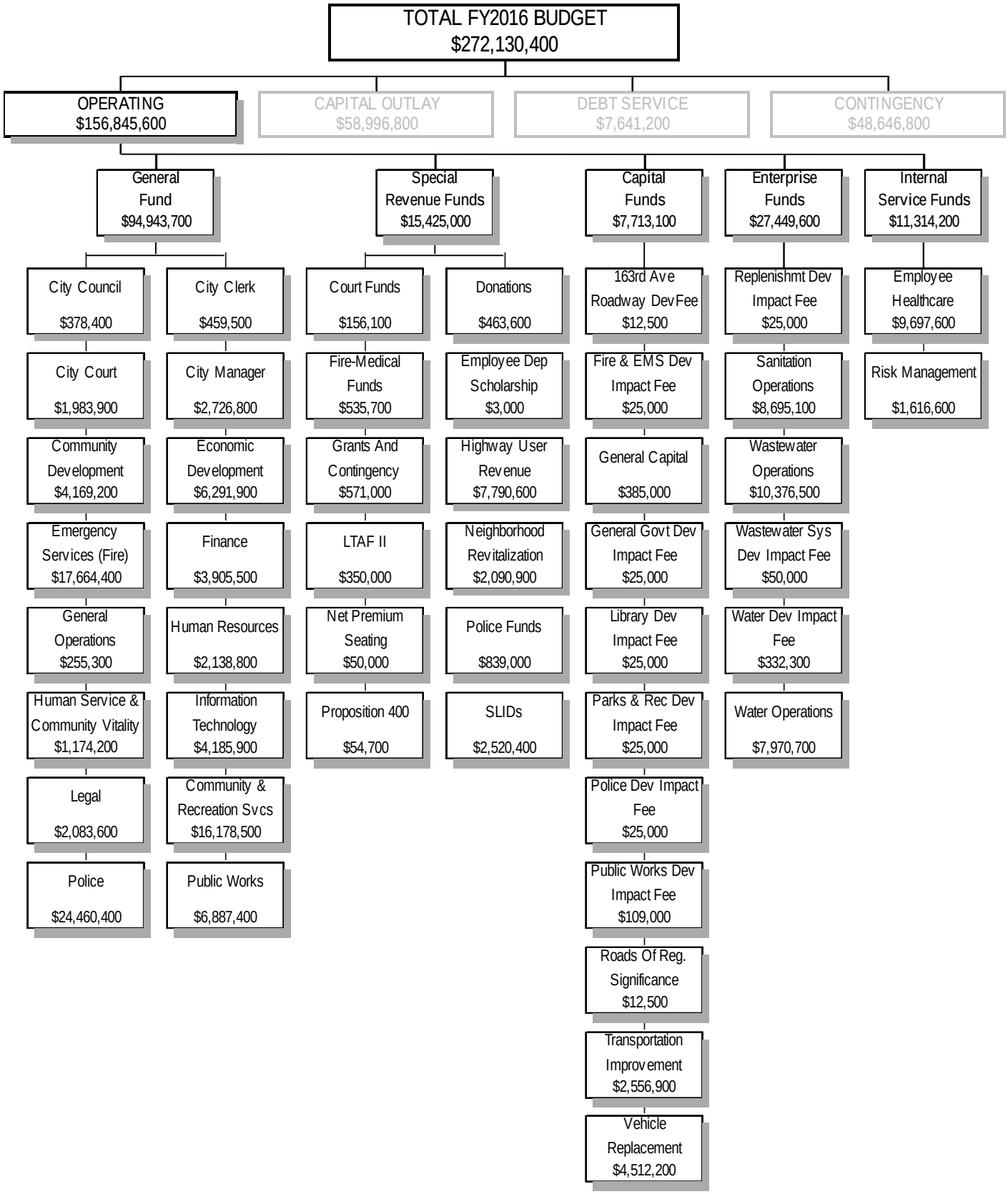
BUDGET OVERVIEW
Budget Organization Chart



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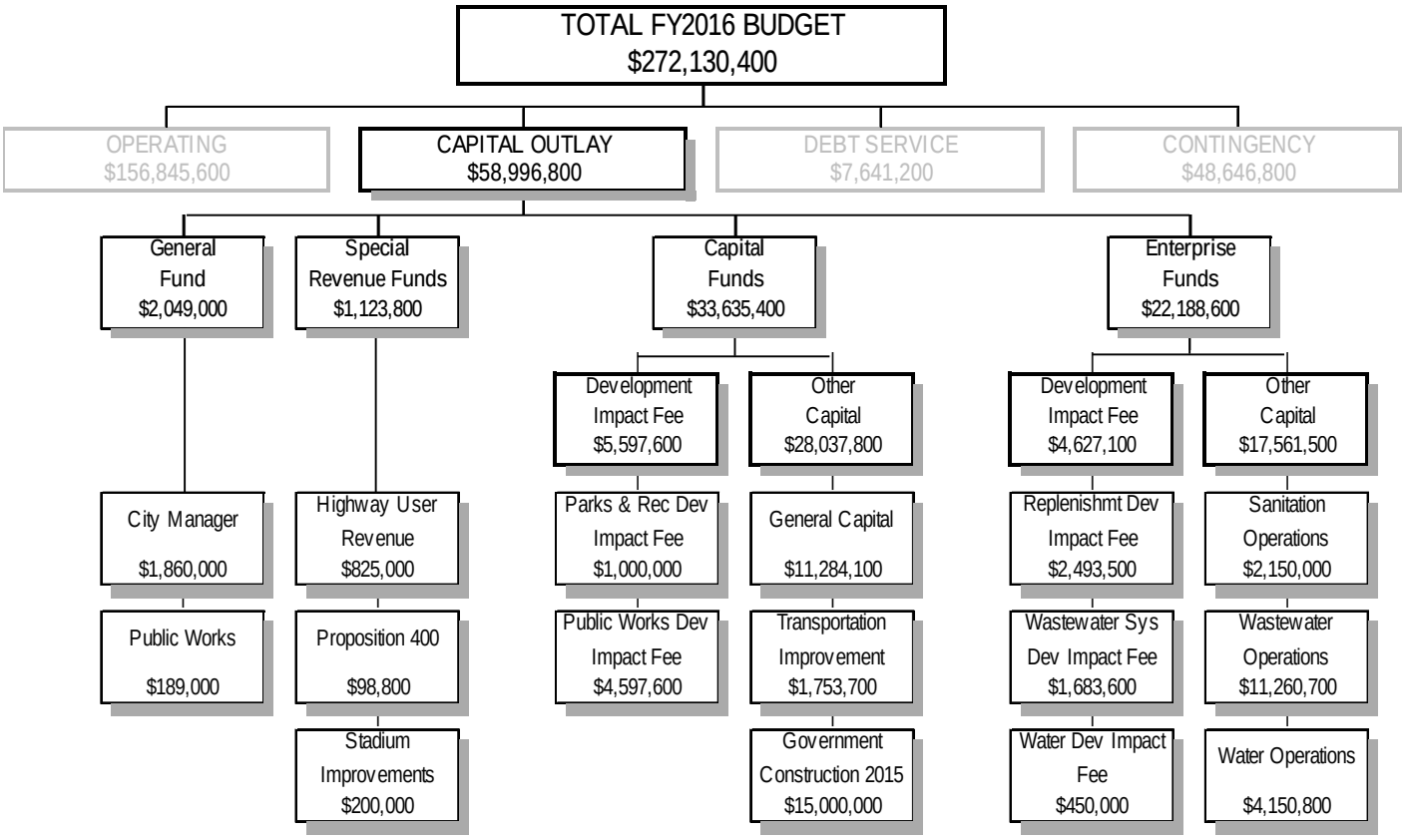

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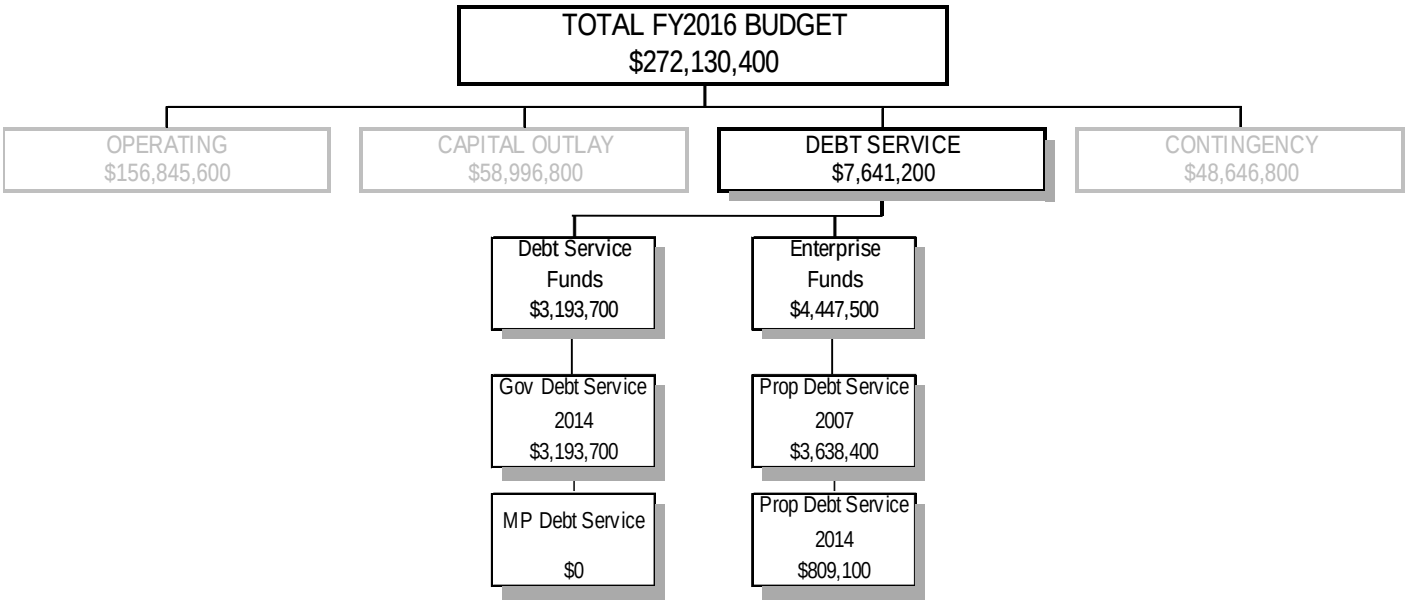
Budget Organization Chart



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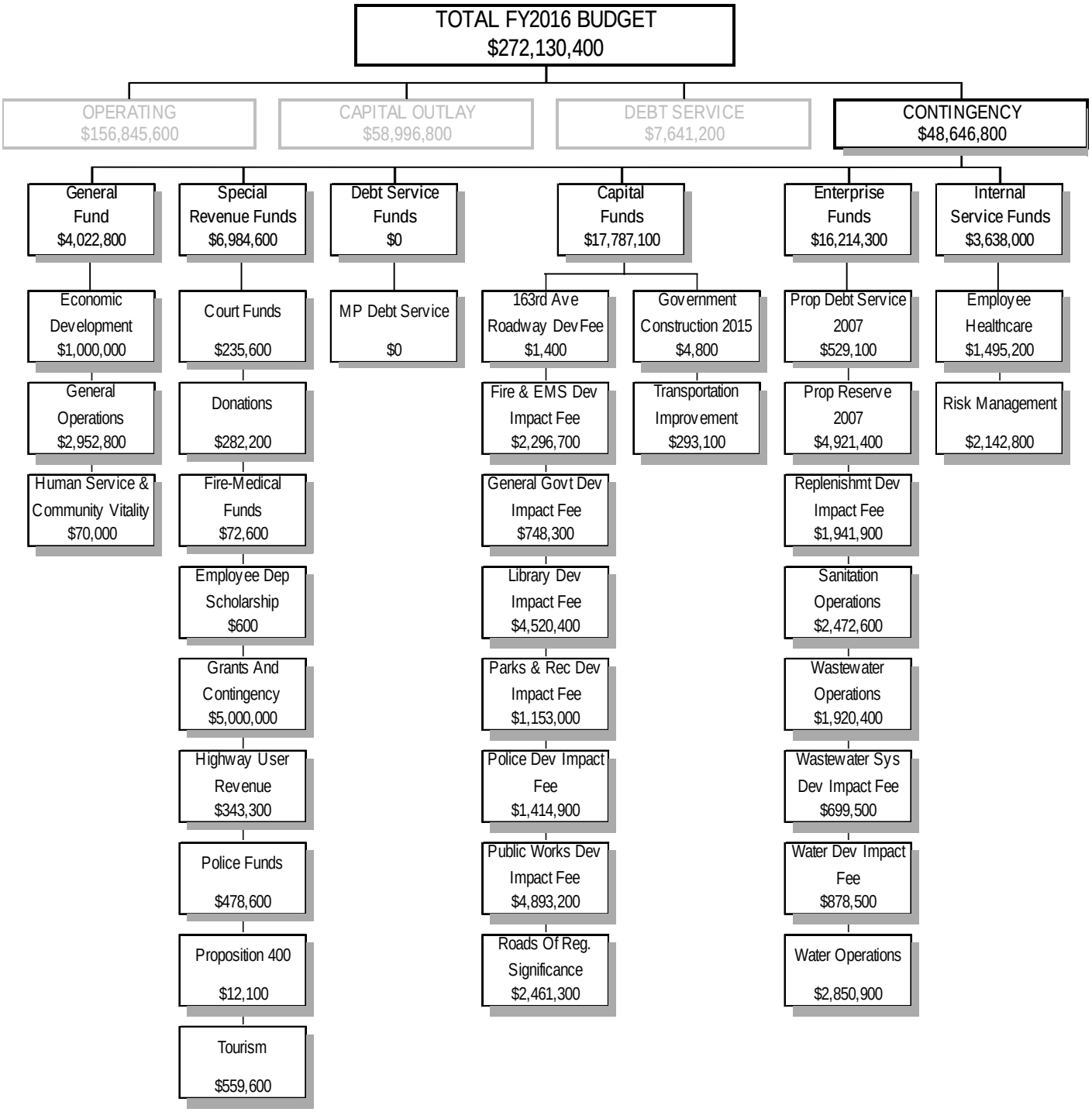

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CITYWIDE OPERATING SOURCES SUMMARY

The operating sources forecast for fiscal year (FY) 2016 totals $190.4 million with $167.9 million in revenue and $22.5 million in transfers out.

Key Assumptions
A number of assumptions influence the revenue forecast including the character of the economy, population growth of the city and surrounding area, and the effect of legislation on the state level.

The city is experiencing a slow and steady recovery following the recent economic downturn with increases showing in most revenue categories. Consumers are beginning to spend more discretionary income and the city is experiencing an increase in sales tax revenues. Additionally, resident participation in city recreation programs continues to drive up demand for services, also resulting in greater revenue streams to recover associated costs.

The city's population has grown at a rate greater than statewide average over the last five years. As a result, the city is expected to capture a greater portion of state shared revenues beginning in FY2017. For FY2016, the forecast is expecting a modest increase in new construction from the prior year resulting in minor increases in construction related revenues, customers, participants, and shoppers.

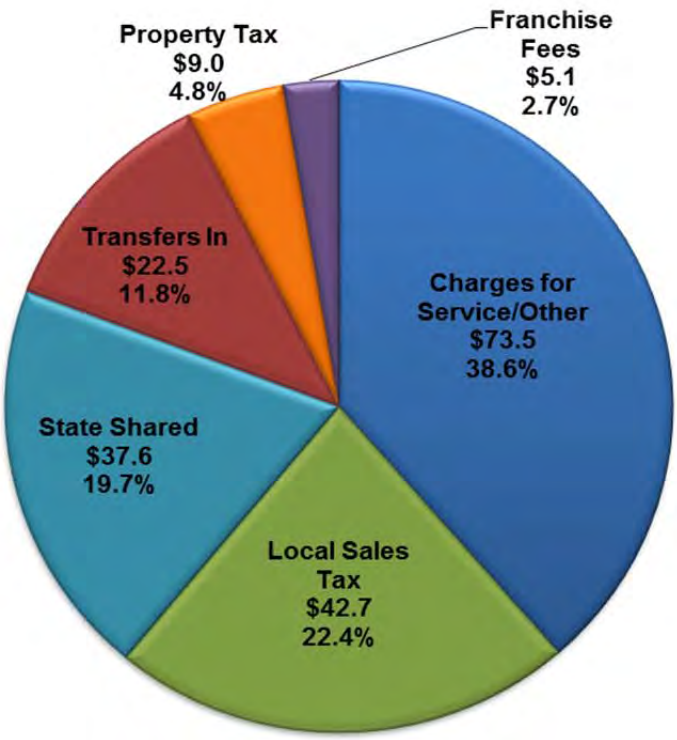
A number of legislative items enacted within the state over the last few years are affecting the FY2016 forecast. The two largest being the reduction in the corporate income tax rate and a transaction privilege tax simplification effort which have had negative impacts on state shared income tax and local construction sales tax respectively.

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 more difficult to forecast.

The operating sources are categorized into six major groups:

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

The graph to the right depicts the citywide sources ($ in millions), percentage of the total sources, and the six categories.



Charges for Services/Other
All fees for services charged by city departments are recorded in this category, which totaled $73.5 million, 38.6%. The three major components include the utilities of water, wastewater, and sanitation. Mainly the rates charged and the number of customers or participants drives these revenues.

For the FY2016 projections, mild population growth result in an increased number of participants. The water service rates are scheduled to receive an 8.25% increase as well.

OPERATING SOURCES
Citywide Summary

Sales Tax
The citywide forecast of $42.7 million is an increase of 5% over the prior year estimate. The increase to local sales tax is attributed to a growing population, increased consumer confidence, and the completed construction of new retail establishments.

Construction sales tax has traditionally been much more volatile than other local sales tax categories. For that reason, construction sales tax collections are split between operating and capital specific uses. It is expected that construction sales tax collections will equal $4.7 million during FY2016 split between operating ($1.25M) and capital ($3.45M).

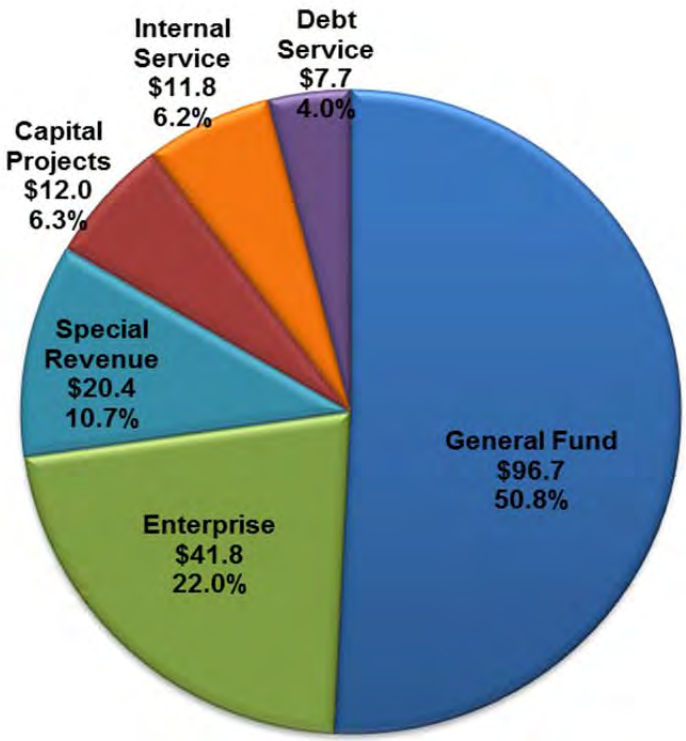
State Shared Revenue
The state shared revenue forecast is $37.6 million, an increase of 3% over the prior year estimate. State shared revenue sources include income tax, state sales tax, and vehicle license taxes (VLT). Generally, the changes over the prior year are attributable to an improving economy and increasing population.

The largest revenue within this category, income tax, is expected to remain at $14.2 million. The growth in this source is unusually flat due to state legislation that reduced the commercial income tax rate. This revenue source is expected to continue to remain near this level over the next couple of fiscal years because of this change.

Transfers In
The transfers in related to the various funds include the indirect cost assessment, payments in lieu of tax, interfund transfers, and debt service related payments. The total of all transfers in for FY2016 is $22.5 million.

Property and Street Light Improvement District (SLID) Taxes
The property and SLID taxes captures the taxes levied on properties in the city and set at $9.0 million for FY2016. 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 recommended budget does not include the 2% increase over the prior year's allowable amount for current taxpayers. The FY2016 property tax revenues only include allowable increases for new construction. For SLIDs, the city cannot exceed $1.20 per assessed value of the property. These taxes pay for maintaining lights within the neighborhoods.

Franchise Fees
Franchise fee revenue is related to the gross sales from franchised utility companies within the city. This includes Arizona Public Service, Cox Communications, Southwest Gas, and EPCOR water. Increases in this category mainly reflect utility rate increases charged to customers. Total operating revenue for this category equates to $5.1 million. Also included in this category are Business licenses and sanitation hauler's licenses.



Citywide Revenues by Fund

General Fund
The primary operating fund of the city and any activity that is not accounted for in another fund is placed in the general fund. The general fund accounts for $96.7 million, or 50.8%, of all operating sources.

Special Revenue Funds
These funds account for specific non-capital and non-debt service revenue sources that are restricted or committed for specific purposes. The special revenue funds account for $20.4 million, or 10.7%, of operating sources.

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. The debt service funds account for $7.7 million, or 4.0%, of all operating sources and is entirely made up of transfers from other funds.

Capital Project Funds
These funds are used to track the activities related to the collection and expenditure of funds dedicated to capital acquisition. The capital project funds account for $12.0 million, or 6.3%, of all operating sources.

Enterprise Funds
These funds are used to account for the business-type activities of a government. These activities 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 public on a continuing basis be financed or recovered primarily through user charges. The enterprise funds account for $41.8 million, or 22.0%, of all operating sources.

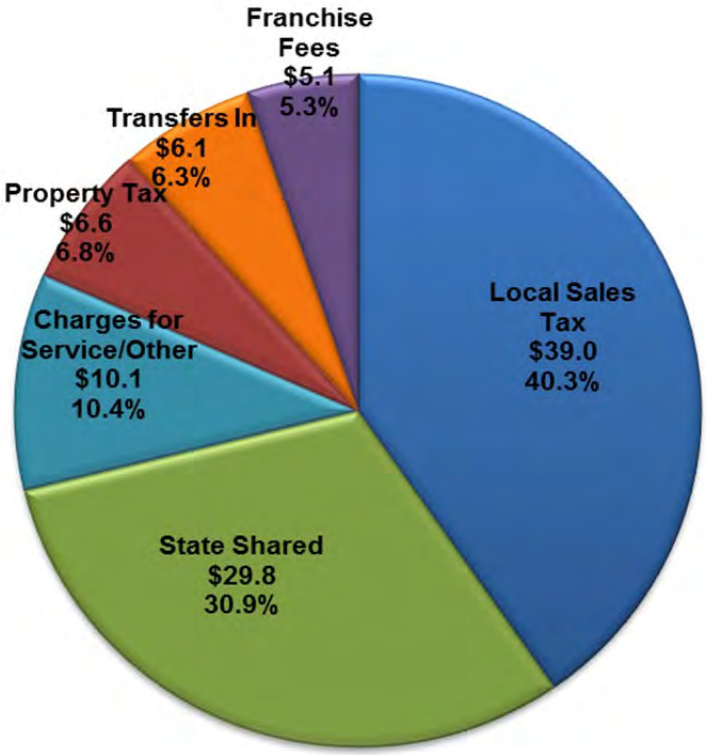
Internal Service Funds
These funds are used to report any activity that provides goods or services to other funds, departments, or divisions of the city, or to other governments, on a cost-reimbursement basis. The goal of an internal service fund is to measure the full cost of providing goods or services for fully recovering cost through fees or charges. The internal service funds account for $11.8 million, or 6.2%, of all operating sources.

GENERAL FUND OPERATING SOURCES SUMMARY

General Fund Operating Sources

Operating revenues are those used to provide core government services (e.g. police, fire, library, parks, etc.) and are recorded in the 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.

Overview
The operating sources forecast for FY2016 is $96.7 million, an increase of $1.2 million over the FY2015 estimate. The majority of the growth occurs in the local sales taxes due to a strengthening economy and increase in population. State shared revenues are remaining somewhat flat due to the corporate income tax rate reduction.



Forecast of Major Operating Sources Accounts

The following presents the general summary narrative and a summary of the major operating sources with historical and forecasted sources for most other major funds.

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OPERATING SOURCES
Revenue Forecast Summary

	ACTUAL					Adopted	Estimate	Estimate to Adopted	
Major Revenue Accounts	**FY2010**	**FY2011**	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2015**	**Amount**	**Pct.**
General Fund									
Local Sales Tax									
Local Sales Tax-Operating	26,559,715	26,212,017	29,569,445	30,771,549	32,830,162	34,422,000	35,774,200	1,352,200	4%
Local Sales Tax - Construction	642,593	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	0	0%
Local Sales Tax-Bed Tax	0	100,398	110,429	108,091	116,652	120,200	130,500	10,300	9%
Subtotal Local Sales Tax	**27,202,308**	**27,562,415**	**30,929,873**	**32,129,640**	**34,196,814**	**35,792,200**	**37,154,700**	**1,362,500**	**4%**
State Shared Revenue									
State Shared Income Tax	11,395,938	8,591,077	9,918,521	12,004,109	13,098,761	14,225,300	14,226,200	900	0%
State Shared Sales Tax	6,464,521	7,158,275	9,220,163	9,660,697	10,245,322	10,718,600	10,682,100	(36,500)	(0%)
Vehicle License Tax	2,960,716	2,930,709	3,951,413	3,973,600	4,177,424	4,155,300	4,225,600	70,300	2%
Subtotal State Shared Revenue	**20,821,175**	**18,680,061**	**23,090,098**	**25,638,406**	**27,521,507**	**29,099,200**	**29,133,900**	**34,700**	**0%**
Charges for Services/Other									
Parks & Rec. Program Fees	3,892,092	4,073,203	4,732,333	4,706,075	4,707,757	3,987,300	3,989,500	2,200	0%
Court Revenue	1,759,817	1,266,929	1,275,954	1,294,477	1,199,998	1,214,800	1,117,400	(97,400)	(8%)
Fire-Medical Revenue	703,463	646,736	543,656	632,850	685,512	704,800	715,100	10,300	1%
Police Revenue	560,104	638,061	638,150	655,249	654,619	728,300	726,100	(2,200)	(0%)
Community Development Fees	868,230	1,367,433	1,622,594	2,011,274	1,536,223	2,289,700	1,946,300	(343,400)	(15%)
Public Works Fees	185,638	290,885	276,513	559,681	485,347	547,100	526,700	(20,400)	(4%)
Facilities Revenue	212,339	253,874	350,896	363,163	399,339	390,900	401,100	10,200	3%
Interest Income	183,766	128,503	4,742	15,011	86,303	16,500	116,100	99,600	604%
Grant Revenue	806,345	191,305	342,374	14,590	123,423	0	0	0	-
All Other Operating Revenue	425,047	921,466	606,756	695,054	537,872	376,200	1,384,200	1,008,000	268%
Subtotal Charges for Services/Other	**9,596,842**	**9,778,396**	**10,393,969**	**10,947,424**	**10,416,394**	**10,255,600**	**10,922,500**	**666,900**	**7%**
Property Tax									
Primary Property Tax	6,749,926	7,023,619	6,178,758	6,294,185	6,340,641	6,513,600	6,513,600	0	0%
Franchise Fees									
APS Franchise Fee	2,071,407	2,108,514	2,242,092	2,291,309	2,449,342	2,660,900	2,246,900	(414,000)	(16%)
Cable Franchise Fee	1,022,863	1,071,176	1,022,937	1,018,406	1,163,268	1,208,300	1,305,000	96,700	8%
Business Licenses	575,825	625,705	625,919	653,413	729,780	759,600	460,300	(299,300)	(39%)
Southwest Gas Franchise Fee	326,264	308,232	309,623	297,424	307,699	330,200	345,000	14,800	4%
Water Franchise Fee	313,538	334,987	347,050	472,097	509,867	524,100	524,800	700	0%
Sanitation Hauler's License	32,650	42,050	39,000	39,000	38,000	39,700	38,900	(800)	(2%)
Subtotal Franchise Fees/Licenses	**4,342,546**	**4,490,664**	**4,586,621**	**4,771,649**	**5,197,956**	**5,522,800**	**4,920,900**	**(601,900)**	**(11%)**
CoS Water Franchise Fee	0	228,525	216,818	216,155	217,880	233,400	217,400	(16,000)	(7%)
CoS Wastewater Franchise Fee	0	314,216	304,409	317,237	334,730	321,700	332,400	10,700	3%
CoS Sanitation Hauler's License	19,250	25,000	25,000	24,000	24,000	26,000	24,000	(2,000)	(8%)
Subtotal COS Franchise Fees	**19,250**	**567,741**	**546,227**	**557,392**	**576,610**	**581,100**	**573,800**	**8,700**	**1%**
Subtotal All Franchise Fees/Licenses	**4,361,796**	**5,058,405**	**5,132,848**	**5,329,041**	**5,774,566**	**6,103,900**	**5,494,700**	**(593,200)**	**(10%)**
Transfers In									
Indirect Cost Assessment	4,449,225	3,660,700	3,660,700	3,660,700	4,682,772	4,682,900	4,682,900	0	0%
In Lieu Property Tax	0	379,077	421,917	511,130	570,571	559,000	545,400	(13,600)	(2%)
Transfer From Other Funds	13,496,783	394,984	100,304	0	61,125				
Subtotal Transfers In	**17,946,007**	**4,434,761**	**4,182,921**	**4,171,830**	**5,314,468**	**5,241,900**	**5,228,300**	**(13,600)**	**(0%)**
Total - General Fund Revenue	**86,678,055**	**72,537,656**	**79,908,468**	**84,510,525**	**89,564,390**	**93,006,400**	**94,447,700**	**1,441,300**	**2%**

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SURPRISE
ARIZONA

OPERATING SOURCES
Revenue Forecast Summary

	Forecast	Forecast to PY Estimate		Forecast			
Major Revenue Accounts	**FY2016**	**Amount**	**Pct.**	**FY2017**	**FY2018**	**FY2019**	**FY2020**
General Fund							
Local Sales Tax							
Local Sales Tax-Operating	37,620,900	1,846,700	5%	38,943,400	40,312,300	41,729,400	43,196,300
Local Sales Tax - Construction	1,250,000	0	0%	1,250,000	1,250,000	1,250,000	1,250,000
Local Sales Tax-Bed Tax	141,600	11,100	9%	146,500	151,700	157,100	162,600
Subtotal Local Sales Tax	**39,012,500**	**1,857,800**	**5%**	**40,339,900**	**41,714,000**	**43,136,500**	**44,608,900**
State Shared Revenue							
State Shared Income Tax	14,149,000	(77,200)	(1%)	14,581,300	14,804,500	15,145,000	15,493,300
State Shared Sales Tax	11,178,700	496,600	5%	11,934,000	12,527,100	13,130,700	13,789,700
Vehicle License Tax	4,535,200	309,600	7%	4,869,300	4,966,600	5,066,000	5,167,300
Subtotal State Shared Revenue	**29,862,900**	**729,000**	**3%**	**31,384,600**	**32,298,200**	**33,341,700**	**34,450,300**
Charges for Services/Other							
Parks & Rec. Program Fees	3,962,800	(26,700)	(1%)	4,031,900	4,102,200	4,173,800	4,246,600
Court Revenue	1,184,100	66,700	6%	1,238,000	1,294,300	1,353,200	1,414,800
Fire-Medical Revenue	790,600	75,500	11%	832,300	876,600	923,600	973,500
Police Revenue	736,800	10,700	1%	762,700	789,600	817,300	846,000
Community Development Fees	2,057,400	111,100	6%	2,371,700	2,438,700	2,507,700	2,578,900
Public Works Fees	579,100	52,400	10%	667,600	686,400	705,900	725,900
Facilities Revenue	396,500	(4,600)	(1%)	410,400	424,900	439,800	455,300
Interest Income	117,300	1,200	1%	124,300	130,700	137,300	144,500
Grant Revenue	0	0	-	0	0	0	0
All Other Operating Revenue	260,600	(1,123,600)	(81%)	269,800	279,200	289,100	299,200
Subtotal Charges for Services/Other	**10,085,200**	**(837,300)**	**(8%)**	**10,708,700**	**11,022,600**	**11,347,700**	**11,684,700**
Property Tax							
Primary Property Tax	6,578,600	65,000	1%	6,688,200	6,799,000	6,911,900	7,027,100
Franchise Fees							
APS Franchise Fee	2,325,900	79,000	4%	2,407,700	2,492,300	2,579,900	2,670,600
Cable Franchise Fee	1,350,900	45,900	4%	1,398,400	1,447,500	1,498,400	1,551,100
Business Licenses	467,100	6,800	1%	486,000	505,600	526,000	547,300
Southwest Gas Franchise Fee	357,100	12,100	4%	369,700	382,700	396,100	410,000
Water Franchise Fee	543,300	18,500	4%	562,400	582,100	602,600	623,800
Sanitation Hauler's License	39,700	800	2%	40,500	41,300	42,100	42,900
Subtotal Franchise Fees/Licenses	**5,084,000**	**163,100**	**3%**	**5,264,700**	**5,451,500**	**5,645,100**	**5,845,700**
CoS Water Franchise Fee	239,100	21,700	10%	261,500	286,300	313,400	343,100
CoS Wastewater Franchise Fee	335,300	2,900	1%	339,000	342,900	346,700	350,700
CoS Sanitation Hauler's License	25,000	1,000	4%	25,000	25,000	25,000	25,000
Subtotal COS Franchise Fees	**599,400**	**25,600**	**4%**	**625,500**	**654,200**	**685,100**	**718,800**
Subtotal All Franchise Fees/Licenses	**5,683,400**	**188,700**	**3%**	**5,890,200**	**6,105,700**	**6,330,200**	**6,564,500**
Transfers In							
Indirect Cost Assessment	4,983,700	300,800	6%	4,983,700	5,083,400	5,083,400	5,185,100
In Lieu Property Tax	554,400	9,000	2%	558,200	576,200	582,300	579,300
Transfer From Other Funds							
Subtotal Transfers In	**5,538,100**	**309,800**	**6%**	**5,541,900**	**5,659,600**	**5,665,700**	**5,764,400**
Total - General Fund Revenue	**96,760,700**	**2,313,000**	**2%**	**100,553,500**	**103,599,100**	**106,733,700**	**110,099,900**

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OPERATING SOURCES
Revenue Forecast Summary

	ACTUAL					Adopted	Estimate	Estimate to Adopted	
Major Revenue Accounts	**FY2010**	**FY2011**	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2015**	**Amount**	**Pct.**
Special Revenue Funds									
HURF Fund	5,129,733	5,395,324	5,957,241	6,507,830	6,700,547	7,008,400	7,121,600	113,200	2%
LTAF & LTAF II	262,631	87,905	0	345,576	346,740	350,000	346,400	(3,600)	(1%)
Transit Fees	22,672	26,073	0	0	0	0	0	0	-
Tourism Bed Tax Revenue	147,275	152,605	167,852	164,298	177,312	182,800	198,400	15,600	9%
Enterprise Funds									
Water Operations Fund	9,722,188	10,125,559	10,091,183	10,107,541	10,050,212	10,860,500	10,869,900	9,400	0%
Water System DIF SPA 1	(2,558)	310,527	430,672	661,087	317,221	2,285,000	137,900	(2,147,100)	(94%)
Water System DIF SPA 2	165,836	0	4,993	0	169,618	179,200	96,700	(82,500)	(46%)
Water Replenishment Operations Fund	0	0	0	0	0	0	0	0	-
Water Resource DIF SPA 1	46,966	166,877	232,694	355,720	170,829	1,171,500	68,200	(1,103,300)	(94%)
Water Resource DIF SPA 2	21,140	39,457	3,039	0	37,050	101,300	51,600	(49,700)	(49%)
Wastewater Operations Fund	15,282,984	15,986,526	16,372,103	16,169,393	16,218,279	16,469,000	16,619,800	150,800	1%
Wastewater System DIF SPA 1	936,196	1,584,437	2,034,194	2,932,749	1,878,278	5,403,700	1,550,200	(3,853,500)	(71%)
Wastewater System DIF SPA 2	128,459	0	(3,713)	0	961	41,600	32,400	(9,200)	(22%)
Wastewater System DIF SPA 3	18,250	2,052	7,706	0	0	0	0	0	-
Wastewater System DIF SPA 4	0	140	0	0	0	0	0	0	-
Sanitation Operations Fund	6,246,219	6,704,530	6,698,095	6,876,865	7,059,024	7,198,400	7,212,500	14,100	0%
Capital Project Funds									
General Capital Fund	1,977,546	2,505,922	1,912,433	3,203,347	3,198,636	5,596,600	5,179,300	(417,300)	(7%)
Transportation Improvement Fund	4,051,776	2,696,525	2,018,864	2,892,040	2,343,471	3,087,500	1,866,100	(1,221,400)	(40%)
General Government Dev Impact Fees	235,747	455,045	557,843	633,619	377,348	795,700	498,800	(296,900)	(37%)
Police Dev Impact Fees	112,634	198,945	306,529	296,719	248,764	482,800	225,600	(257,200)	(53%)
Parks & Recreation Dev Impact Fees	573,541	418,690	531,168	372,028	280,630	836,000	326,900	(509,100)	(61%)
Public Works Dev Impact Fees	318,452	528,549	285,059	144,621	136,254	0	9,800	9,800	-
Fire & EMS Dev Impact Fees	259,683	539,652	618,681	706,495	413,024	1,736,900	1,070,900	(666,000)	(38%)
Library Dev Impact Fees	127,564	109,001	108,303	76,071	54,407	0	4,300	4,300	-
Roads of Reg.Significance Dev Imp Fees	93,659	244,963	7,707	11,111	280,035	0	57,200	57,200	-
163rd Ave Dev Impact Fees	0	0	0	0	0	19,800	11,100	(8,700)	(44%)

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SURPRISE
ARIZONA

OPERATING SOURCES
Revenue Forecast Summary

	Forecast	Forecast to PY Estimate		Forecast			
Major Revenue Accounts	**FY2016**	**Amount**	**Pct.**	**FY2017**	**FY2018**	**FY2019**	**FY2020**
Special Revenue Funds							
HURF Fund	7,390,200	268,600	4%	8,184,700	7,809,400	8,076,800	8,358,600
LTAF & LTAF II	350,000	3,600	1%	355,200	360,500	365,800	371,300
Transit Fees	0	0	-	0	0	0	0
Tourism Bed Tax Revenue	215,200	16,800	8%	222,800	230,600	238,700	247,100
Enterprise Funds							
Water Operations Fund	12,061,300	1,191,400	11%	13,076,800	14,314,900	15,671,000	17,157,200
Water System DIF SPA 1	134,800	(3,100)	(2%)	175,700	177,800	180,000	182,200
Water System DIF SPA 2	91,900	(4,800)	(5%)	115,400	117,100	118,800	120,600
Water Replenishment Operations Fund	0	0	-	0	0	0	0
Water Resource DIF SPA 1	69,100	900	1%	97,700	98,900	100,100	101,400
Water Resource DIF SPA 2	51,900	300	1%	65,200	66,200	67,200	68,200
Wastewater Operations Fund	16,767,000	147,200	1%	16,950,700	17,142,500	17,337,400	17,534,700
Wastewater System DIF SPA 1	1,229,500	(320,700)	(21%)	1,555,700	1,578,000	1,600,500	1,623,400
Wastewater System DIF SPA 2	0	(32,400)	(100%)	253,700	257,500	261,300	265,200
Wastewater System DIF SPA 3	0	0	-	0	0	0	0
Wastewater System DIF SPA 4	0	0	-	0	0	0	0
Sanitation Operations Fund	7,282,600	70,100	1%	7,240,600	7,337,500	7,575,100	7,808,800
Capital Project Funds							
General Capital Fund	4,563,200	(616,100)	(12%)	1,706,200	1,748,100	1,801,100	1,854,900
Transportation Improvement Fund	2,281,000	414,900	22%	2,008,700	2,044,200	2,080,300	2,117,000
General Government Dev Impact Fees	514,400	15,600	3%	514,100	519,300	524,600	530,000
Police Dev Impact Fees	217,600	(8,000)	(4%)	362,700	376,700	379,800	394,500
Parks & Recreation Dev Impact Fees	330,500	3,600	1%	419,000	425,300	431,600	438,000
Public Works Dev Impact Fees	0	(9,800)	(100%)	0	0	0	0
Fire & EMS Dev Impact Fees	1,252,200	181,300	17%	1,222,400	1,233,300	1,244,300	1,255,400
Library Dev Impact Fees	0	(4,300)	(100%)	0	0	0	0
Roads of Reg.Significance Dev Imp Fees	0	(57,200)	(100%)	0	0	0	0
163rd Ave Dev Impact Fees	17,800	6,700	60%	12,800	11,300	16,400	26,700

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GENERAL FUND
LOCAL SALES TAX

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
37,154,700	39,012,500	1,857,800	5%

Description

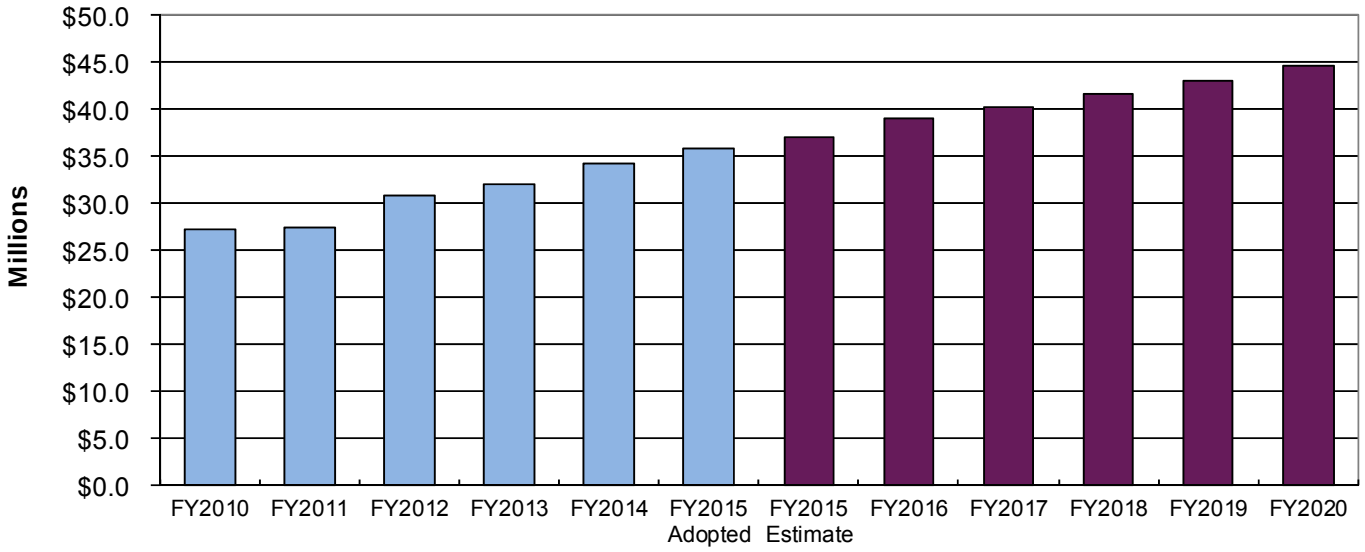
Local sales tax consists of three components including construction sales tax, bed tax and all other transaction or use taxes. The base transaction privilege and use tax rate is 2.2%. This is the recurring sales tax revenue that is collected by the city on an annual basis through the course of doing business. The construction sales tax (CST) rate is 3.7% and split between the General Fund (2.2%) and the Transportation Improvement Fund (1.5%). Due to it's volatile nature, the first $1.25M of General Fund CST is used for ongoing purposes with the remainder dedicated to for capital. The city currently imposes a 2.52% transient lodging tax, revenue generated from 1% of this rate is deposited into the General Fund, the remaining 1.52% is deposited into the Tourism Fund.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Local Sales Tax	26,559,715	26,212,017	29,569,445	30,771,549	32,830,162	34,422,000
Construction Sales Tax	642,593	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Bed Tax	0	100,398	110,429	108,091	116,652	120,200
General Fund Total	**27,202,308**	**27,562,415**	**30,929,873**	**32,129,640**	**34,196,814**	**35,792,200**

Forecast Assumptions

Forecasts are prepared individually within each of 12 different categories (industries) using industry specific information (e.g. big box retail, restaurant and bar, etc.). An influx of new retail establishments in FY2011 and FY2012 resulted in double digit year over year increases. Additional retail establishments arrived in FY2014 resulting in a 9% year over year increase. With retail and commercial development remaining steady, the future year forecast growth is based on expected increases in the population and prices for taxable goods.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Local Sales Tax	35,774,200	37,620,900	38,943,400	40,312,300	41,729,400	43,196,300
Construction Sales Tax	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Bed Tax	130,500	141,600	146,500	151,700	157,100	162,600
General Fund Total	**37,154,700**	**39,012,500**	**40,339,900**	**41,714,000**	**43,136,500**	**44,608,900**



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GENERAL FUND
STATE SHARED REVENUE

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
29,133,900	29,862,900	729,000	3%

Description

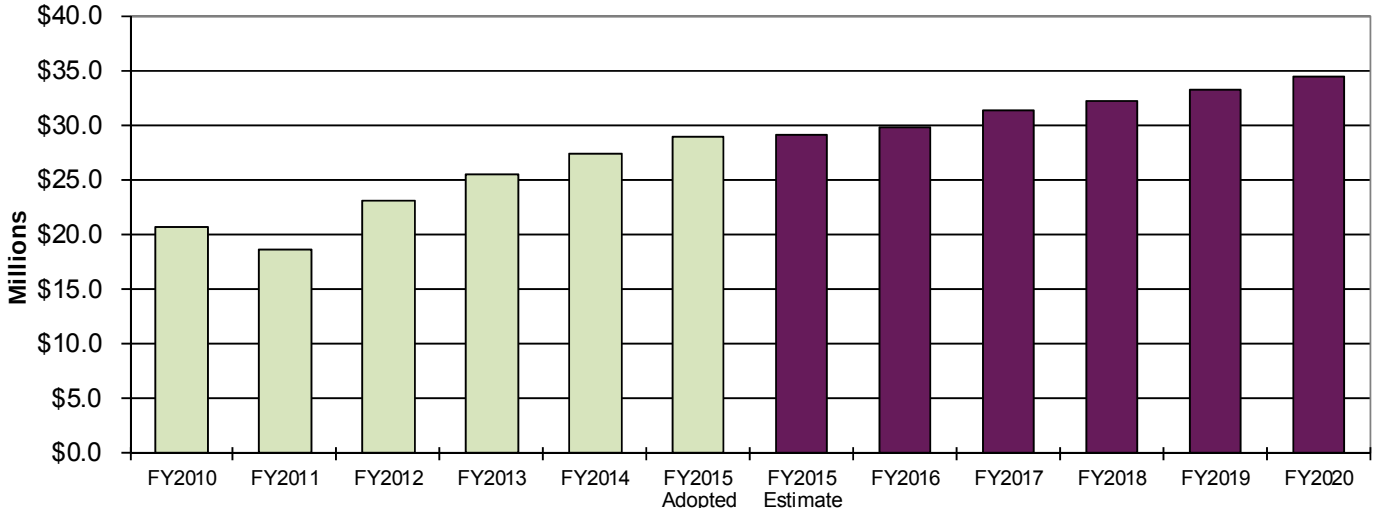
State shared revenues deposited into the General Fund are comprised of state shared income tax, state shared sales tax and vehicle license tax. State shared sales tax and vehicle license tax distributions are based on a proportionate share of population numbers from the last census or special census. Urban revenue sharing distributions are based on revised population numbers that sets the population to 1,500 for cities and towns that fall under 1,500 from the same census.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
State Shared Income Tax	11,395,938	8,591,077	9,918,521	12,004,109	13,098,761	14,225,300
State Shared Sales Tax	6,464,521	7,158,275	9,220,163	9,660,697	10,245,322	10,718,600
Vehicle License Tax	2,960,716	2,930,709	3,951,413	3,973,600	4,177,424	4,155,300
General Fund Total	**20,821,175**	**18,680,061**	**23,090,098**	**25,638,406**	**27,521,507**	**29,099,200**

Forecast Assumptions

The 2010 census resulted in increased revenues beginning in FY2012 as the city share of total population increased. The city plans to conduct a special census and is expecting another census-based increase starting in FY2017 as the city of Surprise grows faster than the average rate of other incorporated cities and towns. State shared income tax will decrease in FY2016 and is expected to remain relatively flat in FY2017 due to enacted tax law changes regarding commercial income tax rates and various new deductions. State shared sales tax and vehicle license tax are expected to rise throughout the forecast period due to an overall population increase of the state and an expected increase in the cost of taxable goods.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
State Shared Income Tax	14,226,200	14,149,000	14,581,300	14,804,500	15,145,000	15,493,300
State Shared Sales Tax	10,682,100	11,178,700	11,934,000	12,527,100	13,130,700	13,789,700
Vehicle License Tax	4,225,600	4,535,200	4,869,300	4,966,600	5,066,000	5,167,300
General Fund Total	**29,133,900**	**29,862,900**	**31,384,600**	**32,298,200**	**33,341,700**	**34,450,300**



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GENERAL FUND
CHARGES FOR SERVICES/OTHER

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
10,922,500	10,085,200	(837,300)	(8%)

Description

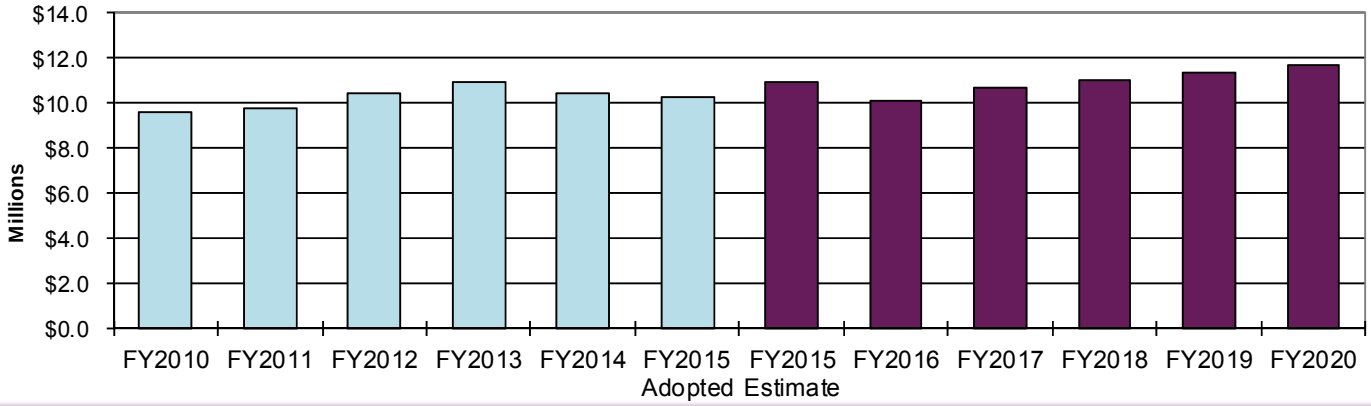
Charges for services include revenues generated by fees city departments charge for services provided to citizens and visitors of Surprise. This category also includes interest, grant and IGA revenue. Revenue sources include but are not limited to rent/lease of city buildings, permit and plan check fees, zoning fees, court imposed fines and jail cost reimbursements, recreational program fees, park rental fees, and engineering inspection, permit and plan check fees.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Parks & Rec Program Fees	3,892,092	4,073,203	4,732,333	4,706,075	4,707,757	3,987,300
Court Revenue	1,759,817	1,266,929	1,275,954	1,294,477	1,199,998	1,214,800
Fire-Medical Revenue	703,463	646,736	543,656	632,850	685,512	704,800
Police Revenue	560,104	638,061	638,150	655,249	654,619	728,300
Community Development Fees	868,230	1,367,433	1,622,594	2,011,274	1,536,223	2,289,700
Public Works Fees	185,638	290,885	276,513	559,681	485,347	547,100
Facilities Revenue	212,339	253,874	350,896	363,163	399,339	390,900
Interest Income	183,766	128,503	4,742	15,011	86,303	16,500
Grant Revenue	806,345	191,305	342,374	14,590	123,423	0
All Other Operating Revenue	425,047	921,466	606,756	695,054	537,872	376,200
General Fund Total	**9,596,842**	**9,778,396**	**10,393,969**	**10,947,424**	**10,416,394**	**10,255,600**

Forecast Assumptions

Forecasts are based on factors related to the particular areas, i.e. number of anticipated recreation program participants, court cases or building permits. While each area is different, the projections are dependent on accurate population and development estimates. The Community and Recreation Services decrease in revenue from FY2014 to FY2015 reflects the exclusion of a national tennis tournament programmed in prior years, as well as a shift in the sale of novelties during Spring Training to a vendor, and a transfer of Spring Training surcharge revenue to a separate account to support annual debt payments. Estimated and projected Community Development revenue is due to slower than anticipated commercial and residential development.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Parks & Rec Program Fees	3,989,500	3,962,800	4,031,900	4,102,200	4,173,800	4,246,600
Court Revenue	1,117,400	1,184,100	1,238,000	1,294,300	1,353,200	1,414,800
Fire-Medical Revenue	715,100	790,600	832,300	876,600	923,600	973,500
Police Revenue	726,100	736,800	762,700	789,600	817,300	846,000
Community Development Fees	1,946,300	2,057,400	2,371,700	2,438,700	2,507,700	2,578,900
Public Works Fees	526,700	579,100	667,600	686,400	705,900	725,900
Facilities Revenue	401,100	396,500	410,400	424,900	439,800	455,300
Interest Income	116,100	117,300	124,300	130,700	137,300	144,500
All Other Operating Revenue	1,384,200	260,600	269,800	279,200	289,100	299,200
General Fund Total	**10,922,500**	**10,085,200**	**10,708,700**	**11,022,600**	**11,347,700**	**11,684,700**



GENERAL FUND
PRIMARY PROPERTY TAX

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
6,513,600	6,578,600	65,000	1%

Description

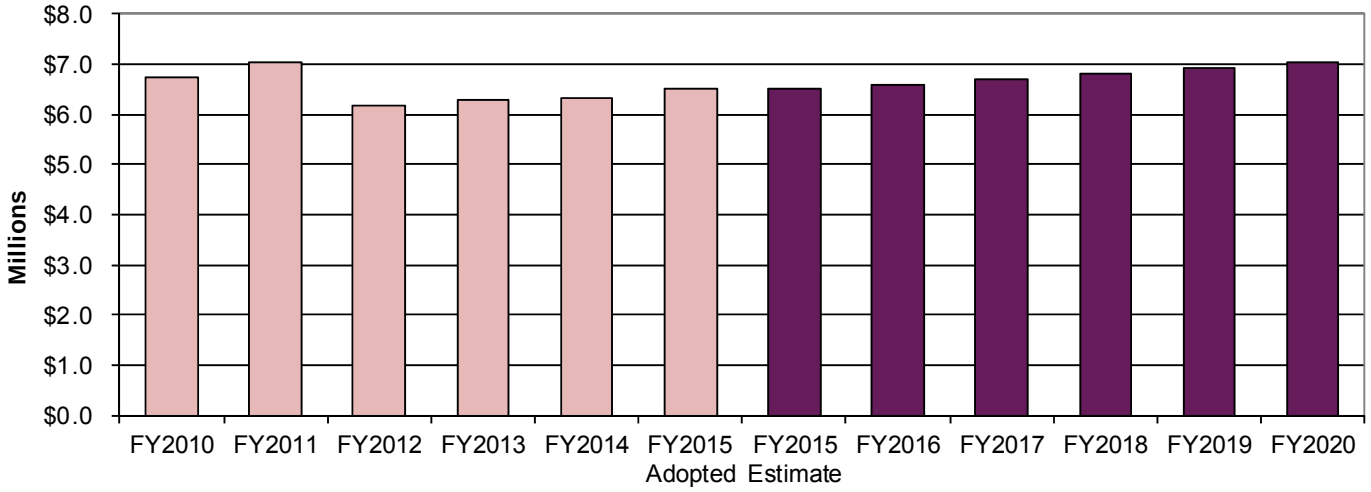
This source reflects the primary property tax levied for general government operations. State statute restricts the total levy to a maximum 2% annual increase over the prior year allowable levy plus an increase for any new construction and/or annexation. The levy amount is set annually by City Council policy.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Primary Property Tax	6,749,926	7,023,619	6,178,758	6,294,185	6,340,641	6,513,600

Forecast Assumptions

The levy amount calculation is based on assessed valuation data provided by the Maricopa County Assessor's Office. Revenue increases for the next fiscal year forecast is the result of new construction only. Forecasts in future years are based on maintaining the levy amount while increasing for growth, held constant at current year rates.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Primary Property Tax	6,513,600	6,578,600	6,688,200	6,799,000	6,911,900	7,027,100



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GENERAL FUND
FRANCHISE FEES

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
5,494,700	5,683,400	188,700	3%

Description

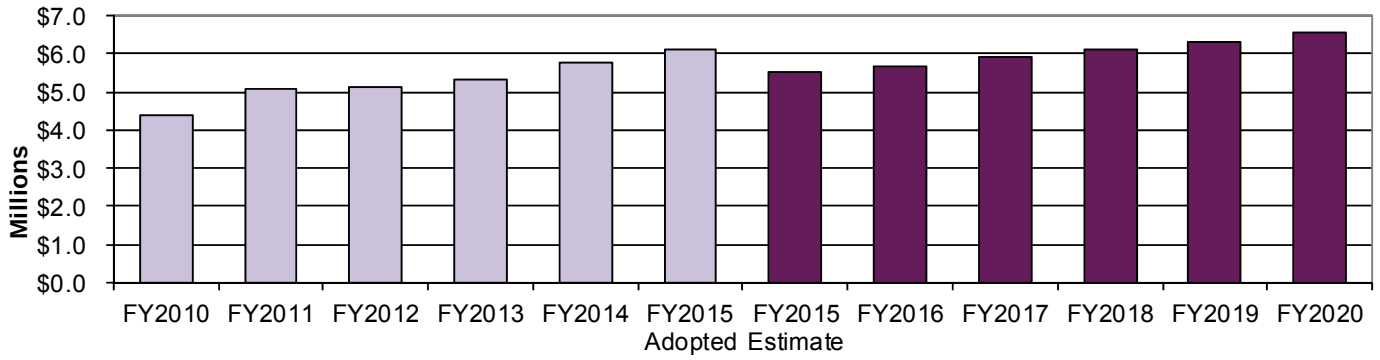
These fees equate to 2% of revenue earned by the Arizona Public Service (APS) electric utility company, Soutwest Gas, EPCOR Water, as well as City of Surprise wastewater and water utilities. Additionally Cox Communication franchise fee is set at 5% of revenue. Franchise fees are only charged to operations within the City of Surprise. Sanitation haulers license fees are charged on a per vehicle basis for both private and public sanitation providers operating within the city. Lastly, business licenses are included in the franchise fee category as are the fees charged to permit business operations within the city. In lieu franchise fees are included in this category but budgeted as transfers.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Arizona Public Service (APS)	2,071,407	2,108,514	2,242,092	2,291,309	2,449,342	2,660,900
Cox Communications	1,022,863	1,071,176	1,022,937	1,018,406	1,163,268	1,208,300
Southwest Gas	326,264	308,232	309,623	297,424	307,699	330,200
EPCOR Water	313,538	334,987	347,050	472,097	509,867	524,100
Sanitation Haulers License	32,650	42,050	39,000	39,000	38,000	39,700
Business Licenses	575,825	625,705	625,919	653,413	729,780	759,600
Sub-Total Franchise Fees	**4,342,546**	**4,490,664**	**4,586,621**	**4,771,649**	**5,197,956**	**5,522,800**
Surprise Water	-	228,525	216,818	216,155	217,880	233,400
Surprise Wastewater	-	314,216	304,409	317,237	334,730	321,700
Surprise Sanitation Haulers Lic	19,250	25,000	25,000	24,000	24,000	26,000
Sub-Total In-Lieu Franchise	**19,250**	**567,741**	**546,227**	**557,392**	**576,610**	**581,100**
General Fund Total	**4,361,796**	**5,058,405**	**5,132,848**	**5,329,041**	**5,774,566**	**6,103,900**

Forecast Assumptions

FY2015 estimated franchise fee and sanitation haulers license revenue are based on year-to-date trends. Future year forecasts are based on projected revenue per capita and reflect a modest 2% rate of inflation for the private sector and scheduled rate increases for the Surprise services. Business license estimated and future year projected revenue decrease sharply from prior year actuals and the FY2015 budget due to residential rentals no longer requiring a business license.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Arizona Public Service (APS)	2,246,900	2,325,900	2,407,700	2,492,300	2,579,900	2,670,600
Cox Communications	1,305,000	1,350,900	1,398,400	1,447,500	1,498,400	1,551,100
Southwest Gas	345,000	357,100	369,700	382,700	396,100	410,000
EPCOR Water	524,800	543,300	562,400	582,100	602,600	623,800
Sanitation Haulers License	38,900	39,700	40,500	41,300	42,100	42,900
Business Licenses	460,300	467,100	486,000	505,600	526,000	547,300
Sub-Total Franchise Fees	**4,920,900**	**5,084,000**	**5,264,700**	**5,451,500**	**5,645,100**	**5,845,700**
Surprise Water	217,400	239,100	261,500	286,300	313,400	343,100
Surprise Wastewater	332,400	335,300	339,000	342,900	346,700	350,700
Surprise Sanitation Haulers Lic	24,000	25,000	25,000	25,000	25,000	25,000
Sub-Total In-Lieu Franchise	**573,800**	**599,400**	**625,500**	**654,200**	**685,100**	**718,800**
General Fund Total	**5,494,700**	**5,683,400**	**5,890,200**	**6,105,700**	**6,330,200**	**6,564,500**



GENERAL FUND TRANSFERS IN

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
5,228,300	5,538,100	309,800	6%

Description

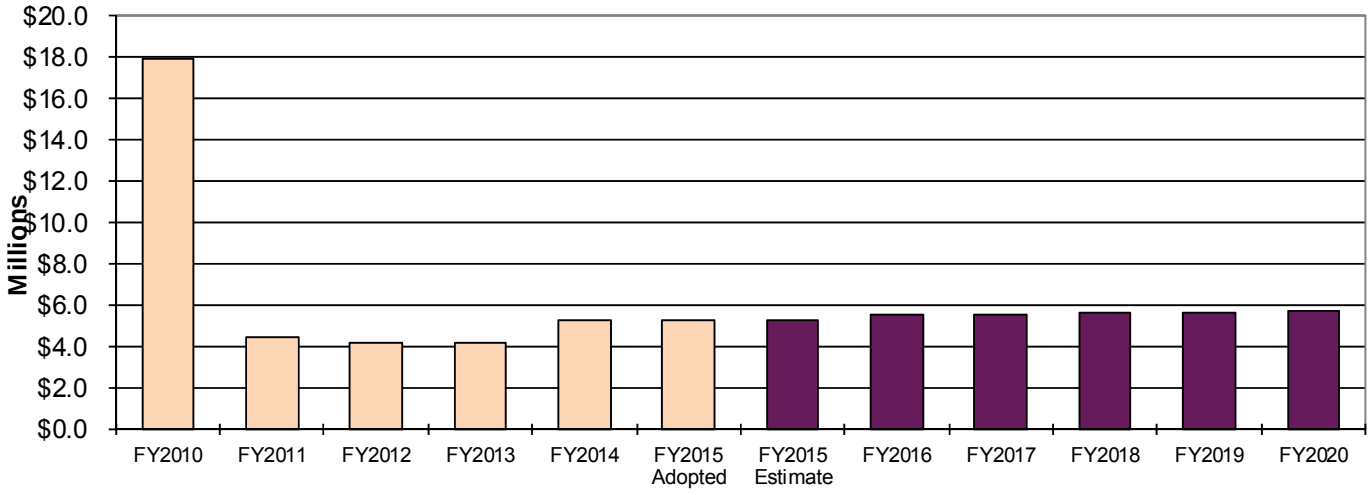
Expenses incurred by the general fund on behalf of the enterprise funds (water, waste water, and sanitation) are recovered through the indirect cost assessment and are recorded as a revenue in the general fund. Examples of expenses incurred in the general fund include city administration, human resources, facilities costs, etc. Starting in FY2011 the General Fund also started receiving payments in-lieu of property tax (PILOT) as a transfer in from the enterprise funds.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Water Indirect Assessment	568,300	1,453,900	1,453,900	1,453,900	1,244,052	1,244,100
Replenishment Assessment	55,500	-	-	-	-	-
Wastewater Indirect Assessmer	753,800	1,349,000	1,349,000	1,349,000	1,552,368	1,552,400
Sanitation Indirect Assessment	3,071,625	857,800	857,800	857,800	1,886,352	1,886,400
Water Property Tax In-Lieu	-	76,295	122,480	139,895	163,384	161,200
Wastewater Property Tax In-Lie	-	296,755	293,470	364,654	398,382	389,200
Sanitation Property Tax In-Lieu	-	6,027	5,967	6,581	8,805	8,600
Transfer from Other Funds	13,496,783	394,984	100,304	-	61,125	
General Fund Total	**17,946,007**	**4,434,761**	**4,182,921**	**4,171,830**	**5,314,468**	**5,241,900**

Forecast Assumptions

Indirect cost assessments have been allocated based on the FY2016 budget, rather than actuals from two years prior as was past practice. The assessments will be calculated throughout the year based on FY2016 actual expenses. For FY2016 the update resulted in a 6.4% increase to the total indirect cost assessment due to an increased amount of costs to allocate. PILOT revenue is estimated to come in lower than budgeted because some enterprise fund assets were sold. Future PILOT revenue assumes a similar percentage increase in valuation as other property within the city.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Water Indirect Assessment	1,244,100	1,425,400	1,425,400	1,453,900	1,453,900	1,483,000
Wastewater Indirect Assessmer	1,552,400	1,709,400	1,709,400	1,743,600	1,743,600	1,778,500
Sanitation Indirect Assessment	1,886,400	1,848,900	1,848,900	1,885,900	1,885,900	1,923,600
Water Property Tax In-Lieu	157,200	159,800	161,000	166,100	167,900	167,100
Wastewater Property Tax In-Lie	379,600	385,900	388,600	401,200	405,400	403,300
Sanitation Property Tax In-Lieu	8,600	8,700	8,600	8,900	9,000	8,900
General Fund Total	**5,228,300**	**5,538,100**	**5,541,900**	**5,659,600**	**5,665,700**	**5,764,400**



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Construction Sales Tax (CST)

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
4,603,100	4,738,500	135,400	3%

Description

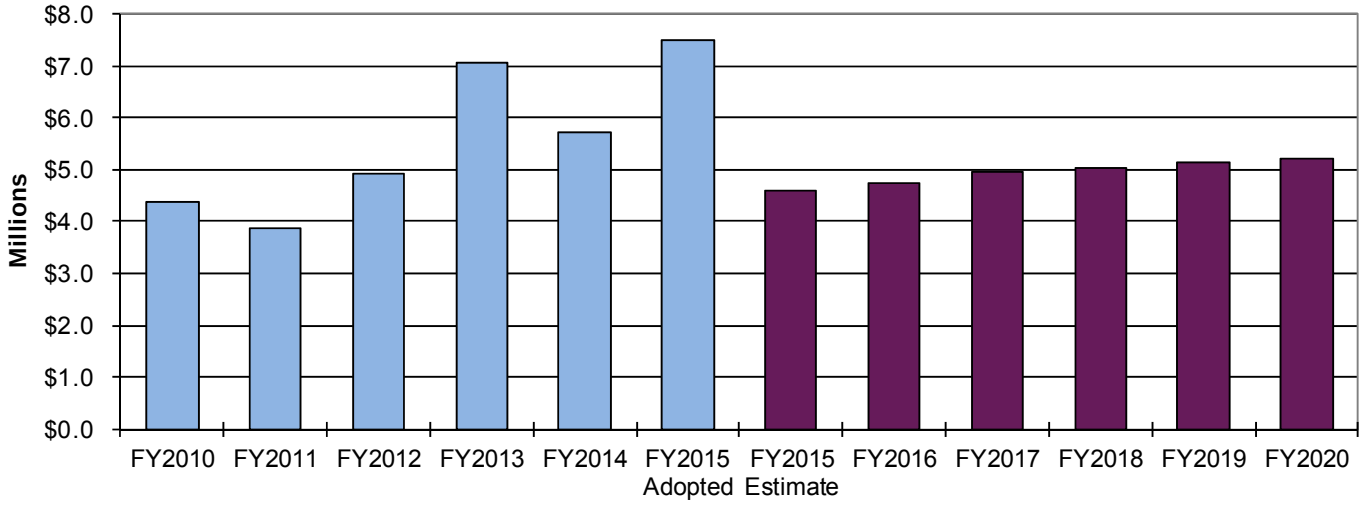
This represents the one-time construction sales tax that is assessed on new construction by the city of Surprise. The city's total construction sales tax rate is 3.7%. A dedicated construction sales tax of 1.5% is deposited in the transportation improvement fund. Of the remaining 2.2%, the first $1.25M is recorded in the general fund and amounts in excess of that are recorded in the general capital fund per Council policy.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
General Fund	642,593	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
General Capital Fund	1,953,879	1,050,837	1,685,089	2,950,369	2,140,766	3,210,200
Transportation Imp Fund	1,794,617	1,569,724	2,001,197	2,871,343	2,311,886	3,041,000
CST - All Funds	**4,391,089**	**3,870,561**	**4,936,286**	**7,071,712**	**5,702,652**	**7,501,200**

Forecast Assumptions

The construction sales tax forecast is based on estimates of the number of single family residential permits completed and valuation of non-single family residential permits completed. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source, which previously decreased due to the recessionary economy and reduced construction activity, started showing signs of recovery as construction activity resumes. However, recent Transaction Privilege Tax reform, including changes to the taxation of modifications, additions and renovations that are not considered new construction have partially stalled this recovery.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
General Fund	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
General Capital Fund	1,487,000	1,567,500	1,696,200	1,748,100	1,801,100	1,854,900
Transportation Imp Fund	1,866,100	1,921,000	2,008,700	2,044,200	2,080,300	2,117,000
CST - All Funds	**4,603,100**	**4,738,500**	**4,954,900**	**5,042,300**	**5,131,400**	**5,221,900**



HIGHWAY USER REVENUE FUND (HURF)

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
7,121,600	7,390,200	268,600	4%

Description

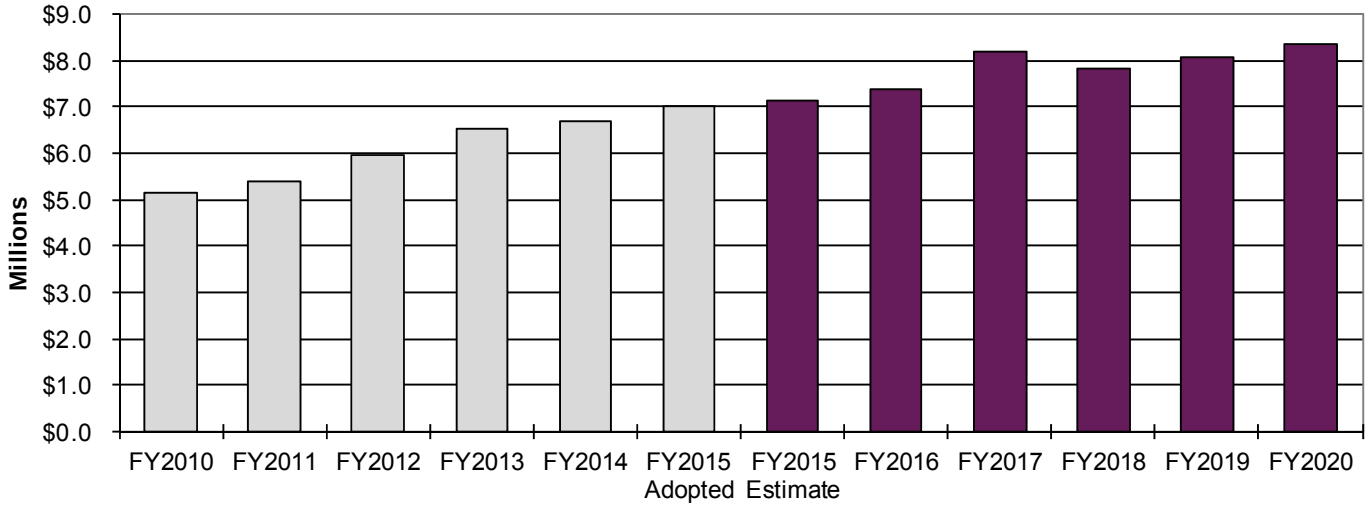
The largest revenue source for the HURF fund is the 27.5% distribution of state shared HURF revenue. State shared HURF revenues consists of state taxes collected on gasoline, vehicle registration, vehicle license tax and a number of other additional transportation related fees. The first half of the cities and towns distribution is based on the city's population percentage of all incorporated places, the second half is based on the county's percentage of gasoline sales and a city's/town's population percentage within the county. Other sources consist of auction revenue, sales of recyclable materials and interest. These funds must be used for street and highway purposes.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
State Shared HURF	4,984,457	5,275,645	5,906,800	6,487,774	6,677,050	7,008,400
Charges for Services/Other	145,276	119,679	50,441	20,056	23,496	0
HURF Fund Total	**5,129,733**	**5,395,324**	**5,957,241**	**6,507,830**	**6,700,547**	**7,008,400**

Forecast Assumptions

The current year estimate and future year forecasted revenue for state shared HURF is based on ADOT's Arizona HURF forecast for fiscal year's 2015-2024. Similar to the census-based increase in FY2012, the City of Surprise plans on conducting a special census which is expected to result in an increased HURF distribution. An additional $30M in FY2016 and $60M in FY2017 is scheduled to be distributed to cities, towns and counties per the Economic Strength Project. That project is not forecasted to continue beyond FY2017 resulting in a decrease in FY2018. Other HURF revenue sources are expect to remain flat.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
State Shared HURF	7,066,900	7,377,200	8,171,700	7,796,400	8,063,800	8,345,600
Charges for Services/Other	54,700	13,000	13,000	13,000	13,000	13,000
HURF Fund Total	**7,121,600**	**7,390,200**	**8,184,700**	**7,809,400**	**8,076,800**	**8,358,600**



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WATER OPERATIONS FUND

FY2015 Estimate	FY2016 Adopted	$ Inc/(Dec)	% Inc/(Dec)
10,869,900	12,061,300	1,191,400	11%

Description

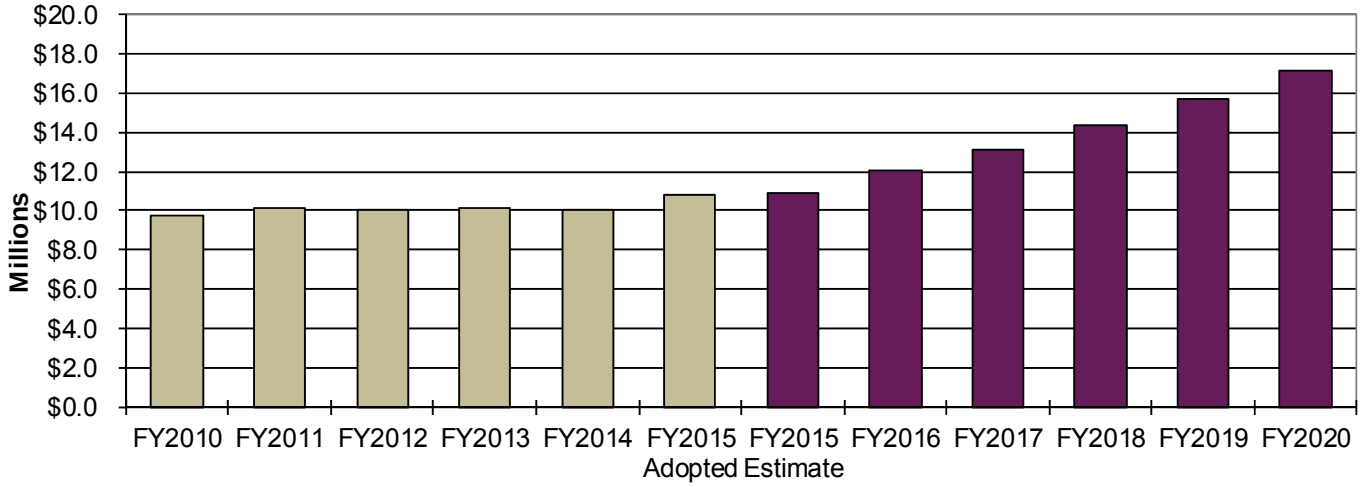
The largest component of the Water Operating Fund is Service/Collections fees collected from users of the City of Surprise water service. The fees consist of both base charges related to the water meter size and volumetric charges based on water usage. The city services approximately one-third of all water customers in the city. Also included within this fund are Water Meter Installation revenue for connecting new development to the utility, anticipated grant revenue and interest income.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Service/Collection Fees	9,666,702	9,759,186	9,873,000	10,011,257	9,945,630	10,742,900
Water Meter Installation	28,920	81,230	31,600	42,990	35,375	46,100
Other Revenue	26,566	285,142	186,583	53,293	69,206	71,500
Water Operations Fund Total	**9,722,188**	**10,125,559**	**10,091,183**	**10,107,541**	**10,050,212**	**10,860,500**

Forecast Assumptions

The water service fee forecast is based on estimates of customer's monthly bills and rates. Due to slow growth of customer counts and flat rates, revenues remained relatively stable between FY2010 and FY2014. Annual rate increases of 8.25% were adopted by the Mayor and Council along with the FY2015 budget and were implemented beginning August 1, 2014. Additional rate increases are planned for each fiscal year through FY2018. The current utility fee schedule can be found on the City's

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Service/Collection Fees	10,765,200	11,853,900	12,974,100	14,211,600	15,567,200	17,052,800
Water Meter Installation	36,100	36,700	37,700	38,300	38,800	39,400
Other Revenue	68,600	170,700	65,000	65,000	65,000	65,000
Water Operations Fund Total	**10,869,900**	**12,061,300**	**13,076,800**	**14,314,900**	**15,671,000**	**17,157,200**



WASTEWATER OPERATIONS FUND

FY2015 Estimate	FY2016 Adopted	$ Inc/(Dec)	% Inc/(Dec)
16,619,800	16,767,000	147,200	1%

Description

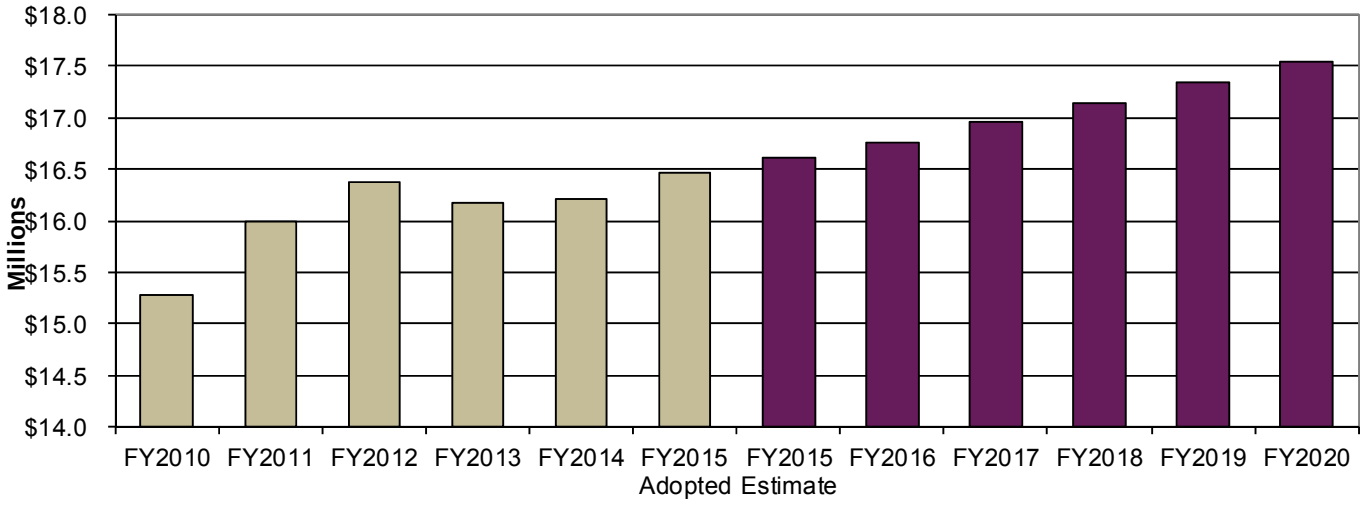
The largest Wastewater Operating Fund revenue source are Service/Collections fees collected from users of the City of Surprise wastewater service. Wastewater service fees are collected from users of the city of Surprise wastewater service and are a flat rate for residential customers and volumetric with a small base rate for commercial customers. Other revenue sources included in the Wastewater Operating fund include sewer line extension fees related to adding new development to the utility and interest income.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Service Fees	14,628,974	15,196,067	15,196,544	15,766,128	15,914,183	16,083,100
Service Fees - Onsite Imp	0	0	47,292	76,289	86,265	73,500
Service Fees - Hydro-Vac Truck	105,650	105,340	104,410	45,850	0	0
Line Extensions	123,065	25,360	52,642	52,312	29,657	0
Other	425,295	659,759	971,215	228,814	188,174	312,400
Wastewater Operating Fund	**15,282,984**	**15,986,526**	**16,372,103**	**16,169,393**	**16,218,279**	**16,469,000**

Forecast Assumptions

The wastewater service fee forecast is based on estimates of residential customer's monthly bills, metered usage of commercial customers, and rates. With no rate changes currently planned during the forecast period, revenue increases beginning in FY2015 reflect an increasing number of customers equal to the expected population increase of the City.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Service Fees	16,303,200	16,442,600	16,613,800	16,803,900	16,996,900	17,192,600
Service Fees - Onsite Imp	74,600	75,200	75,900	76,800	77,700	78,500
Line Extensions	38,700	45,900	57,700	58,500	59,500	60,300
Other	203,300	203,300	203,300	203,300	203,300	203,300
Wastewater Operating Fund	**16,619,800**	**16,767,000**	**16,950,700**	**17,142,500**	**17,337,400**	**17,534,700**



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SANITATION OPERATIONS FUND

FY2015 Estimate	FY2016 Adopted	$ Inc/(Dec)	% Inc/(Dec)
7,212,500	7,282,600	70,100	1%

Description

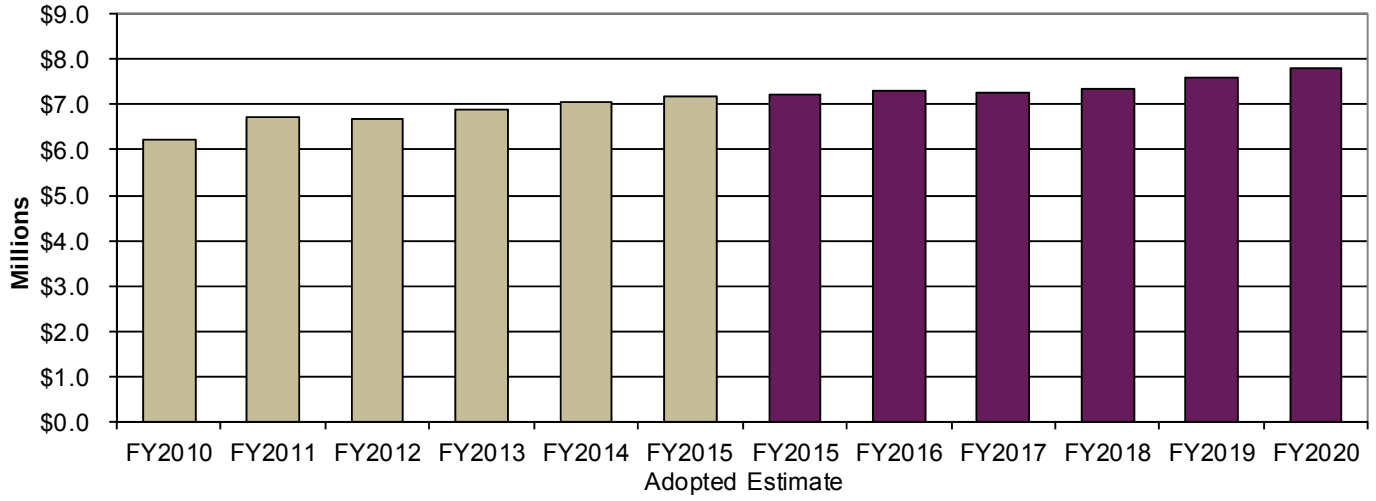
The main revenue source for the Sanitation Operations Fund is service/collection fees charged to users of the City of Surprise utility. The monthly service fee is charged on a per solid waste can basis. Other revenue is comprised of roll-off fees for commercial customers, sale of recycled materials and interest income.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Service Fees	6,134,835	6,479,400	6,267,774	6,480,232	6,612,797	6,690,000
Sanitation Roll Off Fees	0	0	196,462	205,466	200,971	209,600
Sale of Recycled Material	41,154	119,164	167,546	160,556	186,325	47,060
Other Revenue	70,229	105,967	66,313	30,610	58,932	251,740
Sanitation Fund Total	**6,246,219**	**6,704,530**	**6,698,095**	**6,876,865**	**7,059,024**	**7,198,400**

Forecast Assumptions

The sanitation service fee forecast is based on estimates of residential customer's monthly bills and rates. Also included is an estimate of recycling revenue and roll-off fee revenue based on previous year trends. Increases beginning in FY2015 reflect customer forecasts and future rate increases adopted by Mayor and Council along with the FY2015 budget. The current residential fee for a single solid waste can of $16.63 is anticipated to stay unchanged until FY2019.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Service Fees	6,677,500	6,734,500	6,804,600	6,882,400	7,099,600	7,325,300
Sanitation Roll Off Fees	206,000	209,600	215,900	222,400	229,100	236,000
Sale of Recycled Material	200,000	206,000	212,200	218,600	225,200	232,000
Other Revenue	129,000	132,500	7,900	14,100	21,200	15,500
Sanitation Fund Total	**7,212,500**	**7,282,600**	**7,240,600**	**7,337,500**	**7,575,100**	**7,808,800**



DEVELOPMENT IMPACT FEES
ENTERPRISE FUNDS

FY2015 Estimate	FY2016 Adopted	$ Inc/(Dec)	% Inc/(Dec)
1,937,000	1,577,200	(359,800)	(19%)

Description

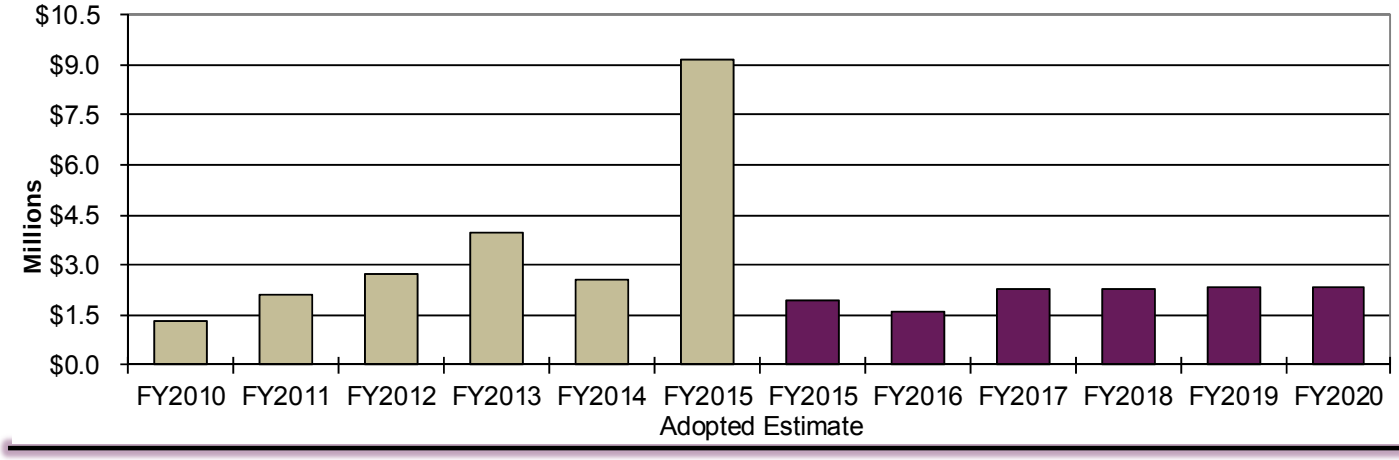
This source reflects one-time impact fees charged to developers to recover costs associated with providing water and wastewater related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. These fees are specific to geographic areas called Special Planning Areas (SPA) and are authorized under A.R.S. §9-463.05 and city ordinance §109-48.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Water Resources DIF - SPA 1	(2,558)	310,527	430,672	661,087	317,221	2,285,000
Water Resources DIF - SPA 2	165,836	0	4,993	0	169,618	179,200
Water Resources DIF - SPA 3	0	0	0	0	0	0
Water Resources DIF - SPA 4	0	0	0	0	0	0
Water Resources DIF - SPA 5	0	0	0	0	0	0
Water Resources DIF - SPA 6	0	0	0	0	0	0
Water Replenish DIF - SPA 1	46,966	166,877	232,694	355,720	170,829	1,171,500
Water Replenish DIF - SPA 2	21,140	39,457	3,039	0	37,050	101,300
Wastewater DIF - SPA 1	936,196	1,584,437	2,034,194	2,932,749	1,878,278	5,403,700
Wastewater DIF - SPA 2	128,459	0	(3,713)	0	961	41,600
Wastewater DIF - SPA 3	18,250	2,052	7,706	0	0	0
Wastewater DIF - SPA 4	0	140	0	0	0	0
Enterprise DIF Revenue	**1,314,289**	**2,103,490**	**2,709,585**	**3,949,556**	**2,573,957**	**9,182,300**

Forecast Assumptions

Utility related development impact fee rates are based on the number and size of meters installed at each new development that will utilize city services. The FY2015 budget amounts were based on growth estimates used during the last fee study completed in FY2012. These growth estimates have proven to be too optimistic and have been revised going forward. The FY2015 estimate and FY2016 forecast are based on assumptions from potential development plans and actual historical activity. Future projections beyond FY2016 are based on modest residential and commercial development growth. As a fee study was completed for FY2015, the rates are held constant throughout the remainder of the forecast.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Water Resources DIF - SPA 1	137,900	134,800	175,700	177,800	180,000	182,200
Water Resources DIF - SPA 2	96,700	91,900	115,400	117,100	118,800	120,600
Water Replenish DIF - SPA 1	68,200	69,100	97,700	98,900	100,100	101,400
Water Replenish DIF - SPA 2	51,600	51,900	65,200	66,200	67,200	68,200
Wastewater DIF - SPA 1	1,550,200	1,229,500	1,555,700	1,578,000	1,600,500	1,623,400
Wastewater DIF - SPA 2	32,400	0	253,700	257,500	261,300	265,200
Enterprise DIF Revenue	**1,937,000**	**1,577,200**	**2,263,400**	**2,295,500**	**2,327,900**	**2,361,000**



OPERATING SOURCES
Revenue Forecast Detail

DEVELOPMENT IMPACT FEES
GOVERNMENT FUNDS

FY2015 Estimate	FY2016 Adopted	$ Inc/(Dec)	% Inc/(Dec)
2,204,600	2,332,500	127,900	6%

Description

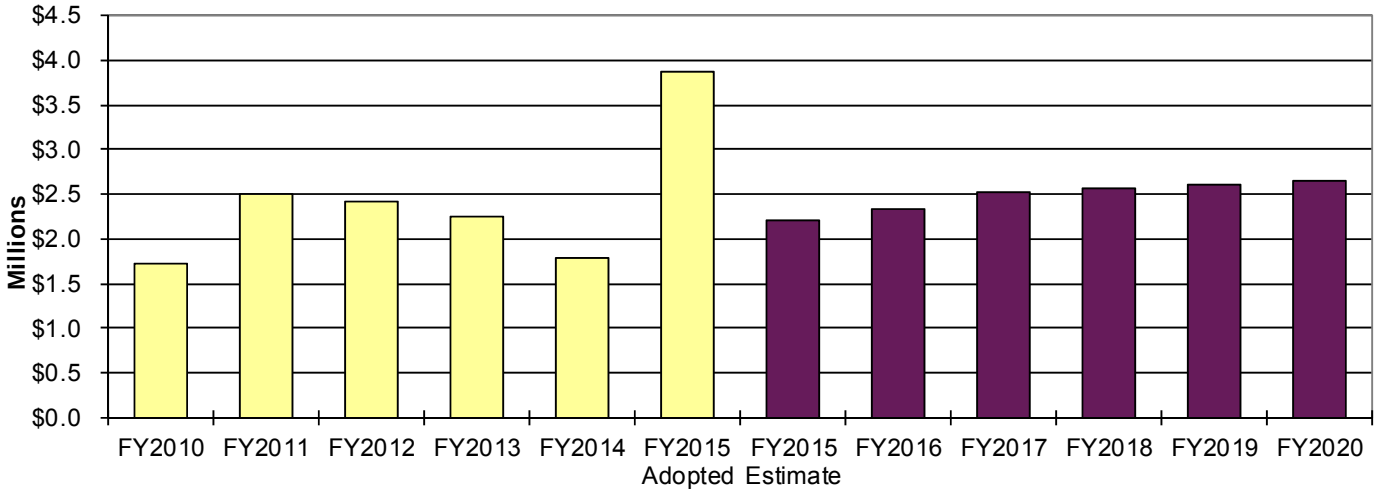
Development impact fees are one-time fees charged to developers to cover the cost of infrastructure needs due to new growth. Development impact fees are authorized under A.R.S. §9-463.05 and city ordinance §109-48.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
General Government DIF	235,747	455,045	557,843	633,619	377,348	795,700
Police DIF	112,634	198,945	306,529	296,719	248,764	482,800
Parks and Recreation DIF	573,541	418,690	531,168	372,028	280,630	836,000
Public Works DIF	318,452	528,549	285,059	144,621	136,254	0
Fire DIF	259,683	539,652	618,681	706,495	413,024	1,736,900
Library DIF	127,564	109,001	108,303	76,071	54,407	0
Roads of Regional Significance	93,659	244,963	7,707	11,111	280,035	0
163rd Ave Roadway DIF	0	0	0	0	0	19,800
Government DIF Revenue	**1,721,280**	**2,494,845**	**2,415,290**	**2,240,664**	**1,790,462**	**3,871,200**

Forecast Assumptions

The development impact fee forecast is based on the expected residential and commercial growth and average fee rates. The FY2015 budget amounts were based growth estimates used during the last fee study completed in FY2012. These growth estimates have proven to be too optimistic and have been revised going forward. The FY2015 estimate and FY2016 forecast are based on assumptions from potential development plans and actual historical activity. Future projections beyond FY2016 are based on modest residential and commercial development growth. As of FY2015 the City will no longer collect fees for Public Works, Library, or Roads of Regional Significance, and a new fee for the 163rd Avenue Roadway was introduced. As a fee study was completed for FY2015, the rates are held constant throughout the remainder of the forecast.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
General Government DIF	498,800	514,400	514,100	519,300	524,600	530,000
Police DIF	225,600	217,600	362,700	376,700	379,800	394,500
Parks and Recreation DIF	326,900	330,500	419,000	425,300	431,600	438,000
Public Works DIF	9,800	0	0	0	0	0
Fire DIF	1,070,900	1,252,200	1,222,400	1,233,300	1,244,300	1,255,400
Library DIF	4,300	0	0	0	0	0
Roads of Regional Significance	57,200	0	0	0	0	0
163rd Ave Road DIF	11,100	17,800	12,800	11,300	16,400	26,700
Government DIF Revenue	**2,204,600**	**2,332,500**	**2,531,000**	**2,565,900**	**2,596,700**	**2,644,600**



Return to TOC

SURPRISE ARIZONA

OPERATING SOURCES
Sources by Fund

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
Revenue						
General	83,673,312	87,183,400	88,645,600	90,623,200	3,439,800	4%
Ambulance Contract	35,161	247,000	183,600	295,700	48,700	20%
Animal Seizure Bond Forfeiture	0	5,000	0	1,000	(4,000)	(80%)
Arizona Lottery Fund	346,740	350,000	346,700	350,000	0	0%
Community Facilities Districts	53,199	0	0	0	0	-
Donations	147,963	451,700	438,800	461,300	9,600	2%
Employee Dep Scholarship	1,096	1,200	900	1,100	(100)	(8%)
Grants And Contingency	379,391	5,596,500	288,800	5,567,400	(29,100)	(1%)
HALO	133,066	158,000	133,700	156,000	(2,000)	(1%)
HURF	6,700,546	7,008,400	7,121,600	7,390,200	381,800	5%
Municipal Court Enhancement	91,336	110,000	91,900	97,400	(12,600)	(11%)
Municipal Court FARE	4,154	4,400	4,300	4,600	200	5%
Municipal Court JCEF	22,321	23,300	23,500	25,000	1,700	7%
Municipal Court MFTG	12,093	8,600	12,700	13,500	4,900	57%
Neighborhood Revitalization	1,259,130	2,083,200	654,300	2,090,900	7,700	0%
Net Premium Seating	26,532	22,000	25,000	25,000	3,000	14%
Program 1033 Auction Proceeds	652	5,000	1,000	1,000	(4,000)	(80%)
Proposition 400	139,503	19,300	54,700	0	(19,300)	(100%)
SB 1398 Fines	21,284	17,000	18,300	18,300	1,300	8%
SPD DEA	2,235	0	0	0	0	-
SPD RICO	113,861	480,000	0	245,000	(235,000)	(49%)
SPD Towing	96,518	117,000	106,600	105,000	(12,000)	(10%)
Spring Training Ticket Surcharge	325,957	635,000	600,000	635,000	0	0%
Stadium Improvements	83,949	136,400	137,100	137,100	700	1%
Street Lighting Districts	2,231,892	2,384,700	2,380,100	2,416,600	31,900	1%
Tourism	178,847	185,500	198,400	215,200	29,700	16%
Unclaimed Property Disposal	0	5,000	1,000	1,000	(4,000)	(80%)
Wildland Fire	40,550	140,000	62,300	143,700	3,700	3%
Gov Debt Service	140	0	0	0	0	-
Gov Reserve	19,653	0	25,000	0	0	-
163rd Avenue Dev Fee	0	19,800	11,100	17,800	(2,000)	(10%)
Fire and EMS Dev Fees	413,778	1,742,900	1,070,900	1,252,200	(490,700)	(28%)
General Capital	3,198,635	3,596,600	1,537,000	1,843,200	(1,753,400)	(49%)
General Government Dev Fees	377,710	804,300	498,800	514,400	(289,900)	(36%)
Library Dev Fees	78,979	54,800	4,300	0	(54,800)	(100%)
Parks and Rec Dev Fees	302,742	841,800	331,400	330,500	(511,300)	(61%)
Police Dev Fees	254,777	495,700	225,600	217,600	(278,100)	(56%)
Public Works Dev Fees	193,105	146,800	120,800	0	(146,800)	(100%)
Roads of Regional Significance Dev Fees	291,397	27,400	57,200	0	(27,400)	(100%)
Transportation Improvement	2,343,472	3,087,500	1,866,100	2,281,000	(806,500)	(26%)
Vehicle Replacement Fund	25,482	465,800	391,500	893,300	427,500	92%
Prop Debt Service	317	0	0	0	0	-

Return to TOC

OPERATING SOURCES
Sources by Fund

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
Revenue						
Prop Reserve	34,726	73,400	10,000	0	(73,400)	(100%)
Sanitation Operations	7,059,025	7,198,400	7,212,500	7,282,600	84,200	1%
Wastewater Dev Fee	1,881,834	5,448,700	1,582,600	1,229,500	(4,219,200)	(77%)
Wastewater Operations	16,218,280	16,469,000	16,619,800	16,767,000	298,000	2%
Water Dev Fee	739,858	3,779,100	397,400	391,700	(3,387,400)	(90%)
Water Operations	10,001,076	10,860,500	10,869,900	12,061,300	1,200,800	11%
Employee Healthcare	9,275,340	9,989,900	9,863,600	10,021,000	31,100	0%
Risk Management	1,711,395	1,737,000	1,735,900	1,735,900	(1,100)	0%
Firefighters Pension	334	0	0	0	0	-
FSA Account	298,534	0	334,000	0	0	-
Sub-Total Revenue	**150,841,877**	**174,217,000**	**156,296,300**	**167,859,200**	**(6,357,800)**	**(4%)**
Transfers In						
General	5,891,078	5,823,000	5,802,100	6,137,500	314,500	5%
SPD RICO	295,553	0	0	0	0	-
Gov Debt Service	3,361,013	3,968,900	18,335,400	3,193,700	(775,200)	(20%)
Fire and EMS Dev Fees	208,262	0	130,800	0	0	-
General Capital	0	2,000,000	3,651,200	2,720,000	720,000	36%
General Government Dev Fees	101,296	0	727,600	0	0	-
Gov Construction	0	0	15,202,600	0	0	-
Parks and Rec Dev Fees	0	0	1,037,900	0	0	-
Police Dev Fees	0	0	264,700	0	0	-
Vehicle Replacement Fund	0	1,000,000	1,000,000	1,910,400	910,400	91%
Prop Debt Service	8,585,237	10,230,900	9,236,000	4,520,900	(5,710,000)	(56%)
Wastewater Dev Fee	0	0	8,916,000	4,051,300	4,051,300	-
Water Dev Fee	(6)	0	14,400	0	0	-
Water Operations	1,350,659	0	0	0	0	-
Sub-Total Transfers In	**19,793,092**	**23,022,800**	**64,318,700**	**22,533,800**	**(489,000)**	**(2%)**
Grand Total	**170,634,969**	**197,239,800**	**220,615,000**	**190,393,000**	**(6,846,800)**	**(3%)**

Return to TOC

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
LOCAL SALES TAX						
Local Sales Tax	38,532,814	34,422,000	35,774,200	37,620,900	3,198,900	9%
Bed Tax	293,964	303,000	328,900	356,800	53,800	18%
Construction Sales Tax	0	7,501,200	4,603,100	4,738,500	(2,762,700)	(37%)
Sub-Total Local Sales Tax	**38,826,778**	**42,226,200**	**40,706,200**	**42,716,200**	**490,000**	**1%**
STATE SHARED						
Highway User Tax	6,677,050	7,008,400	7,066,900	7,377,200	368,800	5%
Auto Lieu Tax	4,177,424	4,155,300	4,225,600	4,535,200	379,900	9%
State Shared Sales Tax	10,245,322	10,718,600	10,682,100	11,178,700	460,100	4%
State Shared Income Tax	13,098,761	14,225,300	14,226,200	14,149,000	(76,300)	(1%)
State Shared Lottery Tax	346,740	350,000	346,700	350,000	0	0%
Sub-Total State Shared	**34,545,297**	**36,457,600**	**36,547,500**	**37,590,100**	**1,132,500**	**3%**
CHARGES FOR SERVICES/OTHER						
State Fire Ins. Prem Tax	255,672	329,400	286,900	309,900	(19,500)	(6%)
Area Agency On Aging	47,745	50,000	11,700	50,000	0	0%
Intergov Rev Non-Grant Local	327,760	278,000	313,700	335,100	57,100	21%
Intergov Rev Non-Grant County	158,493	0	6,000	0	0	-
Intergov Rev Non-Grant State	63,430	152,500	78,900	161,200	8,700	6%
Bldg. Insp. & Permit Fees	774,416	1,246,100	930,000	1,037,800	(208,300)	(17%)
Zoning & Subdivision Fees	196,980	249,300	170,000	151,200	(98,100)	(39%)
Map/Publication Sales	5,022	4,700	4,300	4,800	100	2%
Bldg. Plan Check Fees	177,201	443,500	440,000	419,200	(24,300)	(5%)
Labor Reimb	16,875	294,200	202,100	295,500	1,300	0%
Eng. Inpect. & Permit Fees	157,360	289,600	250,400	275,300	(14,300)	(5%)
Eng. Plan Check Fees	299,698	220,100	250,400	275,300	55,200	25%
Landscape Permits	19,615	33,100	20,000	26,100	(7,000)	(21%)
Landscape Plan Check Fees	10,643	17,700	8,000	8,700	(9,000)	(51%)
Special Events	119,054	59,000	105,900	71,000	12,000	20%
Program Fees	1,887,047	2,145,100	1,993,100	2,099,700	(45,400)	(2%)
Surprise Store Revenue	3,722	0	800	0	0	-
Concession Sales	66,546	48,000	69,000	55,000	7,000	15%
Finger Prints/Police Rpts	27,098	35,200	41,500	32,500	(2,700)	(8%)
Fire Report	147	100	300	300	200	200%
Fire Suppression	0	67,200	0	0	(67,200)	(100%)
Class Fees	286,221	276,300	281,700	276,300	0	0%
Line Extension Fees	29,657	0	38,700	45,900	45,900	-
Service/Collection Fees	32,556,140	33,635,600	33,867,300	35,154,000	1,518,400	5%
Meal Fee	15,023	14,500	15,000	14,500	0	0%
Clean Up Fees	36,098	0	85,600	101,700	101,700	-
Tennis Lessons	77,657	119,600	90,000	119,600	0	0%
Park Permits	57,360	71,000	57,000	71,000	0	0%

Return to TOC

OPERATING SOURCES
Sources by Object

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
CHARGES FOR SERVICES/OTHER						
Copy Fees	22,086	19,900	13,900	15,000	(4,900)	(25%)
Returned Check Fee	220	0	0	0	0	-
Fire Plan Review	0	0	200	0	0	-
Traffic Impact Analysis	0	200	0	0	(200)	(100%)
Tennis Pro Shop Retail	67,797	68,300	85,000	68,300	0	0%
Temporary Traffic Control	9,000	0	0	0	0	-
Off-Duty Processing Fees	5,433	0	4,200	6,500	6,500	-
Off-Duty Patrol Vehicle Fees	17,658	0	13,200	21,200	21,200	-
NW Reg. Landfill Annual Pymt	137,224	138,200	139,600	138,200	0	0%
Water Meter Installation Fee	35,375	46,100	36,100	36,700	(9,400)	(20%)
Admin Fee - Development Svs	301,330	274,400	285,900	311,500	37,100	14%
Sanitation Roll Off Fees	200,971	209,600	206,000	209,600	0	0%
Revenue Recovery-Utility Bill	3,262	0	0	0	0	-
County Grant Revenue	0	0	0	250,000	250,000	-
State Grant Revenue	17,773	43,000	43,000	43,000	0	0%
Federal Grant Revenue	1,856,747	2,020,700	837,800	2,634,400	613,700	30%
Other Grant Revenue	23,637	5,281,000	0	5,230,000	(51,000)	(1%)
Grant Program Income	185,805	650,000	349,500	629,100	(20,900)	(3%)
Fines Forfeitures & Penalties	112,666	485,000	0	246,000	(239,000)	(49%)
Court Imposed Fines	1,309,307	1,323,100	1,228,300	1,302,000	(21,100)	(2%)
Payment Fee/Court	24,478	22,000	22,500	23,700	1,700	8%
County Jail Reimbursements	52,000	99,400	51,800	62,400	(37,000)	(37%)
Interest Income	1,433,670	933,400	708,500	573,100	(360,300)	(39%)
Bond Interest Income	73,878	73,400	0	0	(73,400)	(100%)
Other Interest Income	3,261	0	0	0	0	-
Unrealized Gain/Loss	(884,655)	0	0	0	0	-
Building Rents	523,926	495,900	513,600	507,100	11,200	2%
Park Rents	121,564	137,100	126,000	137,100	0	0%
Locker Rental	790	600	600	600	0	0%
Donations-Operating	146,712	452,100	439,000	461,700	9,600	2%
Donations-Capital	1,350	700	700	700	0	0%
Suite Vouchers	6,050	0	6,000	9,000	9,000	-
Other Reimbursements	607,446	47,500	27,600	33,400	(14,100)	(30%)
ALS Paramedic	417,454	296,600	416,200	466,900	170,300	57%
Revenue Payable Cobra	1,199	0	0	0	0	-
Miscellaneous Refunds	736	0	0	0	0	-
Transit	4,990	0	0	0	0	-
Insurance - General	1,600,000	1,735,900	1,735,900	1,735,900	0	0%
Recoveries	18,666	0	838,900	0	0	-
Ins Claims Reimbursement	98,204	0	0	0	0	-
Insurance Claim Subrogation	3,228	1,100	0	0	(1,100)	(100%)
Misc Reimbursements	39,446	415,900	80,400	385,700	(30,200)	(7%)

Return to TOC

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
CHARGES FOR SERVICES/OTHER						
Employer Insurance Contrib.	7,167,556	7,893,300	7,761,500	7,873,600	(19,700)	0%
Employee Insurance Contrib.	1,869,179	2,054,800	2,012,100	2,057,400	2,600	0%
Wellness Reimbursement	20,000	10,000	10,000	10,000	0	0%
Cobra Reimbursement	67,956	0	80,000	80,000	80,000	-
NPC Po-Cty Shr Ticket Sales	473,684	379,000	300,000	300,000	(79,000)	(21%)
NPC Po-Cty Shr Tkt Surcharg	688,368	635,000	600,000	635,000	0	0%
NPC Po-Cty Shr Clb St Tkt Prem	26,496	22,000	25,000	25,000	3,000	14%
Baseball Advertising	250,276	212,200	250,000	212,200	0	0%
Baseball Concessions	540,174	450,000	500,000	475,000	25,000	6%
Baseball Novelties	289,052	290,000	290,000	290,000	0	0%
NPC Po-Cty Shr Programs	5,998	10,000	10,000	10,000	0	0%
Sale Of Recycled Material	187,885	167,100	205,000	206,000	38,900	23%
Medical Ibnr Adjustment	132,367	0	0	0	0	-
Subrogation Recovery	4,149	0	0	0	0	-
FSA Employee Contributions	298,534	0	334,000	0	0	-
Cancer Treatment Centers Of Am	326,012	42,000	32,000	32,000	(10,000)	(24%)
Auction Revenue	652	10,000	2,000	2,000	(8,000)	(80%)
Court Restitutions	202	25,000	0	0	(25,000)	(100%)
Miscellaneous Revenue	361,773	275,400	294,600	288,100	12,700	5%
Cash Over/Short	(970)	0	0	0	0	-
Recovery Of Prior Year Exp.	28,940	166,900	330,000	10,000	(156,900)	(94%)
Novelties	248	30,000	0	0	(30,000)	(100%)
Ticket Sales	26,854	0	70,000	70,000	70,000	-
Banner Advertising	20,130	0	7,000	8,300	8,300	-
DEA/DAG	37,485	35,000	35,000	36,000	1,000	3%
Sale Of Assets	240,830	0	109,400	13,000	13,000	-
Sub-Total Charges for Services/Other	**59,337,194**	**68,058,600**	**61,086,300**	**69,564,000**	**1,505,400**	**2%**
PROPERTY TAX						
Property Tax	8,500,498	8,898,300	8,844,900	8,995,200	96,900	1%
Property Tax Prior Years	69,734	0	48,900	0	0	-
Sub-Total Property Tax	**8,570,232**	**8,898,300**	**8,893,800**	**8,995,200**	**96,900**	**1%**
FRANCHISE FEES						
APS Franchise	2,449,342	2,660,900	2,246,900	2,325,900	(335,000)	(13%)
Cable TV Franchise	1,163,268	1,208,300	1,305,000	1,350,900	142,600	12%
Southwest Gas Franchise	307,699	330,200	345,000	357,100	26,900	8%
Water Franchise	509,867	524,100	524,800	543,300	19,200	4%
Business License	729,780	759,600	460,300	467,100	(292,500)	(39%)
Sanitation Hauler's License	38,000	39,700	38,900	39,700	0	0%
Sub-Total Franchise Fees	**5,197,956**	**5,522,800**	**4,920,900**	**5,084,000**	**(438,800)**	**(8%)**

Return to TOC

OPERATING SOURCES
Sources by Object

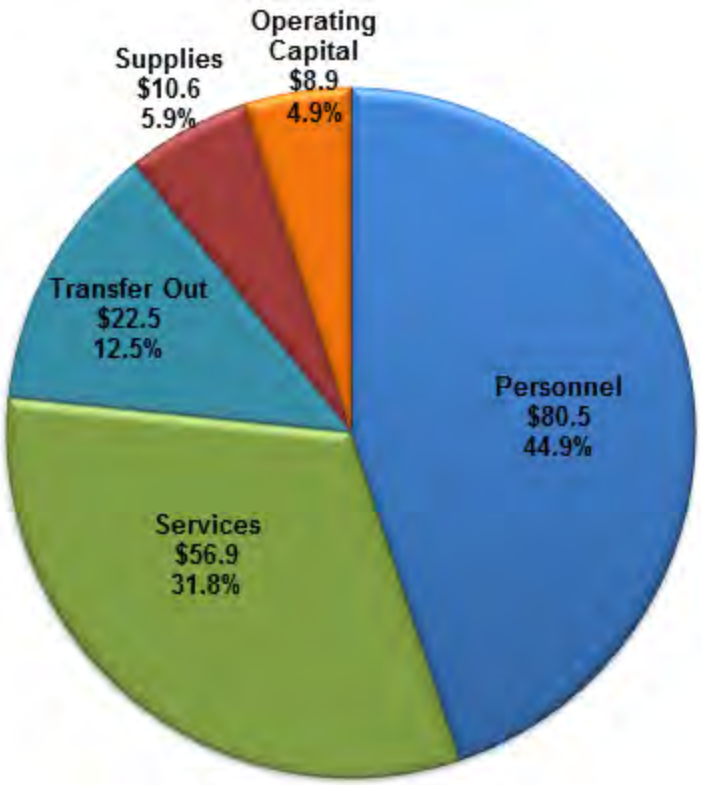
Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
DEVELOPMENT IMPACT FEES						
Development Fees	4,364,420	13,053,500	4,141,600	3,909,700	(9,143,800)	(70%)
Sub-Total Development Impact Fees	**4,364,420**	**13,053,500**	**4,141,600**	**3,909,700**	**(9,143,800)**	**(70%)**
TRANSFERS IN						
COS Wtr In Lieu Franch. Tr In	217,880	233,400	217,400	239,100	5,700	2%
COS Wwtr In Lieu Fran. Tr In	334,730	321,700	332,400	335,300	13,600	4%
COS Sani Hauler's Lic Tr In	24,000	26,000	24,000	25,000	(1,000)	(4%)
Water Indirect Costs Tr In	1,244,052	1,244,100	1,244,100	1,425,400	181,300	15%
Wwtr Indirect Costs Tr In	1,552,368	1,552,400	1,552,400	1,709,400	157,000	10%
Sani Indirect Costs Tr In	1,886,352	1,886,400	1,886,400	1,848,900	(37,500)	(2%)
Wtr Pymt ILO Prop Tax Tran In	163,384	161,200	157,200	159,800	(1,400)	(1%)
Wwtr Pymt ILO Prop Tax Tran In	398,382	389,200	379,600	385,900	(3,300)	(1%)
Sani Pymt ILO Prop Tax Tran In	8,805	8,600	8,600	8,700	100	1%
MPC03 Rent Payments-Trnsfr In	4,818,657	0	4,244,400	0	0	-
MPC07 Rent Payments-Trnsfr In	7,100,171	8,703,000	7,878,700	3,638,400	(5,064,600)	(58%)
2014 Debt-Transfer In	0	5,423,400	0	4,002,800	(1,420,600)	(26%)
From Other Funds	2,044,311	3,073,400	46,393,500	8,755,100	5,681,700	185%
Sub-Total Transfers In	**19,793,092**	**23,022,800**	**64,318,700**	**22,533,800**	**(489,000)**	**(2%)**
Grand Total	**170,634,969**	**197,239,800**	**220,615,000**	**190,393,000**	**(6,846,800)**	**(3%)**

CITYWIDE OPERATING USES SUMMARY

The operating uses forecast for fiscal year (FY) 2016 totals $179.4 million with $156.9 million in expenses and $22.5 million in transfers out. The operating uses are categorized into six major groups:

1. Personnel
2. Services
3. Transfers Out
4. Supplies
5. Operating Capital

The graph to the right depicts the citywide uses ($ in millions), percentage of the total citywide use for each of the five categories.



Personnel
For FY2016 personnel expenses is $80.5 million, or 44.9% of total uses. The increase over FY2015 adopted budget is primarily due to the addition of 21.6 new FTE, step pay plan increase for sworn employees, and a 3% merit for existing staff. The increase in staff is to maintain current service levels of the city while the merit adjustments assist in retaining high quality employees.

Services
As the economy continues to recover, the city anticipates increases for services. The total service budget is $56.9 million, or 31.8% of total uses. The biggest increase in Services relates to the developer agreements and professional services the city utilizes to maintain service levels (i.e. operating libraries). The remaining increases include travel, training, education expenses, and utilities expenses. Each departmental section contains additional details about these changes.

Supplies
For FY2016, the city is anticipating this line item to be unchanged for a total of $10.6 million, or 5.9% of total uses.

Operating Capital
Operating capital represents the smallest portion of city uses at $8.9 million, or 4.9% of total uses. A majority of the FY2016 recommended capital budget are one-time expenses.

Transfers Out
Scheduled transfers out for FY2016 total $22.5 million, or 12.5% of total uses. Interfund transfers are not appropriated, as these items represent movements between funds. According to the city's financial management policy number 23 "All interfund transfers need to be approved by council," this action is performed during the formal adoption of the budget.

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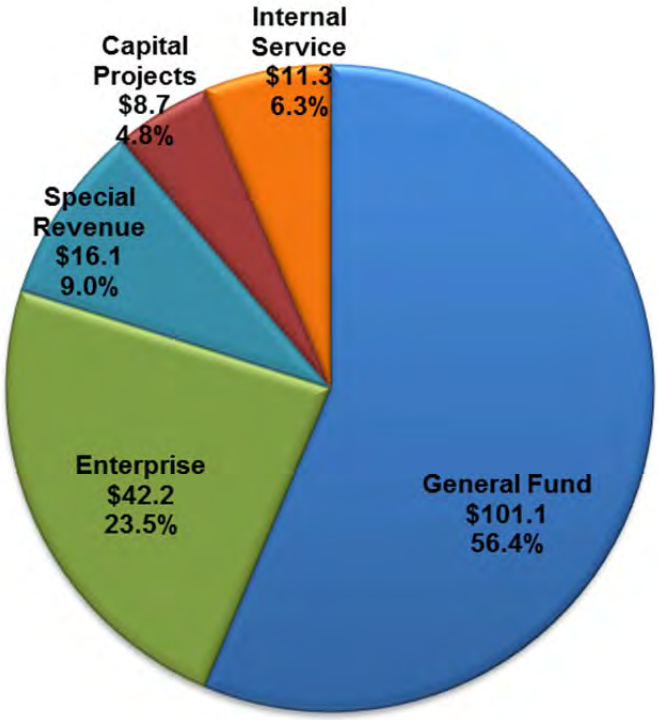
Citywide Uses by Fund

General Fund
The primary operating fund of the city and any activity that is not accounted for in another fund is placed in the general fund. The general fund accounts for $101.1 million, or 56.4%, of operating uses.

Special Revenue Funds
These funds account for specific non-capital and non-debt service revenue sources that are restricted or committed for specific purposes. The special revenue funds account for $16.1 million, or 9.0%, of operating uses.

Capital Project Funds
These funds are used to track the activities related to the collection and expenditure of funds dedicated to capital acquisition. The capital project funds account for $8.7 million, or 4.8%, of operating uses.

Enterprise Funds
These funds are used to account for the business-type activities of a government. These activities 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 public on a continuing basis be financed or recovered primarily through user charges. The enterprise funds account for $42.2 million, or 23.5%, of operating uses.



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 fully recovering cost through fees or charges. The internal service funds account for $11.3 million, or 6.3%, of operating uses.

General Fund Operating Uses

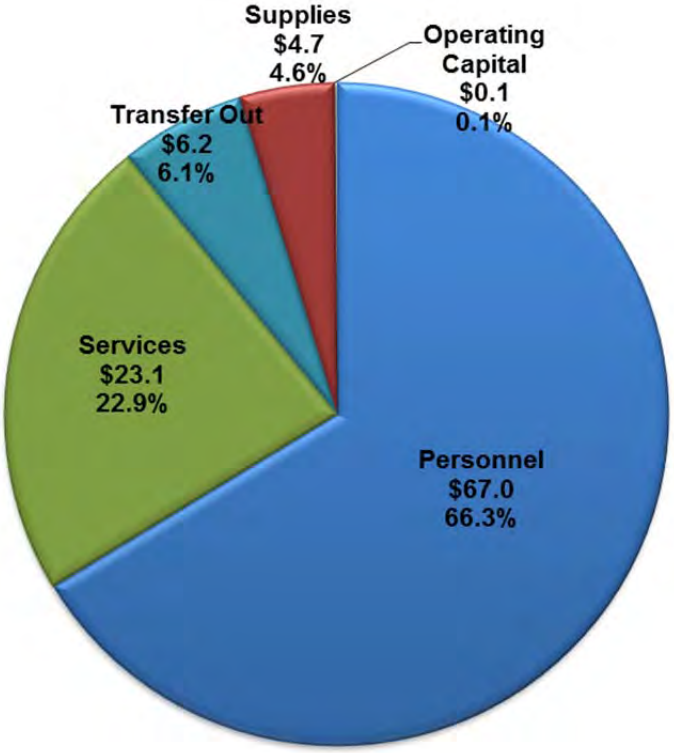
The general fund is the primary operating fund of the city and is used to account for all financial uses not accounted for in the other funds. General fund operating uses are those used to provide core government services (e.g. police, fire, library, parks, etc.). The general fund is not restricted and can be used for any purpose within the city.

Overview

The general fund operating expense and uses forecast for fiscal year FY2016 is $101.1 million, an increase of $7.2 million or 7.7% over the FY2015 adopted budget. An increase in personnel, services, and transfers out accounted for the $7.2 million increase. Personnel increases were the result of adding 11 FTE as well as step plan, retirement contributions, and a 3% merit for existing staff.

Forecast of Operating Expenditures/Uses

The following reports present a narrative on the general fund, summary of general fund accounts, and various summaries of the major operating uses with prior year and budgeted uses for the general fund and most other funds.



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GENERAL FUND

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
88,487,100	96,734,600	8,247,500	9%

Description

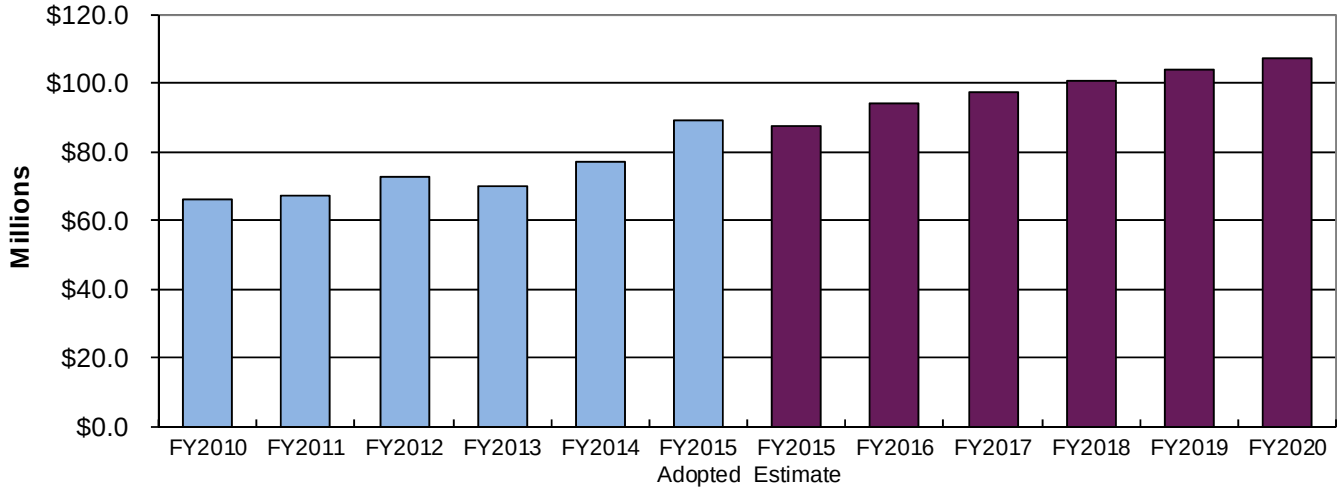
Operating expenditures are those used to provide core government services (e.g. police, fire, library, parks, etc.) and recorded in the general fund. The general fund is the primary operating fund of the city and is used to account for all financial uses not accounted for in the other funds.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
FTEs	607	608	616	589	613	643
Personnel	49,843,305	50,875,572	52,043,181	50,286,665	55,102,261	63,475,000
Supplies	3,414,372	3,917,036	4,190,671	3,864,579	4,087,862	4,527,500
Services	12,151,587	12,235,256	16,479,663	15,772,656	17,688,329	21,203,500
Capital	501,160	165,583	54,597	26,699	345,795	40,800
Subtotal Operating Expenses	65,910,424	67,193,448	72,768,112	69,950,599	77,224,247	89,246,800
Transfers Out	5,145,291	6,645,717	1,716,048	-	-	1,000,000
Total Ongoing Uses	71,055,715	73,839,165	74,484,161	69,950,599	77,224,247	90,246,800
One Time Uses	3,448,706	2,005,225	2,007,357	1,828,703	1,996,536	3,619,000

Forecast Assumptions

See corresponding pages for the individual forecast assumptions. For capital, the forecast uses the FY2015 Estimate and multiplies the amount by an inflationary factor of 2.5%.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
FTEs	643	654	655	655	655	655
Personnel	62,001,900	67,045,100	69,342,200	71,906,500	74,512,100	77,237,000
Supplies	4,541,000	4,602,500	4,717,600	4,835,500	4,956,400	5,080,300
Services	20,903,400	22,524,400	23,087,500	23,664,700	24,256,300	24,862,700
Capital	40,800	28,300	41,800	42,800	43,900	45,000
Subtotal Operating Expenses	87,487,100	94,200,300	97,189,100	100,449,500	103,768,700	107,225,000
Ongoing Transfers Out	1,000,000	2,534,300	2,534,300	2,534,300	2,534,300	2,534,300
Total Ongoing Uses	88,487,100	96,734,600	99,723,400	102,983,800	106,303,000	109,759,300
One Time Uses	3,648,300	4,373,800	4,483,100	4,595,200	4,710,100	4,827,900



GENERAL FUND
PERSONNEL SERVICES

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
62,001,900	67,045,100	5,043,200	8%

Description

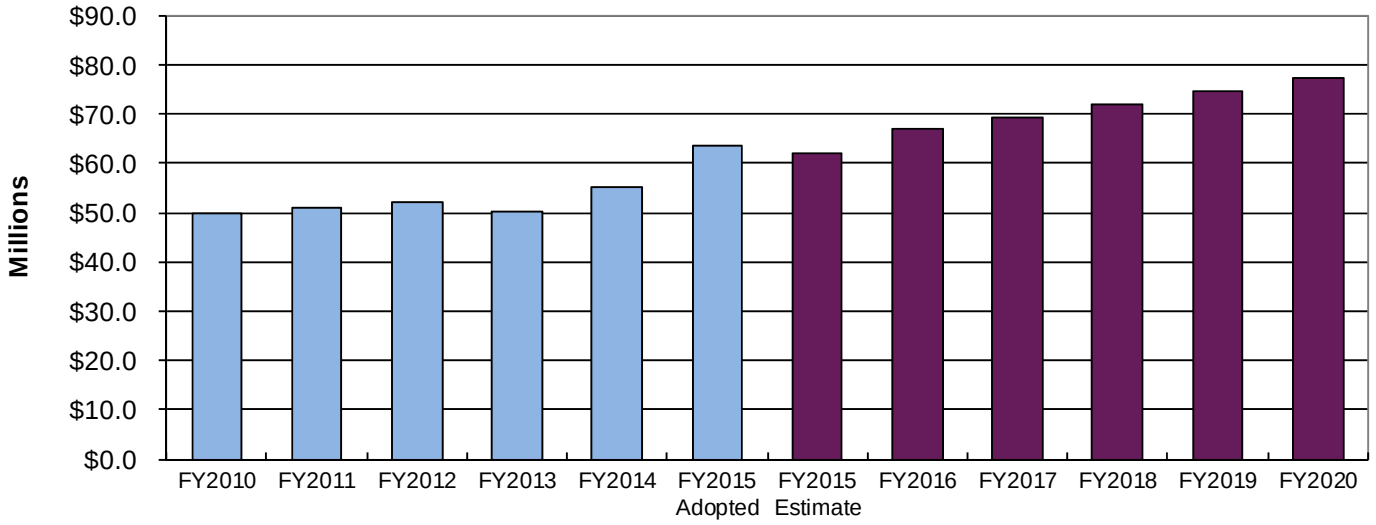
Personnel is used to record all personnel related expenditures including full time, part time, and overtime costs. Over time expenses are hourly employees that work beyond their scheduled times. Benefits/Other consists of FICA, retirement, medical/dental/vision, and any other additional personnel related expenditures.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
FTEs	607	608	616	589	613	643
Full Time	36,391,034	35,628,361	36,610,802	35,039,302	37,583,645	43,495,800
Part Time	1,105,700	1,466,702	1,560,753	1,428,287	1,478,060	1,721,100
Overtime	993,667	1,495,477	1,327,063	1,015,774	1,567,503	1,332,100
Benefits/Other	11,352,905	12,285,032	12,544,563	12,803,303	14,473,053	16,926,000
Total Personnel Services	49,843,305	50,875,572	52,043,181	50,286,665	55,102,261	63,475,000

Forecast Assumptions

The personnel services forecast uses specific assumptions for the number of staff adds, personnel increase rates, and an overall benefit rate. The rates are applied to the specific category and carried through for future years.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
FTEs	643	654	655	655	655	655
Full Time	42,579,300	45,470,700	46,906,100	48,313,300	49,762,700	51,255,600
Part Time	1,688,000	1,739,400	1,791,600	1,845,300	1,900,700	1,957,700
Overtime	1,328,500	1,416,600	1,459,100	1,502,900	1,548,000	1,594,400
Benefits/Other	16,406,100	18,418,400	19,185,400	20,245,000	21,300,700	22,429,300
Total Personnel Services	62,001,900	67,045,100	69,342,200	71,906,500	74,512,100	77,237,000



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GENERAL FUND
SUPPLIES

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
4,541,000	4,602,500	61,500	1%

Description

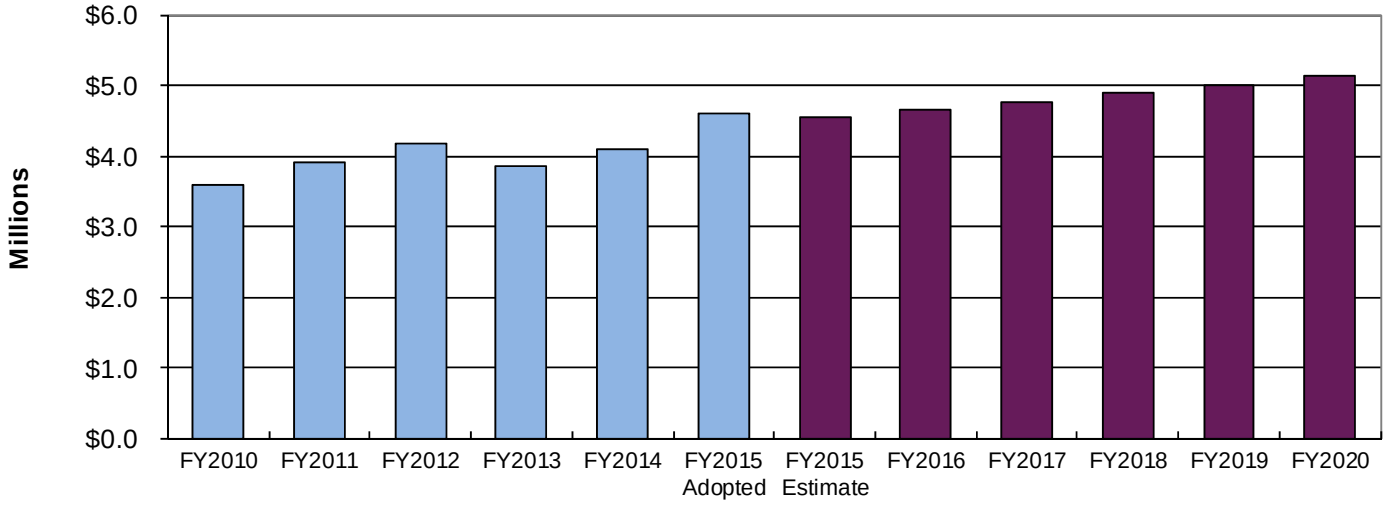
Supplies include expenditures for continuing the operations of the city. Examples of expenditures under this category include office and computer supplies, fuel, and postage.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Ongoing Supplies	3,414,372	3,917,036	4,190,671	3,864,579	4,087,862	4,527,500
One time Supplies	180,960	1,098	-	7,119	16,102	73,900
Total Supplies	3,595,332	3,918,134	4,190,671	3,871,698	4,103,963	4,601,400

Forecast Assumptions

The forecast assumption for supplies includes applying an inflationary rate of 2.5% for FY2017 - FY2020.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Ongoing Supplies	4,541,000	4,602,500	4,717,600	4,835,500	4,956,400	5,080,300
One time Supplies	12,300	53,800	55,100	56,500	57,900	59,400
Total Supplies	4,553,300	4,656,300	4,772,700	4,892,000	5,014,300	5,139,700



GENERAL FUND
SERVICES

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
20,903,400	22,524,400	1,621,000	8%

Description

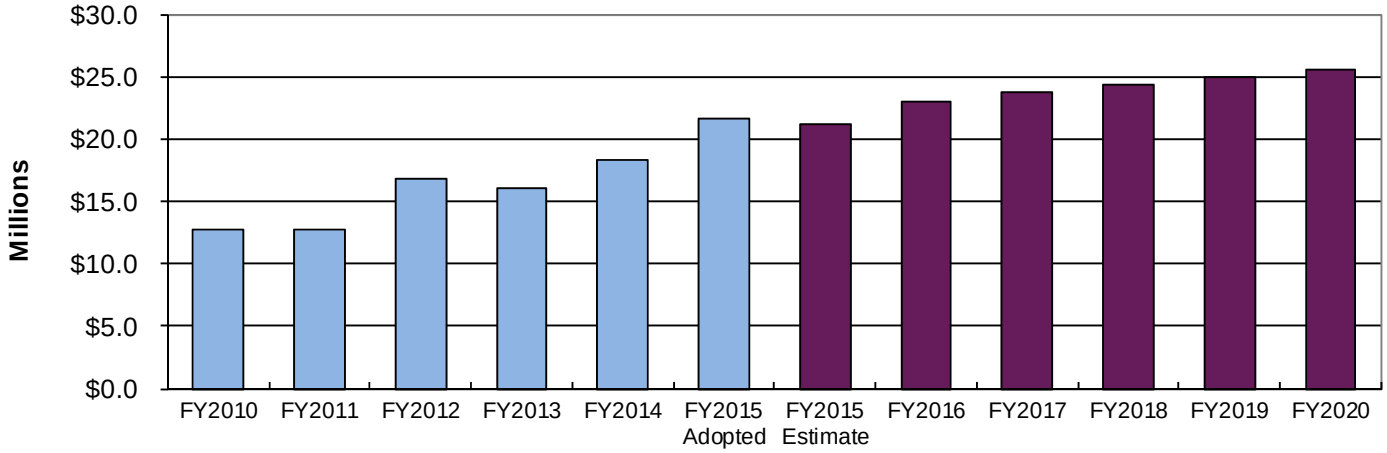
Utilities, service agreements, developer agreements, building maintenance, and general consulting services all fall under the services side of this category. In addition, developer agreements include payments for various residential or commercial projects.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Ongoing Services	12,151,587	12,235,256	16,479,663	15,772,656	17,688,329	21,203,500
One Time Services	529,606	465,871	349,196	287,281	648,940	453,900
Total Services	12,681,193	12,701,127	16,828,859	16,059,937	18,337,269	21,657,400

Forecast Assumptions

The forecast assumption for services includes applying an inflationary rate of 2.5% for FY2017 - FY2020.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Ongoing Services	20,903,400	22,524,400	23,087,500	23,664,700	24,256,300	24,862,700
One Time Services	271,500	592,600	607,400	622,600	638,200	654,200
Total Services	21,174,900	23,047,000	23,694,900	24,287,300	24,894,500	25,516,900



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GENERAL FUND TRANSFERS OUT

FY2015 Estimate	FY2016 Forecast	$ Inc/(Dec)	% Inc/(Dec)
1,000,000	2,534,300	1,534,300	153%

Description

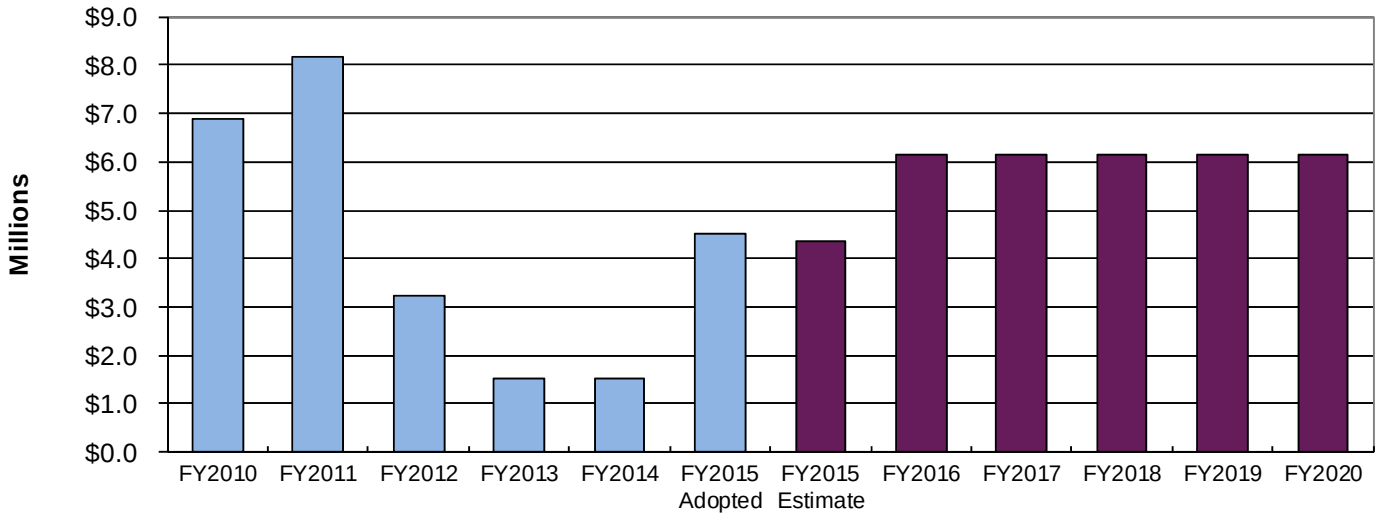
Inter-fund transfers represent a reallocation of resources between funds.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Ongoing Transfers Out	5,145,291	6,645,717	1,716,048	-	-	1,000,000
One Time Transfers Out	1,731,422	1,531,102	1,535,457	1,533,198	1,533,297	3,500,000
Total Transfers Out	6,876,713	8,176,819	3,251,506	1,533,198	1,533,297	4,500,000

Forecast Assumptions

The forecast assumption is the expenditure transfers will be consistent from FY2016 - FY2020.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Ongoing Transfers Out	1,000,000	2,534,300	2,534,300	2,534,300	2,534,300	2,534,300
One Time Transfers Out	3,350,500	3,630,400	3,630,400	3,630,400	3,630,400	3,630,400
Total Transfers Out	4,350,500	6,164,700	6,164,700	6,164,700	6,164,700	6,164,700



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OPERATING USES
Uses by Department

Department	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
Operating						
Mayor & Council	388,256	404,300	371,600	378,400	(25,900)	(6%)
City Manager	2,091,533	8,216,200	8,698,400	2,731,200	(5,485,000)	(67%)
Legal	1,753,892	2,572,700	2,084,600	2,468,600	(104,100)	(4%)
City Clerk	572,790	504,600	446,200	459,500	(45,100)	(9%)
Finance	3,087,531	4,224,500	3,248,100	4,155,500	(69,000)	(2%)
Human Resources	12,083,987	13,296,800	13,668,500	13,453,000	156,200	1%
Information Services	4,018,682	4,870,900	4,095,400	4,185,900	(685,000)	(14%)
General Operations	1,230,351	3,982,700	2,567,100	4,770,500	787,800	20%
Economic Development	0	0	0	7,570,900	7,570,900	-
Community Development	8,657,602	6,178,100	5,103,800	4,169,200	(2,008,900)	(33%)
City Court	2,023,637	2,087,300	2,030,300	2,140,000	52,700	3%
Police	20,532,570	25,225,000	23,513,200	25,697,600	472,600	2%
Fire-Emergency Services	15,614,925	17,986,300	17,315,500	18,320,900	334,600	2%
Human Service and Community Vitality	0	0	0	3,339,900	3,339,900	-
Community and Recreation Services	14,897,291	16,803,000	16,334,400	16,669,300	(133,700)	(1%)
Public Works	16,545,497	21,362,400	18,442,400	19,952,600	(1,409,800)	(7%)
Water Services	5,240,427	7,686,900	7,275,600	7,793,300	106,400	1%
Wastewater Services	6,500,325	10,155,900	9,710,400	9,894,600	(261,300)	(3%)
Sanitation	4,745,137	7,223,900	5,993,100	8,694,700	1,470,800	20%
Sub-Total Operating	**119,984,433**	**152,781,500**	**140,898,600**	**156,845,600**	**4,064,100**	**3%**
Transfers Out						
Finance	(6)	0	0	0	0	-
General Operations	1,718,520	4,573,400	40,382,400	6,238,100	1,664,700	36%
Police	541,304	245,200	216,500	136,400	(108,800)	(44%)
Fire-Emergency Services	329,692	121,200	107,000	67,400	(53,800)	(44%)
Community and Recreation Services	794,115	1,437,500	699,500	1,085,700	(351,800)	(24%)
Public Works	671,040	665,000	587,000	369,900	(295,100)	(44%)
Water Services	2,975,975	1,638,700	1,633,100	1,824,300	185,600	11%
Wastewater Services	10,843,295	12,420,800	18,774,200	10,929,400	(1,491,400)	(12%)
Sanitation	1,919,157	1,921,000	1,919,000	1,882,600	(38,400)	(2%)
Sub-Total Transfers Out	**19,793,092**	**23,022,800**	**64,318,700**	**22,533,800**	**(489,000)**	**(2%)**
Grand Total	**139,777,525**	**175,804,300**	**205,217,300**	**179,379,400**	**3,575,100**	**2%**

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OPERATING USES
Uses by Fund

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
Operating						
General	77,687,486	89,365,800	87,784,900	94,943,700	5,577,900	6%
Ambulance Contract	35,161	187,800	183,600	223,100	35,300	19%
Animal Seizure Bond Forfeiture	0	5,000	0	1,000	(4,000)	(80%)
Arizona Lottery Fund	346,740	350,000	346,700	350,000	0	0%
Donations	150,232	472,600	446,900	463,600	(9,000)	(2%)
Employee Dep Scholarship	3,000	3,000	3,000	3,000	0	0%
Grants And Contingency	379,391	565,000	285,200	571,000	6,000	1%
HALO	120,183	158,000	133,700	168,900	10,900	7%
HURF	5,382,771	8,596,800	8,364,200	7,790,600	(806,200)	(9%)
Municipal Court Enhancement	86,782	120,000	130,000	85,000	(35,000)	(29%)
Municipal Court JCEF	52,845	104,700	46,000	58,000	(46,700)	(45%)
Municipal Court MFTG	0	15,000	15,000	13,100	(1,900)	(13%)
Neighborhood Revitalization	1,259,131	2,083,200	654,300	2,090,900	7,700	0%
Net Premium Seating	15,482	50,000	33,600	50,000	0	0%
Program 1033 Auction Proceeds	0	5,000	0	1,700	(3,300)	(66%)
Proposition 400	19,572	19,600	0	54,700	35,100	179%
SB 1398 Fines	4,240	19,600	19,600	42,800	23,200	118%
SPD RICO	140,224	1,277,900	15,000	710,000	(567,900)	(44%)
SPD Towing	154,315	375,100	342,600	82,500	(292,600)	(78%)
Spring Training Ticket Surcharge	0	250,000	190,000	0	(250,000)	(100%)
Stadium Improvements	508,771	0	0	0	0	-
Street Lighting Districts	2,406,815	2,531,800	2,439,800	2,520,400	(11,400)	0%
Tourism	31,000	0	0	0	0	-
Unclaimed Property Disposal	0	5,000	0	1,000	(4,000)	(80%)
Wildland Fire	18,316	140,000	116,900	143,700	3,700	3%
163rd Avenue Dev Fee	15,030	12,500	0	12,500	0	0%
Fire and EMS Dev Fees	116,349	25,000	0	25,000	0	0%
General Capital	122,000	1,550,000	977,000	385,000	(1,165,000)	(75%)
General Government Dev Fees	0	25,000	0	25,000	0	0%
Library Dev Fees	0	100,000	0	25,000	(75,000)	(75%)
Parks and Rec Dev Fees	0	25,000	0	25,000	0	0%
Police Dev Fees	0	25,000	0	25,000	0	0%
Public Works Dev Fees	63,642	109,000	84,000	109,000	0	0%
Roads of Regional Significance Dev Fees	0	12,500	0	12,500	0	0%
Transportation Improvement	2,327,066	2,724,400	417,800	2,556,900	(167,500)	(6%)
Vehicle Replacement Fund	1,110,861	3,954,900	2,564,100	4,512,200	557,300	14%
Sanitation Operations	4,745,389	7,223,900	5,993,100	8,695,100	1,471,200	20%
Wastewater Dev Fee	30,060	50,000	0	50,000	0	0%
Wastewater Operations	6,757,494	10,483,800	10,125,200	10,376,500	(107,300)	(1%)
Water Dev Fee	(1,085,559)	705,000	205,000	357,300	(347,700)	(49%)
Water Operations	6,353,718	7,509,700	7,100,400	7,970,700	461,000	6%
Employee Healthcare	8,880,732	9,949,100	9,946,300	9,697,600	(251,500)	(3%)

Return to TOC

OPERATING USES
Uses by Fund

Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
Operating						
Risk Management	1,425,697	1,595,800	1,600,700	1,616,600	20,800	1%
Firefighters Pension	20,963	0	0	0	0	-
FSA Account	298,534	0	334,000	0	0	-
Sub-Total Operating	**119,984,433**	**152,781,500**	**140,898,600**	**156,845,600**	**4,064,100**	**3%**
Transfers Out						
General	1,533,297	4,500,000	4,350,500	6,164,700	1,664,700	37%
Community Facilities Districts	56,505	0	0	0	0	-
SPD DEA	295,553	0	0	0	0	-
Spring Training Ticket Surcharge	0	645,100	0	645,000	(100)	0%
Transit	4,620	0	0	0	0	-
Gov Debt Service	0	0	30,379,700	0	0	-
Gov Reserve	0	0	3,619,600	0	0	-
Fire and EMS Dev Fees	329,692	121,200	107,000	67,400	(53,800)	(44%)
General Government Dev Fees	767,716	665,000	596,900	369,900	(295,100)	(44%)
Gov Construction	0	0	197,800	0	0	-
Parks and Rec Dev Fees	794,115	792,400	882,200	440,700	(351,700)	(44%)
Police Dev Fees	245,751	245,200	216,500	136,400	(108,800)	(44%)
Prop Reserve	27,422	73,400	1,642,200	73,400	0	0%
Sanitation Operations	1,919,157	1,921,000	1,919,000	1,882,600	(38,400)	(2%)
Wastewater Dev Fee	8,557,815	10,157,500	9,162,600	4,447,500	(5,710,000)	(56%)
Wastewater Operations	2,285,480	2,263,300	9,611,600	6,481,900	4,218,600	186%
Water Dev Fee	1,350,659	0	0	0	0	-
Water Operations	1,625,310	1,638,700	1,633,100	1,824,300	185,600	11%
Sub-Total Transfers Out	**19,793,092**	**23,022,800**	**64,318,700**	**22,533,800**	**(489,000)**	**(2%)**
Grand Total	**139,777,525**	**175,804,300**	**205,217,300**	**179,379,400**	**3,575,100**	**2%**

Return to TOC

Category/Object	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
PERSONNEL						
Full-Time Salaries	37,807,059	48,877,000	44,364,900	51,607,700	2,730,700	6%
Part-Time Employees (Reg)	1,533,764	1,777,200	1,762,600	1,783,500	6,300	0%
Overtime Compensation	1,815,209	2,059,700	1,996,900	2,123,000	63,300	3%
Fair Labor Act Ot Compliance	486,374	681,600	622,900	699,800	18,200	3%
Holidays (Reg)	1,622,839	1,112,600	1,563,400	1,178,700	66,100	6%
Paid Time Off	4,200,317	0	2,737,400	0	0	-
City Council	155,730	160,600	158,600	155,200	(5,400)	(3%)
Shift Differential	34,773	112,200	70,700	56,500	(55,700)	(50%)
Part-Time Employees (Temp Employees)	0	49,100	21,000	0	(49,100)	(100%)
Stipend	167,347	150,000	130,300	163,000	13,000	9%
Uniform Allowance	328,641	328,900	323,100	340,200	11,300	3%
Vehicle Allowance	4,243	4,200	8,400	9,000	4,800	114%
Payroll Payable Due	786	0	0	0	0	-
Housing Allowance	6,000	0	0	0	0	-
FICA	2,912,071	3,456,900	3,290,600	3,795,800	338,900	10%
Medical	6,770,618	7,967,800	7,475,000	8,137,600	169,800	2%
Dental	415,807	472,700	451,200	491,400	18,700	4%
Vision	64,554	69,500	66,900	69,300	(200)	0%
Life	183,410	215,200	212,000	228,300	13,100	6%
Deferred	16,007	34,100	13,900	17,100	(17,000)	(50%)
AZ State Retirement	3,117,806	3,764,300	3,476,300	4,025,700	261,400	7%
AZ Public Safety Retirement	2,734,592	3,515,900	3,290,900	4,193,800	677,900	19%
Post Emp. Health Plan	103,387	0	7,800	0	0	-
457 & 401A Contribution &Match	71,436	0	2,400	0	0	-
AZ Elected Officials Retiremnt	48,521	66,400	50,200	38,400	(28,000)	(42%)
Retire Alt. Contr. Rate Psprs	71,398	0	154,800	179,200	179,200	-
Workers Compensations	1,053,658	1,066,800	1,099,000	1,170,400	103,600	10%
Other Compensation	2,925	0	0	0	0	-
Labor Dist. Inter-Department	1	(10,400)	0	6,500	16,900	(163%)
Sub-Total Personnel	**65,729,273**	**75,932,300**	**73,351,200**	**80,470,100**	**4,537,800**	**6%**
SUPPLIES						
Office Supplies	116,954	137,700	127,900	135,600	(2,100)	(2%)
Computer Supplies	239,254	172,800	164,100	169,300	(3,500)	(2%)
Postage	841	200	100	0	(200)	(100%)
Books & Subscriptions	48,791	74,700	64,800	62,600	(12,100)	(16%)
Uniforms	93,599	117,600	100,100	99,900	(17,700)	(15%)
Clothing	0	500	500	1,700	1,200	240%
Personal Protective Equipment	43,178	117,200	82,200	129,400	12,200	10%
Radio Supplies	12,012	26,900	22,900	28,900	2,000	7%
Phone Supplies	13,385	8,500	8,300	19,300	10,800	127%
Ammunition	49,159	59,000	59,000	59,000	0	0%

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OPERATING USES
Uses by Object

Category/Object	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
SUPPLIES						
Weapons	13,072	12,000	12,000	21,100	9,100	76%
Canine	1,964	3,800	3,800	3,800	0	0%
Investigation Supplies	10,018	6,000	3,000	4,000	(2,000)	(33%)
Operational Supplies	867,154	1,032,900	990,800	1,033,900	1,000	0%
Furn/Fixture/Equip <$10,000	453,378	1,029,600	1,023,200	633,500	(396,100)	(38%)
Traffic Signal Supplies	94,237	88,800	68,500	88,800	0	0%
Signs And Sign Supplies	250,183	351,500	357,600	350,900	(600)	0%
Op Equip, Tool, Part <10000	1,006,318	2,457,600	1,293,400	1,784,300	(673,300)	(27%)
Claim/Settlemt/Deductable	56,757	0	0	0	0	-
Wellness	38,712	39,500	39,500	39,500	0	0%
Purchases For Resale (COS)	101,915	106,800	97,300	106,800	0	0%
Food (Non-Travel)	178	20,500	0	0	(20,500)	(100%)
Awards & Recognition	113,070	146,100	142,500	148,800	2,700	2%
Safety & First Aid Supplies	117,593	139,800	146,900	155,600	15,800	11%
Community Relations Supplies	54,897	71,300	72,800	80,800	9,500	13%
Special Event Hosting	226,436	249,200	255,300	295,900	46,700	19%
Meeting Supplies	35,429	25,600	37,800	47,700	22,100	86%
Gas & Fuel	1,452,563	1,522,800	1,521,400	1,541,900	19,100	1%
Auto Parts & Lubricants	843,393	887,700	823,300	895,700	8,000	1%
Repair And Maintenance	228,868	240,400	244,500	242,500	2,100	1%
Cleaning/Janitorial	125,464	119,600	120,300	125,600	6,000	5%
Agricultural/Grounds	411,929	555,000	572,500	554,600	(400)	0%
Op Equip, Tool, Part <2,500	0	0	2,000	0	0	-
Chemical Supplies	1,341,195	1,238,700	1,214,300	1,405,300	166,600	13%
Street Repair Supplies	92,576	168,800	168,800	208,800	40,000	24%
District 1-Expenditures	412	2,000	2,000	2,500	500	25%
District 2-Expenditures	1,186	2,000	2,000	2,500	500	25%
District 3-Expenditures	1,602	2,000	2,000	2,500	500	25%
District 4-Expenditures	290	2,000	2,000	2,500	500	25%
District 5-Expenditures	365	2,000	2,000	2,500	500	25%
District 6-Expenditures	586	2,000	2,000	2,500	500	25%
Mayor Expenditures	0	0	0	5,000	5,000	-
Council Community Outreach	35	0	0	0	0	-
Packaging Supplies	3,756	3,000	3,000	3,000	0	0%
Training & Education Supplies	20,811	87,900	37,400	38,000	(49,900)	(57%)
Photography Supplies	5,984	8,600	7,700	8,600	0	0%
Miscellaneous Supplies	14,344	1,700	2,800	1,700	0	0%
Sub-Total Supplies	**8,603,843**	**11,342,300**	**9,904,300**	**10,546,800**	**(795,500)**	**(7%)**
SERVICES						
Dist. 1-Travel & Training Fund	636	0	0	0	0	-
Dist. 2-Travel & Training Fund	135	0	0	0	0	-

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Category/Object	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
SERVICES						
Dist. 3-Travel & Training Fund	4,902	0	0	0	0	-
Dist. 4-Travel & Training Fund	2,102	0	0	0	0	-
Dist. 5-Travel & Training Fund	1,118	0	0	0	0	-
Dist. 6-Travel & Training Fund	1,405	0	0	0	0	-
Mayor Travel & Training Fund	13,162	0	0	0	0	-
Boards & Commissions	9,173	88,000	24,800	14,000	(74,000)	(84%)
Financial Services	119,468	125,500	124,200	130,200	4,700	4%
Taxes & Service Fees	180,911	184,300	191,800	206,700	22,400	12%
Audit Services	119,530	132,600	94,000	99,000	(33,600)	(25%)
Legal Services	73,330	620,000	235,000	505,000	(115,000)	(19%)
Service Agreements	3,472,776	3,876,600	3,803,000	4,137,800	261,200	7%
Economic Development	2,170,591	2,333,400	2,849,800	3,328,000	994,600	43%
Recording, License Fees	121,317	127,900	132,000	130,800	2,900	2%
Software Licenses	592,019	603,700	546,500	547,400	(56,300)	(9%)
Collection Fees-Delinq. Accts	0	500	500	500	0	0%
Entry/Application Fees	106	0	2,800	0	0	-
Animal Control Services	3,261	4,000	3,000	4,000	0	0%
Jail Services	532,996	800,000	725,000	750,000	(50,000)	(6%)
Public Defender	178,125	194,500	186,900	186,900	(7,600)	(4%)
Court Reporters	1,037	1,000	700	1,000	0	0%
Juries	4,467	6,000	4,900	6,000	0	0%
Interpreters	8,072	10,100	9,600	10,000	(100)	(1%)
Code Enforcement	30,636	50,000	48,000	50,000	0	0%
Annual Fire Fighter Physicals	81,517	102,600	101,100	103,400	800	1%
Landscape Services	745,242	970,800	967,400	1,008,800	38,000	4%
Grants To Outside Agencies	5,000	15,000	15,000	15,000	0	0%
Community Relations Services	45,023	66,600	66,800	70,000	3,400	5%
Admissions	40,079	74,800	77,600	74,800	0	0%
Council Community Outreach	27,021	50,000	37,000	75,000	25,000	50%
Council Regional Outreach	306	0	2,000	0	0	-
Pre-Employment Services	72,759	394,800	63,000	64,300	(330,500)	(84%)
Lab Services	131,059	154,600	154,600	153,600	(1,000)	(1%)
Film Services	3,036	1,200	1,700	1,200	0	0%
Real Property Services	11,164	16,000	16,000	16,000	0	0%
GIS Services	22,025	30,000	30,000	30,000	0	0%
Aerial Photography	6,225	33,500	33,500	33,500	0	0%
Sporting Officials	238,922	327,000	290,400	304,500	(22,500)	(7%)
Class Instructors	53,084	75,100	64,800	75,100	0	0%
Professional & Outside Service	3,201,940	5,198,500	3,318,300	5,415,100	216,600	4%
Water	1,484,811	1,037,900	967,500	995,100	(42,800)	(4%)
Electricity	6,772,765	7,323,100	7,247,300	7,369,800	46,700	1%
Propane/Natural Gas	93,273	121,200	122,100	121,200	0	0%

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OPERATING USES
Uses by Object

Category/Object	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
SERVICES						
Telephone Service	306,816	322,800	325,300	363,600	40,800	13%
Sanitary/Landfill	1,223,165	1,205,100	1,260,700	1,292,800	87,700	7%
Postage & Mailings	124,102	173,300	145,800	164,700	(8,600)	(5%)
Cell Phone/Pagers	178,980	186,800	173,800	183,100	(3,700)	(2%)
CAP Recharge Water	0	1,701,400	1,701,400	1,726,800	25,400	1%
Building Maintenance	480,733	501,500	563,100	504,200	2,700	1%
Streets Maintenance	2,050,353	4,471,400	2,140,000	3,207,500	(1,263,900)	(28%)
Radio Equip. Maint.	337,367	443,100	399,500	403,500	(39,600)	(9%)
Computer Maintenance	111,662	128,200	120,700	122,200	(6,000)	(5%)
Office Equipment Maint.	5,671	18,900	21,300	18,900	0	0%
Machinery & Equipment Maint	613,467	1,304,900	1,289,400	901,600	(403,300)	(31%)
Vehicle Maintenance	432,303	397,000	375,200	411,500	14,500	4%
Traffic Signal R&M	9,636	15,000	15,000	15,000	0	0%
Wells/Sewer/Lins/Etc.	521,508	1,024,100	1,055,600	517,700	(506,400)	(49%)
Building Contractors	156,045	150,700	134,700	134,700	(16,000)	(11%)
Janitorial Services	291,540	335,600	339,900	349,100	13,500	4%
Pest Control Services	94,279	111,500	93,000	118,600	7,100	6%
Grounds Maintenance	242,873	434,700	368,400	182,300	(252,400)	(58%)
Other	8,004	0	9,100	0	0	-
Water Service Contract	1,379,572	289,000	289,000	289,000	0	0%
Sewer Service Contract	559,818	662,000	662,000	662,000	0	0%
Trash Collection Contract	431,677	501,000	475,000	501,000	0	0%
Building & Structures Rental	46,337	53,400	39,300	19,400	(34,000)	(64%)
Equipment Rental	331,744	480,200	471,600	459,400	(20,800)	(4%)
Other Rentals/Leases	278,429	400,700	305,700	409,500	8,800	2%
Unemployment Contribution	28,831	42,000	31,000	42,000	0	0%
Risk Insurance Premium	1,600,000	1,600,000	1,600,000	1,600,000	0	0%
Claim Settlement	7,955,138	8,836,800	8,836,800	8,484,700	(352,100)	(4%)
Cobra Insurance	13,532	0	0	0	0	-
Medical Insurance Prem	928,452	1,056,500	1,056,500	1,189,100	132,600	13%
Event General Insurance	0	3,400	1,900	2,900	(500)	(15%)
General Insurance Admin	907,269	1,000,000	1,000,000	1,000,000	0	0%
Limited Purpose Flexible Spending	5,803	0	0	0	0	-
FSA EE Claim Settlement	298,534	0	334,000	0	0	-
Tuition Reimbursement	95,073	80,000	80,000	100,000	20,000	25%
Travel & Training	334,222	517,000	455,100	624,800	107,800	21%
Dues & Memberships	275,355	318,000	327,700	339,800	21,800	7%
Federal Mileage Allowance	9,492	17,900	13,300	18,200	300	2%
Employee Orientation	383	500	500	500	0	0%
EE Certifications & Licensing	40,613	119,700	111,200	70,900	(48,800)	(41%)
Council Travel & Training	7	46,000	30,800	46,000	0	0%
Advertising	219,811	218,500	168,000	196,000	(22,500)	(10%)

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SURPRISE ARIZONA

OPERATING USES
Uses by Object

Category/Object	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
SERVICES						
Radio Dispatch Service	557,612	615,400	615,400	615,400	0	0%
Printing	210,389	256,100	207,900	224,300	(31,800)	(12%)
Uniform/Laundry Services	41,514	56,300	50,800	50,300	(6,000)	(11%)
User Fees	12,233	13,000	13,000	268,300	255,300	1,964%
Developer Reimbursment	1,750,072	2,330,700	2,158,800	2,948,800	618,100	27%
Other Professional Services	181,165	243,800	141,800	149,100	(94,700)	(39%)
Sub-Total Services	**46,358,107**	**57,834,700**	**52,567,600**	**56,962,900**	**(871,800)**	**(2%)**
OPERATING CAPITAL						
Land	(244,143)	0	0	0	0	-
Building & Structures (YE)	(1,300,756)	0	0	0	0	-
Building & Structure Purchases	33,497	484,500	484,500	0	(484,500)	(100%)
Improvements To Buildings	45,644	0	0	0	0	-
Infrastructure Improvements	4,222	13,000	13,000	70,000	57,000	438%
Imp's Otr Than Bldg & Land	207,143	230,000	205,000	332,300	102,300	44%
Furn/Fixtures/Office Equip	763,206	282,300	144,300	103,800	(178,500)	(63%)
Vehicles (Year-End)	(1,514,804)	0	0	0	0	-
Vehicles	2,692,260	6,448,200	4,003,800	7,635,700	1,187,500	18%
Improvements To Vehicles	0	0	0	27,500	27,500	-
Machinery & Equipment (YE)	(1,200,030)	0	0	0	0	-
Mach. & Equipment	239,694	214,200	224,900	696,500	482,300	225%
Mineral/Water	(204,980)	0	0	0	0	-
Capital Interest	(227,743)	0	0	0	0	-
Sub-Total Operating Capital	**(706,790)**	**7,672,200**	**5,075,500**	**8,865,800**	**1,193,600**	**16%**
TRANSFERS OUT						
COS Wtr In Lieu Franch. Tr Out	217,880	233,400	217,400	239,100	5,700	2%
COS Swr In Lieu Franch. Tr Out	334,730	321,700	332,400	335,300	13,600	4%
COS Sani. Hauler's Lic. Tr Out	24,000	26,000	24,000	25,000	(1,000)	(4%)
Water Indirect Costs Tr Out	1,244,052	1,244,100	1,244,100	1,425,400	181,300	15%
Sewer Indirect Costs Tr Out	1,552,368	1,552,400	1,552,400	1,709,400	157,000	10%
Sani. Indirect Costs Tr Out	1,886,352	1,886,400	1,886,400	1,848,900	(37,500)	(2%)
Wtr Pymt ILO Prop Tax Tran Out	163,384	161,200	157,200	159,800	(1,400)	(1%)
Swr Pymt ILO Prop Tax Tran Out	398,382	389,200	379,600	385,900	(3,300)	(1%)
Sani Pymt ILO Prop Tax Tran Out	8,805	8,600	8,600	8,700	100	1%
MPC03 Rent Payments-Trnsfr Out	4,818,657	0	4,244,400	0	0	-
MPC07 Rent Payments-Trnsfr Out	7,100,171	8,703,000	7,878,700	3,638,400	(5,064,600)	(58%)
Debt15 Rent Payments-Transfer Out	0	5,423,400	0	4,002,800	(1,420,600)	(26%)
TRF To Other Funds	2,044,311	3,073,400	46,393,500	8,755,100	5,681,700	185%
Sub-Total Transfers Out	**19,793,092**	**23,022,800**	**64,318,700**	**22,533,800**	**(489,000)**	**(2%)**
Grand Total	**139,777,525**	**175,804,300**	**205,217,300**	**179,379,400**	**3,575,100**	**2%**

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MAYOR AND CITY COUNCIL

Department 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.

Major Budget Changes

The overall FY2016 operating budget decreased by 6% from the FY2015 budget.

- Personnel decreased due to the decrease in the elected officials retirement plan rates from 39.6% to 23.5%.
- Supplies increased due an increase to council's discretionary spending to be in compliance with city policy.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	290,790	308,500	290,100	274,600	(33,900)	(11%)
Supplies	11,366	18,000	17,800	26,000	8,000	44%
Services	86,100	77,800	63,700	77,800	0	0%
Sub-Total Operating Expenses	**388,256**	**404,300**	**371,600**	**378,400**	**(25,900)**	**(6%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	388,256	404,300	371,600	378,400

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	265	0	0	0	0	-
Sub-Total Operating Revenue	**265**	**0**	**0**	**0**	**0**	**-**

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	388,256	404,300	371,600	378,400	(25,900)	(6%)
Total Uses	**388,256**	**404,300**	**371,600**	**378,400**	**(25,900)**	**(6%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
General Operations	7.0	7.0	7.0	7.0	0.0
Total	7.0	7.0	7.0	7.0	0.0

Major Initiatives and Policy Issues

- Transportation: Develop an efficient, cost effective, multi-modal transportation system that provides connectivity to the region, ease of movement into, within, and out of Surprise, and supports a high standard of community life
- Sustainability: Provide a vibrant and sustainable community for a green Surprise today and tomorrow
- Economic Development: Create a robust business environment that attracts employment, wealth, capital investment, and enhanced opportunities for investors and residents

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- Community Lifestyle: Enhance community lifestyle for the current and the future residents of Surprise
- Tourism: Infuse tourism dollars into Surprise's economy by diversifying the events, programs, and partnerships offered that make Surprise an attractive destination for a wide variety of interests
- Public Safety: Public safety departments will work cooperatively with the community to provide a safe and secure city
- Higher Education: Strive to develop world class education in Surprise by seeking and enhancing educational opportunities that support initiatives, programs, projects, and lifelong learning opportunities throughout the community

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	388,256	404,300	371,600	378,400	(25,900)	(6%)
Total Uses	**388,256**	**404,300**	**371,600**	**378,400**	**(25,900)**	**(6%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	265	0	0	0	0	-
Total Uses	**265**	**0**	**0**	**0**	**0**	**-**

CITY MANAGER'S OFFICE

Department 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 presenting a balanced recommended budget to the Mayor and City Council for 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. Changes in FY2016, the Economic Development division will move from the City Managers department to it's own department. The City has two Assistant City Manager (ACM), Deputy City Manager and an Internal Auditor who reports to the City Manager. Assistant City Manager Buss will be focusing on bringing jobs to our City, therefore will be working closely with the Economic Development and Community Development Departments. Secondly, ACM Buss will be focusing on building a sustainable Surprise making sure we have an abundant, secure water supply . Assistant City Manager Reynolds will focus on operations to ensure efficient and effective Human Resources, Capital Planning and Capital Improvement Project implementation and transit services initiatives as well as efficient and superior resident services, organizational development and strategic planning while ensuring successful IT Security and Fire public safety. Deputy City Manager Lance, focuses on establishing and maintaining high value partnerships with community, regional, and government organizations. Through these partnerships, local and regional strategic priorities are developed, supported, and advanced through leveraging of resources to maximize return to the community. The Deputy City Manager's role is to optimize the use of community, local, and regional resources to benefit Surprise and our partner agencies and organizations. In addition, the Youth Services Administrator will continue to improve the level of activity and engagement among youth including support to the 25 members of the Surprise Youth Council.

Major Budget Changes

The overall FY2016 operating budget decreased by 67% from the FY2015 budget.

- Personnel decreased 8% primarily due to:
  - A communication specialist position was added to support growing day-to-day updates to city web sites and intranet sites.
  - The establishment of the economic development department and the human service and community vitality department. Expenses for these departments were moved out of the City Manager's budget into the new departments.
- Supplies decreased 50% primarily due to:
  - The establishment of the economic development department and the human service and community vitality department. Expenses for these departments were moved out of the City Manager's budget into the new departments.
- Services decreased 91% primarily due to:
  - Overall reduction due to reorganization but the budget includes $1,860,000 for a mid-decade census.
- Operating capital decreased by 100% primarily due to:
  - One time capital projects that occurred in FY2015

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DEPARTMENT OVERVIEW
City Manager's Office

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	1,595,855	2,384,900	2,649,800	2,185,700	(199,200)	(8%)
Supplies	48,893	100,200	95,000	50,500	(49,700)	(50%)
Services	396,040	5,658,600	5,906,100	495,000	(5,163,600)	(91%)
Operating Capital	50,745	72,500	47,500	0	(72,500)	(100%)
Sub-Total Operating Expenses	**2,091,533**	**8,216,200**	**8,698,400**	**2,731,200**	**(5,485,000)**	**(67%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	2,018,310	8,100,600	8,648,400	2,713,600
One-Time	73,223	115,600	50,000	17,600

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	15,000	187,900	236,700	0	(187,900)	(100%)
Sub-Total Operating Revenue	**15,000**	**187,900**	**236,700**	**0**	**(187,900)**	**(100%)**

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

Government and Community Partnerships — Develop, support, and advance local and regional strategic priorities through high value partnerships with community, regional, and government organizations.

Internal Audit — Provide independent, reliable, accurate, and timely information to City Management for the purpose of identifying opportunities to minimize risks, strengthen internal controls as well as public accountability.

Youth Services — Provides extensive professional assistance, project management, and recommendations on youth-related issues, programs, initiatives and services. Provides oversight of the plans and activities of the Surprise Youth Council. Works to establish partnerships for serving youth with citizens, city departments, schools, and nonprofit agencies.

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	880,311	1,042,800	1,415,300	1,340,600	297,800	29%
Intergovernmental Relations	294,469	477,300	408,800	341,100	(136,200)	(29%)
Economic Development	0	5,683,700	5,902,100	0	(5,683,700)	(100%)
Communications	916,753	1,012,400	972,200	1,049,500	37,100	4%
Total Uses	**2,091,533**	**8,216,200**	**8,698,400**	**2,731,200**	**(5,485,000)**	**(67%)**

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Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	6.2	7.2	9.1	8.0	(1.1)
Intergovernmental Relations	2.0	2.0	2.0	1.0	(1.0)
Economic Development	0.0	0.0	4.0	0.0	(4.0)
Communications	5.0	6.0	6.0	9.2	3.2
Total	13.2	15.2	21.1	18.2	(2.9)

Accomplishments, Enhancements, and Efficiencies

- Enhanced resident communication with redesigned Progress Magazine (more modern look, added youth/arts pages)
- Enhanced and expanded citizen involvement in state, regional, and federal issues
- Supported Council's constituent outreach (new/detailed web sites for council members; new Mayor/Council columns in Progress
- Increased web support to better manage increased demand & begin process to redesign, streamline city web site
- Revised and enhanced dated Communications Standard Operating Policies & Procedures
- Supported Economic Development initiatives with creation of unified look/design for brochures/collateral
- Developed a more accountable strategic plan with specific goals and strategies
- Developed a budget that prioritizes programs, services, capital projects, and asset replacement
- Successfully transitioned Intergovernmental Relations operation to Deputy City Manager of Government and Community Partnerships, increasing scope of support for partner initiatives and community and regional priorities.
- Developed a Citywide Risk Assessment for use in generating future annual audit plans.
- Established the Surprise Youth Council a group of 25 students representing five local high schools and nine local middle schools to be advisory to the City Council on issues, initiatives, projects and program implementation citywide.

Major Initiatives and Policy Issues

- Resident engagement: Direct implementation and reporting of the National Citizen Survey (last conducted in 2012)
- Redesign surpriseaz.gov (modernize for mobile functionality & streamline for ease of use)
- Successfully promote Economic Development Reimbursement Authority proposal at local and state level
- Enhance existing and develop new strategic partnerships in the community and at the state/federal levels
- Continue to improve the level of activity and engagement among youth and all Surprise residents.

Return to TOC

DEPARTMENT OVERVIEW
City Manager's Office

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	2,041,533	7,044,400	7,917,100	2,726,800	(4,317,600)	(61%)
General Capital	50,000	47,500	47,500	0	(47,500)	(100%)
Donations	0	7,500	0	0	(7,500)	(100%)
Transportation Improvement	0	286,100	289,200	0	(286,100)	(100%)
Water Operations	0	27,800	29,800	4,000	(23,800)	(86%)
Water Dev Fee	0	450,000	0	0	(450,000)	(100%)
Wastewater Operations	0	327,900	414,800	0	(327,900)	(100%)
Wastewater Dev Fee	0	25,000	0	0	(25,000)	(100%)
Sanitation Operations	0	0	0	400	400	-
Total Uses	**2,091,533**	**8,216,200**	**8,698,400**	**2,731,200**	**(5,485,000)**	**(67%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	15,000	180,400	236,700	0	(180,400)	(100%)
Donations	0	7,500	0	0	(7,500)	(100%)
Total Uses	**15,000**	**187,900**	**236,700**	**0**	**(187,900)**	**(100%)**

CITY ATTORNEY

Department Description

The City Attorney's Office, which is comprised of a criminal and civil division, provides legal representation to the city in matters concerning official city business. The city attorney is the chief legal advisor to the city.

Mission Statement

The mission of the city attorney's office is to provide effective, timely, and professional legal representation to the city, and its Mayor, Council, appointed officials, and employees acting within the scope of their employment.

Major Budget Changes

The overall FY2016 operating budget decreased by 4% from the FY2015 budget.

- Supplies increased 38% primarily due to:
  - Increase in the furniture, fixtures, and equipment to purchase rolling file cabinets
  - Increase in meeting supplies for lunches at quarterly staff meetings
  - Increases are partially offset by a decrease in office supplies based on trends and estimated needs
- Services decreased 16% primarily due to:
  - Decrease in postage and mailings based on trends and estimated needs
  - Decrease in office equipment maintenance as this expense has not occurred historically
  - Decreases are partially offset by an increase in annual bar dues due to one of the city's attorney's beginning involvement with the Maricopa Bar Association, an increase in shredding service due to improvements in file maintenance, and an increase in printing service based on trends and estimated needs

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	1,611,113	1,873,200	1,804,400	1,864,100	(9,100)	0%
Supplies	43,914	29,000	26,400	40,100	11,100	38%
Services	98,865	670,500	253,800	564,400	(106,100)	(16%)
Sub-Total Operating Expenses	**1,753,892**	**2,572,700**	**2,084,600**	**2,468,600**	**(104,100)**	**(4%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	1,717,194	2,005,600	1,923,200	2,063,600
One-Time	36,698	567,100	161,400	405,000

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	32,914	67,100	67,100	73,200	6,100	9%
Sub-Total Operating Revenue	**32,914**	**67,100**	**67,100**	**73,200**	**6,100**	**9%**

Divisions

Return to TOC

DEPARTMENT OVERVIEW
City Attorney

Civil — The civil division acts as general counsel for the city, providing advice, and representation in civil matters to City Council members, appointed officials, and employees who act on behalf of the city; represents the city and oversees outside counsel in litigation involving the city; creates and reviews legal documents, ordinances, and resolutions; and assists the city to comply with federal, state and local laws. The civil division also interprets and provides advice concerning city code, Arizona state law and federal law.

Criminal — The criminal division prosecutes misdemeanor violations of state law and city code violations filed in the city court, including cases through appeal. The criminal division also provides services to victims of crime, including notification of proceedings, notice of victim rights, referrals, and acts as a liaison between the victim and the city court.

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	986,530	1,657,800	1,228,100	1,617,000	(40,800)	(2%)
Criminal	767,362	914,900	856,500	851,600	(63,300)	(7%)
Total Uses	**1,753,892**	**2,572,700**	**2,084,600**	**2,468,600**	**(104,100)**	**(4%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
General Operations	7.0	7.0	7.0	8.0	1.0
Criminal	7.0	7.0	8.0	8.0	0.0
Total	14.0	14.0	15.0	16.0	1.0

Accomplishments, Enhancements, and Efficiencies

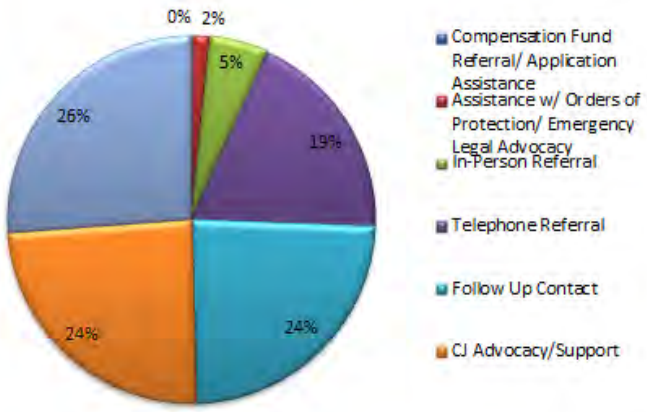
- Provided timely and effective legal services to clients at all levels within the organization.
- Processed 477 formal requests for service from March 2014 through February 2015. Some of the services provided were 215 contracts and seven code amendments, including boards and commissions.
- Continued with the victim services program aimed at improving services to victims of crime in the city. Services were provided to 544 victims from March 2014 though February 2015. Direct services were provided to 1,169 crime victims.
- Provided effective prosecutorial services for 1,886 adjudicated cases from March 2014 through February 2015 with an 81% success rate and 82% rate of conviction at trial. Cases dismissed to allow felony prosecution by the county attorney's office or as an agreement between the parties in dispute are not counted as "successful prosecution".

Major Initiatives and Policy Issues

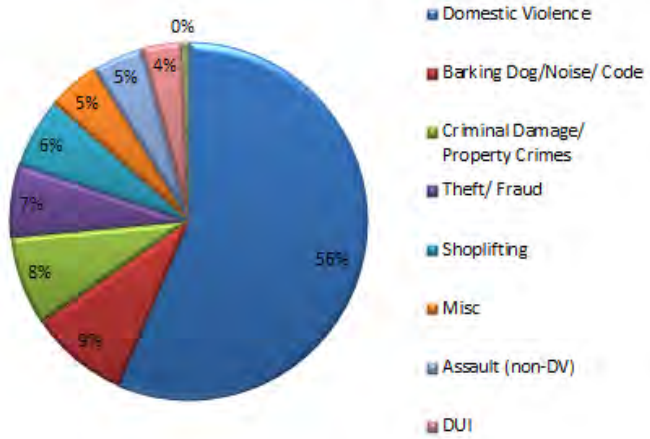
- Provide effective, timely and professional legal representation to the city and its Mayor, Council, appointed officials, and employees acting within the scope of their employment.
- The Victim Services Program (VSP) provides education, resources, notification, and direct support to victims throughout the criminal justice process beyond what is statutorily required.
- The prosecutor’s office seeks to promote the fair and impartial pursuit of justice with integrity for all individuals involved within the criminal justice system in the continued efforts with other departments to ensure the safety and well-being of all citizens within the community.

Goals, Objectives, and Performance Measures

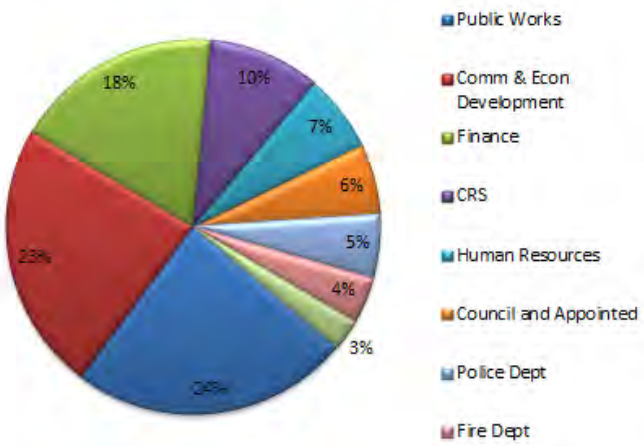
Services Provided to Crime Victims



Types of Victims Served



Requests by Department



Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	1,720,978	2,005,600	1,923,200	2,083,600	78,000	4%
General Capital	0	500,000	115,000	385,000	(115,000)	(23%)
Grants And Contingency	32,914	67,100	46,400	0	(67,100)	(100%)
Total Uses	**1,753,892**	**2,572,700**	**2,084,600**	**2,468,600**	**(104,100)**	**(4%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Grants And Contingency	32,914	67,100	67,100	73,200	6,100	9%
Total Uses	**32,914**	**67,100**	**67,100**	**73,200**	**6,100**	**9%**

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CITY CLERK

Department 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.

Major Budget Changes

The overall FY2016 operating budget decreased by 9% from the FY2015 budget.

- Personnel expenditures increased by 4% due to:
  - Merit increases for general salary plan employees that meet expectations
- Supplies decreased by 25% due to:
  - A 35% decrease in meeting supplies and refreshments for lengthy meetings
  - The use of one time funding in FY2015 for glass trophy cases to display historic memorabilia
- Services decreased by 63% due to:
  - A $28,000 reduction in election process advertising to coincide with a non-election year
  - A $30,000 reduction in publicity pamphlet printing to coincide with a non-election year
  - The service reduction is partially offset by a $5,000 annual microfilming service

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	363,673	391,300	392,100	406,200	14,900	4%
Supplies	9,141	28,500	17,900	21,500	(7,000)	(25%)
Services	199,976	84,800	36,200	31,800	(53,000)	(63%)
Sub-Total Operating Expenses	**572,790**	**504,600**	**446,200**	**459,500**	**(45,100)**	**(9%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	571,804	504,600	444,200	459,500
One-Time	986	0	2,000	0

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	431	600	600	600	0	0%
Sub-Total Operating Revenue	**431**	**600**	**600**	**600**	**0**	**0%**

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	572,790	504,600	446,200	459,500	(45,100)	(9%)
Total Uses	**572,790**	**504,600**	**446,200**	**459,500**	**(45,100)**	**(9%)**

Return to TOC

DEPARTMENT OVERVIEW
City Clerk

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
General Operations	4.0	4.0	4.0	4.0	0.0
Total	4.0	4.0	4.0	4.0	0.0

Accomplishments, Enhancements, and Efficiencies

- The Surprise Women's Heritage Trail plaques are complete and all 15 installed by mid 2014.
- Nick Bacon Memorial Plaque and event was completed on Veteran's Day 2014.
- Held Session in conjunction with League of Women Voters on March 26, 2015 at Dysart Administration Office to promote Voter Engagement Tour. A Bookmark was designed by a Valley Vista Student and is being used on all election literature.
- Completed the Essential Records Project mandated by the Arizona State Library and Archives Division ahead of the deadline November 2014. This project effected all City Departments.

Major Initiatives and Policy Issues

- Continue working on archiving historical documents collected from research for the history book.
- Continue to stay current with the city records retention changes through Arizona State Library and Archives.
- Establish a working group to analyze records retention and document management needs citywide.
- Created and maintaining a spreadsheet for boards/commissions vacancy and replacement process. In the process of creating a web-based program to notify the public of vacancies and other board/commission updates.
- Create and implement a City Clerk's Office procedures manual by June 2014.
- Major records retention and destruction project (ongoing).

Goals, Objectives, and Performance Measures

Department 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 Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Mayor and City Council agendas	48	60	40	50	50
Posting of all City agendas including allMayor and Council, boards andcommissions	125	175	110	97	100
Number of city code updates	4	10	5	4	5
Number of requests for public records	703	550	400	508	500
Percent of public records requestscompleted in 3-5 days*	90%	92%	95%	95%	95%
Agreements (new Category)*	0	212	150	112	120
Resolutions (New Category)*	0	88	80	77	80
Ordinances (New Category)	0	11	9	9	10
Liquor Licenses(New Category)	0	10	10	8	10
Records Retention/Boxes Destroyed	0	10	10	2	2

Return to TOC

Department Goal	Ensure citizen access to elective process				
Objective	Increase registered voters, ballots cast, and percentage of votes cast for city-wide elections				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of registered voters	59,700	62,780	No Election Scheduled	65,000	67,000
Number of ballots cast in election	27,560	17,870	No Election Scheduled	No Election Scheduled	30,000
Percent of votes cast in city-wideelection	30%	30%	No Election Scheduled	No Election Scheduled	40%

Department Goal	Continue to memorialize and archive the city's history				
Objective	Increase historical documentation collection and educate citizens				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Collecting historic photos (annually)	200	Maintain	Maintain	Maintain	0
Collection of city historic documents(cumulative)	1,700	Maintain	Maintain	Maintain	0
On-the-road history presentations *	4	1	---	1	1

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	572,790	504,600	446,200	459,500	(45,100)	(9%)
Total Uses	**572,790**	**504,600**	**446,200**	**459,500**	**(45,100)**	**(9%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	431	600	600	600	0	0%
Total Uses	**431**	**600**	**600**	**600**	**0**	**0%**

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FINANCE

Department Description

The finance department is responsible for providing financial analysis, general ledger accounting, reporting, contract support, processing payments, cash handling, business license processing and fiscal management of grants. The finance department's stakeholders include, but not limited to, residents, City Council, other departments, and outside entities.

Mission Statement

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

Major Budget Changes

The overall FY2016 operating budget decreased by 2% from the FY2015 budget.

- Personnel decreased 3% primarily due to:
  - The finance department transferred the payroll division to the human resources department during FY2015.
  - See the expenditures/uses summary for information regarding personnel increases.
- Supplies increased 15% primarily due to trends and anticipated needs.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	2,306,915	2,952,500	2,449,000	2,874,400	(78,100)	(3%)
Supplies	35,176	41,900	29,700	48,200	6,300	15%
Services	745,440	1,230,100	769,400	1,232,900	2,800	0%
Sub-Total Operating Expenses	**3,087,531**	**4,224,500**	**3,248,100**	**4,155,500**	**(69,000)**	**(2%)**
Transfers Out	(6)	0	0	0	0	-
Total Uses	**3,087,525**	**4,224,500**	**3,248,100**	**4,155,500**	**(69,000)**	**(2%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	3,076,699	3,974,500	3,248,100	3,898,500
One-Time	10,826	250,000	0	257,000

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Local Sales Tax	114,179	125,000	348,000	0	(125,000)	(100%)
Charges for Services/Other	55,751	47,200	46,800	47,800	600	1%
Franchise Fees	729,780	759,600	460,300	467,100	(292,500)	(39%)
Sub-Total Operating Revenue	**899,710**	**931,800**	**855,100**	**514,900**	**(416,900)**	**(45%)**
Transfers In	(6)	0	0	0	0	-
Total Sources	**899,704**	**931,800**	**855,100**	**514,900**	**(416,900)**	**(45%)**

Divisions

Administration — The administration division is primarily responsible for department oversight and policy development.

Return to TOC

DEPARTMENT OVERVIEW
Finance

Accounting — The accounting division is responsible for the city's comprehensive annual financial report (CAFR), maintaining financial reporting in conformance with state and federal laws, Generally Accepted Accounting Principles, Governmental Accounting Standards Board, and Government Finance Officers Association. Additionally, providing assistance with development agreement preparation and tracking, construction project expense tracking, fixed assets, and processing all city payments.

Budget — The budget division provides research, budget, and special projects services. The division is responsible for delivering accurate, reliable, and timely information and advice that will assist in making informed budgetary decisions.

Payroll — The payroll division is responsible for processing all city employee's payroll. For FY2015, the payroll division was moved to the human resources department.

Procurement — The procurement division is responsible for managing the contract and procurement services of the city.

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, managing the utility billing contract, and providing investment oversight and reporting.

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	363,362	928,700	456,700	1,040,600	111,900	12%
Wastewater	419	0	0	0	0	-
Budget & Accounting	1,201,806	1,617,600	1,465,300	0	(1,617,600)	(100%)
Procurement & Payroll	724,128	917,900	660,300	0	(917,900)	(100%)
Internal Audit	34	0	0	0	0	-
Accounting	10	0	0	1,129,500	1,129,500	-
Revenue (Tax & License)	797,773	760,300	665,800	800,100	39,800	5%
Risk Management	(7)	0	0	0	0	-
Budget & Management	0	0	0	653,800	653,800	-
Purch. & Mats. Manangement	0	0	0	531,500	531,500	-
Total Uses	**3,087,525**	**4,224,500**	**3,248,100**	**4,155,500**	**(69,000)**	**(2%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	3.0	2.0	2.0	3.3	1.3
Water	0.7	0.0	0.0	0.0	0.0
Wastewater	0.7	0.0	0.0	0.0	0.0
Solid Waste	0.7	0.0	0.0	0.0	0.0
Administrative Services	0.0	0.5	1.2	0.0	(1.2)
Budget & Accounting	7.0	11.0	11.0	0.0	(11.0)
Procurement & Payroll	9.0	9.0	10.0	0.0	(10.0)
Internal Audit	1.0	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	9.0	0.0
Revenue (Tax & License)	4.0	4.0	6.0	6.0	0.0
Budget & Management	0.0	0.0	0.0	5.0	0.0
Purch. & Mats. Manangement	0.0	0.0	0.0	4.0	0.0
Total	26.0	26.5	30.2	27.3	(2.9)

Accomplishments, Enhancements, and Efficiencies

- Obtained rating increase from Fitch for the $50.7 million wastewater development fee bonds, series 2007, was upgraded to A- from A
- Performed a bond defeasance saving the city $800,000 over the life of the bond
- Improved internal controls for cash procedures and implemented cash handling training
- Processed more solicitations in the first six months of the fiscal year than all of last year and rebid the 457 defined contribution plans contract which annually saved participants $164,000 in reduced fees

Major Initiatives and Policy Issues

- Begin replacing the city's current financial software system
- Identify current citywide financial related policies and procedures. Prepare, update, and enhance policies and procedures to ensure financial accountability and sound practices
- Develop a plan for funding of long term capital projects

Goals, Objectives, and Performance Measures

Department Goal	Effectively administer the stewardship of public resources through responsible fiscal management and planning				
Objective	Achieve an optimal rate of return on investments				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Rate of return on portfolio	0.4%	0.73%	0.8%	0.8%	0.8%

Return to TOC

Department Goal	Effectively administer the stewardship of public resources through responsible fiscal management and planning				
Objective	Accurately forecast operating revenues				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Actuals Over/(Under) Adopted	-7.3%	+2.0%	+/- 5.0%	+/- 5.0%	+/- 5.0%
Actuals Over/(Under) Estimate	-9.0%	+1.0%	+/- 5.0%	+/- 5.0%	+/- 5.0%

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	2,895,653	3,974,500	3,248,100	3,905,500	(69,000)	(2%)
Roads of Regional Significance Dev Fees	0	12,500	0	12,500	0	0%
General Government Dev Fees	0	25,000	0	25,000	0	0%
Police Dev Fees	0	25,000	0	25,000	0	0%
Parks and Rec Dev Fees	0	25,000	0	25,000	0	0%
Public Works Dev Fees	0	25,000	0	25,000	0	0%
Fire and EMS Dev Fees	0	25,000	0	25,000	0	0%
Library Dev Fees	0	25,000	0	25,000	0	0%
Transportation Improvement	189,539	0	0	0	0	-
163rd Avenue Dev Fee	0	12,500	0	12,500	0	0%
Water Operations	1,520	0	0	0	0	-
Water Dev Fee	0	50,000	0	50,000	0	0%
Wastewater Operations	820	0	0	0	0	-
Wastewater Dev Fee	0	25,000	0	25,000	0	0%
Risk Management	(7)	0	0	0	0	-
Total Uses	**3,087,525**	**4,224,500**	**3,248,100**	**4,155,500**	**(69,000)**	**(2%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	894,552	930,700	855,100	514,900	(415,800)	(45%)
Water Dev Fee	1,522	0	0	0	0	-
Wastewater Dev Fee	402	0	0	0	0	-
Risk Management	3,228	1,100	0	0	(1,100)	(100%)
Total Uses	**899,704**	**931,800**	**855,100**	**514,900**	**(416,900)**	**(45%)**

HUMAN RESOURCES

Department Description

The human resources department provides customer service and support to city departments in recruitment/selection, compensation/classification, benefits, organizational planning/development, employee training, and employee relations. Additional services include risk management which encompasses general liability insurance, worker's compensation insurance, and Americans with Disability Act (ADA) compliance for employees and residents. The focus of the department budget is to develop and revise effective personnel policies and procedures, manage effective programs in recruitment/selection, oversee employee compensation/classification, administer self-insured medical, dental, and vision benefits; develop supervisory/management employee relations, and provide employee training. Staff will focus activities and provide guidance to management, supervisors, and employees in these target areas to achieve operational consistency, excellence, and legal compliance.

Mission Statement

The mission of the human resources department is to support the goals and challenges of the city by providing services that promote a work environment that is characterized by integrity, professionalism, and accountability. We seek and provide solutions to workplace issues that support and optimize the operating principles of the city.

Major Budget Changes

The overall FY2016 operating budget increased by 1% over the FY2015 budget.

- Personnel increased 28% primarily due to:
  - In FY 2015, the human resources department received the payroll division from the finance department which resulted in 3 additional staff.
  - Please see the expenditure/uses summary for additional information regarding personnel increases.
- Supplies increased 2% primarily due to trends and anticipated needs.
- Services decreased 2% primarily due to:
  - Less than anticipated expenditures related to the Affordable Healthcare Act in the Employee Healthcare Fund

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	1,225,089	1,409,100	1,484,700	1,808,300	399,200	28%
Supplies	145,143	97,300	100,200	99,400	2,100	2%
Services	10,713,755	11,784,600	12,077,800	11,539,500	(245,100)	(2%)
Operating Capital	0	5,800	5,800	5,800	0	0%
Sub-Total Operating Expenses	**12,083,987**	**13,296,800**	**13,668,500**	**13,453,000**	**156,200**	**1%**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	12,079,447	13,296,800	13,668,500	13,453,000
One-Time	4,540	0	0	0

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	11,269,347	11,694,000	11,933,500	11,756,900	62,900	1%
Sub-Total Operating Revenue	**11,269,347**	**11,694,000**	**11,933,500**	**11,756,900**	**62,900**	**1%**

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DEPARTMENT OVERVIEW
Human Resources

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	1,478,963	1,751,900	1,787,500	1,861,200	109,300	6%
Administrative Services	9,179,266	9,949,100	10,280,300	9,697,600	(251,500)	(3%)
Payroll	0	0	0	277,600	277,600	-
Risk Management	1,425,704	1,595,800	1,600,700	1,616,600	20,800	1%
People Employment	54	0	0	0	0	-
Total Uses	**12,083,987**	**13,296,800**	**13,668,500**	**13,453,000**	**156,200**	**1%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	10.0	10.0	11.0	12.0	1.0
Administrative Services	1.0	1.0	1.0	1.0	0.0
Payroll	0.0	0.0	0.0	3.0	0.0
Risk Management	2.0	2.0	2.0	2.0	0.0
Total	13.0	13.0	14.0	18.0	4.0

Accomplishments, Enhancements, and Efficiencies

- Consolidated leave management and Americans with Disability Act (ADA) oversight
- Intergarated Payroll within the Human Resources Department. As part of this effort procedures and control measures were implemented for audit control purposes.
- Implementaion and administration of classification and compensation system.
- Partnered with public works management for the successful implementation of the management partners study including department re-organization, staff recruitments, position reclassifications, equity adjustments, etc.
- Management of executive recruitment for mutiple positions and executive orginzational restructure.

Major Initiatives and Policy Issues

- Conduct research and analysis to assess funding, staff and information technology requirements to implement self-insurance for worker's compensation, general liabailty and property liability.
- Promote a safety culture by creating awareness and recognizing employee groups who demonstrate safe work practices.
- Collaborate with IT and finance to determine enhancements to existing human resource information system and other support software to improve operational efficiencies
- Implement workforce planning to assist departments in identifying required staffing and employee skill sets to ensure departmental goals and objectives are achieved
- IRS reporting of ACA Employer Shared Responsibility Mandate (4980H, 6055, 6056)

Goals, Objectives, and Performance Measures

Department Goal	Achieve excellence in customer service				
Objective	Provide customers with responsive, accurate, and efficient service				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Number of HR customer service contacts	3,809	4,784	3,500	3650	3,550
Customer overall satisfaction rating with HR excellent or good	98%	98%	95%	0.98	95%

Department Goal	Provide employee and organizational training and development opportunities				
Objective	Facilitate and coordinate city-wide training programs in three categories: compliance, skill based, and employee engagement				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Number of compliance trainings offered/number of attendees	97/1824	66/1855	30/1600	51/1200	36/1000
Number of skill based trainings offered/number of attendees	43/412	43/445	36/400	42/375	30/200
Number of employee engagement trainings offered/number of attendees	24/111	29/155	24/125	34/125	24/75

Department Goal	Contribute to cost containment measures by continuing wellness program initiatives				
Objective	Provide customer wellness programs to educate, empower, and support better health among employees and family members				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Number of medical wellness programs	15	12	12	13	15
Percentage of participants of total employee benefit population at medical wellness programs	18%	20%	22%	25%	27%

Department Goal	Reduce the number of workplace accidents injuries				
Objective	Provide the employees and departments with resources, training and incentives to ensure a safe work environment for all city employees				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Total number of incidents	62	73	0	0	0
Number of incidents resulting in days away or restricted duty assignments	42	51	0	0	0
Percent of incidents resulting in days away or restricted duty assignments	67.7%	70%	0	0	0

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Department Goal	Oversight of city's healthcare plan to ensure continued compliance with federal healthcare reform through 2018				
Objective	Apply applicable compliance laws to city's health plan to avoid costly employer penalties				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Complete employer reporting of health coverage on form W-2	100% Complete	100% Complete	100% Complete	100% Complete	100% Complete
Compliance with ACA Patient Centered Outcome Research Institute Fees	*	*	100% Complete	100% Complete	100% Complete
Compliance with ACA Transitional Reinsurance Program Fees	*	*	100% Complete	100% Complete	100% Complete

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	1,479,017	1,751,900	1,787,500	2,138,800	386,900	22%
Risk Management	1,425,704	1,595,800	1,600,700	1,616,600	20,800	1%
Employee Healthcare	8,880,732	9,949,100	9,946,300	9,697,600	(251,500)	(3%)
FSA Account	298,534	0	334,000	0	0	-
Total Uses	**12,083,987**	**13,296,800**	**13,668,500**	**13,453,000**	**156,200**	**1%**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	240	0	0	0	0	-
Risk Management	1,708,167	1,735,900	1,735,900	1,735,900	0	0%
Employee Healthcare	9,262,406	9,958,100	9,863,600	10,021,000	62,900	1%
FSA Account	298,534	0	334,000	0	0	-
Total Uses	**11,269,347**	**11,694,000**	**11,933,500**	**11,756,900**	**62,900**	**1%**

INFORMATION TECHNOLOGY

Department Description

Information Technology Services is the City's centralized department responsible for providing strategic technology direction. Staff is highly skilled in Operations, Networking, Application Development, Information Security and GIS. The IT department is committed to providing innovative, secure, reliable, and integrated technology solutions, collaborating with city departments and the community to provide the most effective and efficient services.

Mission Statement

Information Technology Services provides secure, reliable, and integrated technology solutions in alignment with the City's strategic plan, while delivering excellence in customer service.
In support of this mission, we will:
• Partner with internal and external stakeholders to understand their information technology needs.
• Provide leadership and planning for the effective and strategic use of emerging technologies.
• Ensure the confidentiality, integrity, and availability of data.
• Demonstrate technical and operational excellence through a commitment to professionalism and continuous improvement.
• Maintain the highest level of protection of Information Technology assets and reduce overall threats.

Major Budget Changes

The overall FY2016 operating budget decreased by 14% from the FY2015 budget.

- Personnel decreased 13% primarily due to:
  - During FY2015, to better align staffing to support Mayor and City Council's vision, the Surveying Program including a Chief Land Surveyor position and a Land Survey Party Chief position were moved to Engineering and the Land Acquisition program within the GIS division including a Real Property Manager position and a Real Estate Specialist position were moved to Community Development along with a Long Range Planning Manager.
  - The decrease is partially offset by the addition of a new GIS Manager position to replace staffing that was moved to Community Development during FY2015. The position will direct activities of the GIS division and includes overseeing the development and administration of policies, procedures, programs, goals and objectives.
  - Merit increases for staff that meets expectations
- Supplies decreased 60% primarily due to:
  - One time funding in the amount of $250,000 within the General Capital Fund in FY2015 for scheduled computer replacements.
  - The supply budget for Surveying and Land Acquisition moving to Engineering and Community Development respectively.
  - Funding in the amount of $5,100 was moved within the department from the furniture, fixtures and equipment under $10,000 object to areas of need within the services category.
  - The decrease was partially offset by a one time phone and computer purchase for the new GIS Manager position.
- Services decreased 3% primarily due to:
  - The services budget for Surveying and Land Acquisition moving to Engineering and Community Development respectively.
  - One time funding in the amount of $30,000 for software licensing in FY2015
  - The decrease was partially offset from the shift of the supplies budget to services.
- Operating capital decreased 41% due to:
  - One time funding in FY2015 for furniture, fixtures and equipment over $10,000

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DEPARTMENT OVERVIEW
Information Technology

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	2,260,675	2,586,700	2,031,900	2,241,700	(345,000)	(13%)
Supplies	180,297	443,700	431,800	179,200	(264,500)	(60%)
Services	1,532,445	1,806,500	1,597,700	1,745,000	(61,500)	(3%)
Operating Capital	45,265	34,000	34,000	20,000	(14,000)	(41%)
Sub-Total Operating Expenses	**4,018,682**	**4,870,900**	**4,095,400**	**4,185,900**	**(685,000)**	**(14%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	4,018,682	4,584,800	3,828,900	4,182,000
One-Time	0	286,100	266,500	3,900

Divisions

Information Services — Provides centralized information technology services required by all city departments

Geographical Information Systems (GIS) — Provides centralized geographical information services, to all city departments

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Geographical Info. Sys.	920,631	1,166,300	534,600	692,500	(473,800)	(41%)
Information Technology	3,098,051	3,704,600	3,560,800	3,493,400	(211,200)	(6%)
Total Uses	**4,018,682**	**4,870,900**	**4,095,400**	**4,185,900**	**(685,000)**	**(14%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Geographical Info. Sys.	8.0	8.0	9.0	5.0	(4.0)
Information Technology	16.0	16.0	16.0	18.0	2.0
Total	24.0	24.0	25.0	23.0	(2.0)

Accomplishments, Enhancements, and Efficiencies

- ERP Vendor Selection and Phase 1 project plan
- Completed PCI gap assessment and PCI/HIPAA security compliance policies
- Completed Network and Telephony Upgrades
- Enhanced physical and cyber security throughout the city
- Data integration and data warehousing of existing systems to provide improved business analytics

Major Initiatives and Policy Issues

- ERP Phase 1 Implementation
- Enhance Remote Access for Telecommuting
- Continue asset replacement and technology refresh

- Continue to analyze and identify data security compliance
- Continue to analyze and identify an enterprise document management solution

Department Goal	Provide effective and efficient information technology support and improve city services by maintaining reliable up to date technology ensuring those technologies are highly available, recoverable, and the integrity of data is maintained				
Objective	Integrate new technologies and replace obsolete equipment/services and financial systems to meet an ever-changing environment. Limit risks and any negative impacts to existing systems				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
End user devices supported	2,694	2,731	3,063	2,892	2,892
Network devices supported	252	252	252	261	261
Security devices supported	553	567	596	595	613
Applications supported	59	66	68	65	65

Department 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 Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
GIS data layers maintained	0	162	162	162	164
New GIS applications developed	0	11	11	11	13

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	4,018,682	4,620,900	3,845,400	4,185,900	(435,000)	(9%)
General Capital	0	250,000	250,000	0	(250,000)	(100%)
Total Uses	**4,018,682**	**4,870,900**	**4,095,400**	**4,185,900**	**(685,000)**	**(14%)**

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GENERAL OPERATIONS

Department 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.

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.

Major Budget Changes

The overall FY2016 operating budget increased by 29% over the FY2015 budget.

- Services increased by just over $250,000 from the FY2015 budget due to:
  - An an administriation fee payable to the AZ Department of Revenue related to Transaction Privilege Tax (TPT) simplification. The administration fee will be charged by the state for tax collections on behalf of incorporated cities, towns and counties.
- Operating capital increased by 13% over the FY2015 budget due primarily to:
  - An increase in vehicle replacement, including $820,000 in FY2015 funding that will be carried forward to FY2016.
- Transfers out of the General Fund increased by 36% from the FY2015 budget due to:
  - An additional transfer to the General Capital Fund for asset replacements.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	119,349	3,000	3,000	258,300	255,300	8,510%
Operating Capital	1,111,002	3,979,700	2,564,100	4,512,200	532,500	13%
Sub-Total Operating Expenses	**1,230,351**	**3,982,700**	**2,567,100**	**4,770,500**	**787,800**	**20%**
Transfers Out	1,718,520	4,573,400	40,382,400	6,238,100	1,664,700	36%
Total Uses	**2,948,871**	**8,556,100**	**42,949,500**	**11,008,600**	**2,452,500**	**29%**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	1,344,039	4,631,300	1,261,700	2,866,000
One-Time	1,548,327	3,924,800	41,687,800	8,142,600

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DEPARTMENT OVERVIEW
General Operations

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Local Sales Tax	38,712,599	42,101,200	40,358,200	42,716,200	615,000	1%
State Shared	27,521,507	29,099,200	29,133,900	29,862,900	763,700	3%
Charges for Services/Other	854,000	6,076,000	1,928,300	6,234,900	158,900	3%
Property Tax	6,340,641	6,513,600	6,513,600	6,578,600	65,000	1%
Franchise Fees	4,468,176	4,763,200	4,460,600	4,616,900	(146,300)	(3%)
Development Impact Fees	280,035	815,500	68,300	17,800	(797,700)	(98%)
Sub-Total Operating Revenue	**78,176,958**	**89,368,700**	**82,462,900**	**90,027,300**	**658,600**	**1%**
Transfers In	17,938,624	22,022,800	52,419,900	17,482,500	(4,540,300)	(21%)
Total Sources	**96,115,582**	**111,391,500**	**134,882,800**	**107,509,800**	**(3,881,700)**	**(3%)**

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	2,892,366	8,556,100	42,949,500	11,008,600	2,452,500	29%
Total Uses	**2,892,366**	**8,556,100**	**42,949,500**	**11,008,600**	**2,452,500**	**29%**

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	1,533,438	4,500,000	4,350,500	6,420,000	1,920,000	43%
Vehicle Replacement Fund	1,110,861	3,954,900	2,564,100	4,512,200	557,300	14%
Grants And Contingency	0	24,800	0	0	(24,800)	(100%)
General Government Dev Fees	101,296	0	9,900	0	0	-
Parks and Rec Dev Fees	0	0	182,700	0	0	-
Fire and EMS Dev Fees	101,319	0	0	0	0	-
163rd Avenue Dev Fee	15,030	0	0	0	0	-
Employee Dep Scholarship	3,000	3,000	3,000	3,000	0	0%
Gov Debt Service	0	0	30,379,700	0	0	-
Gov Reserve	0	0	3,619,600	0	0	-
Prop Reserve	27,422	73,400	1,642,200	73,400	0	0%
Gov Construction	0	0	197,800	0	0	-
Total Uses	**2,892,366**	**8,556,100**	**42,949,500**	**11,008,600**	**2,452,500**	**29%**

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Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	78,949,852	82,302,700	84,213,300	86,548,900	4,246,200	5%
General Capital	2,152,491	5,210,200	5,138,200	4,287,500	(922,700)	(18%)
Vehicle Replacement Fund	25,482	465,800	391,500	1,803,700	1,337,900	287%
Donations	970	0	0	0	0	-
Municipal Court Enhancement	2,145	0	0	0	0	-
Tourism	178,847	185,500	198,400	215,200	29,700	16%
Grants And Contingency	0	5,000,000	0	5,000,000	0	0%
Roads of Regional Significance Dev Fees	280,176	300	57,200	0	(300)	(100%)
General Government Dev Fees	103,922	804,300	9,900	0	(804,300)	(100%)
Police Dev Fees	2,880	0	0	0	0	-
Parks and Rec Dev Fees	3,914	0	187,200	0	0	-
Public Works Dev Fees	1,286	2,000	0	0	(2,000)	(100%)
Fire and EMS Dev Fees	754	6,000	0	0	(6,000)	(100%)
Library Dev Fees	742	1,200	0	0	(1,200)	(100%)
Transportation Improvement	2,343,472	3,087,500	1,866,100	1,921,000	(1,166,500)	(38%)
163rd Avenue Dev Fee	0	19,800	11,100	17,800	(2,000)	(10%)
Employee Healthcare	12,934	31,800	0	0	(31,800)	(100%)
Employee Dep Scholarship	1,096	1,200	900	1,100	(100)	(8%)
Firefighters Pension	334	0	0	0	0	-
Gov Debt Service	3,361,153	3,968,900	18,335,400	3,193,700	(775,200)	(20%)
Gov Reserve	19,653	0	25,000	0	0	-
Prop Debt Service	8,585,554	10,230,900	9,236,000	4,520,900	(5,710,000)	(56%)
Prop Reserve	34,726	73,400	10,000	0	(73,400)	(100%)
Gov Construction	0	0	15,202,600	0	0	-
Community Facilities Districts	53,199	0	0	0	0	-
Total Uses	**96,115,582**	**111,391,500**	**134,882,800**	**107,509,800**	**(3,881,700)**	**(3%)**

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ECONOMIC DEVELOPMENT

Department Description

The Economic Development Department provides services for business attraction, retention, and expansion. The department also provides small business assistance and administers the city's business innovation center, the AZ TechCelerator.

Major Budget Changes

This is a new department for FY2016.

- Although a new department for FY2016, Economic Development was a division within the City Manager's Office in FY 2015. Personnel increased from FY2015 primarily due to:
  - The addition of two Economic Development Coordinator positions in September of 2014 in an effort to build a team that would effectively support Mayor and Council's vision for the city, bringing the division's staffing from four regular staff to six
- Supplies increased slightly over the FY2015 budget primarily due to:
  - A shift of the department's existing budget within operating capital to cover critical needs in supplies area such as community relations supplies
- Services increased over the FY2015 budget primarily due to:
  - Increased development agreement reimbursements due to new development and increases in sales tax revenue
  - A new contract with the City Café. The City Café is an accommodation for city staff as well as a positive element for attracting new business within the city.
- Operating capital decreased from FY2015 primarily due to:
  - The shift of the operating capital budget to supplies

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	0	0	0	701,000	701,000	-
Supplies	0	0	0	40,600	40,600	-
Services	0	0	0	6,804,300	6,804,300	-
Operating Capital	0	0	0	25,000	25,000	-
Sub-Total Operating Expenses	**0**	**0**	**0**	**7,570,900**	**7,570,900**	**-**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	0	0	0	6,620,900
One-Time	0	0	0	950,000

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	0	0	0	239,500	239,500	-
Sub-Total Operating Revenue	**0**	**0**	**0**	**239,500**	**239,500**	**-**

Divisions

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DEPARTMENT OVERVIEW
Economic Development

Economic Development — 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.

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Economic Development	0	0	0	7,570,900	7,570,900	-
Total Uses	**0**	**0**	**0**	**7,570,900**	**7,570,900**	**-**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Economic Development	0.0	0.0	0.0	8.3	0.0
Total	0.0	0.0	0.0	8.3	0.0

Goals, Objectives, and Performance Measures

Department Goal	The economic development division will assist small companies, increase large employment and retail opportunities, and aid AZ TechCelerator program tenants				
Objective	Help 20+ new small businesses, 4 large businesses, and 15 program tenants				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Small business start-up successes	33	29	32	0	0
Large business and retail successes	3	4	5	0	0
AZ Te;chCelerator Program tenants	13	12	14	0	0
AZ TechCelerator events/programs	8	11	12	0	0

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	0	0	0	6,291,900	6,291,900	-
Transportation Improvement	0	0	0	291,400	291,400	-
Water Operations	0	0	0	480,700	480,700	-
Wastewater Operations	0	0	0	481,900	481,900	-
Wastewater Dev Fee	0	0	0	25,000	25,000	-
Total Uses	**0**	**0**	**0**	**7,570,900**	**7,570,900**	**-**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	0	0	0	232,000	232,000	-
Donations	0	0	0	7,500	7,500	-
Total Uses	**0**	**0**	**0**	**239,500**	**239,500**	**-**

COMMUNITY DEVELOPMENT

Department Description

The community development department provides development review, planning and zoning, building safety, code enforcement and welcome center. The department is charged with ensuring responsible planning within the current and future city limits, long range transportation planning, and those new and existing structures are safe for occupancy.

Mission Statement

To facilitate sustainable quality development and growth enhancing economic opportunity, building strong neighborhoods and creating a sense of place while providing exceptional customer service.

Major Budget Changes

The overall FY2016 operating budget decreased by 33% from the FY2015 budget.

- Personnel decreased 7% primarily due to:
  - The Neighborhood Services Division including part-time funding, four regular positions and personnel related grant appropriation moved to the new Human Service and Community Vitality Department.
  - The Assistant City Manager position moved to the City Manager's Office during FY2015.
  - The decrease was partially offset by the addition of a new Community Development Director position, three positions from the Land Acquisition program within the Information Technology Department, and a Current Planning Manager position from Community and Recreation Services during FY2015. The Current Planning Manager position was later eliminated.
- Supplies decreased 44% primarily due to:
  - The supplies budget within the Neighborhood Services Division moving to the new Human Service and Community Vitality Department
- Services decreased 85% primarily due to:
  - The services budget within the Neighborhood Services Division moving to the new Human Service and Community Vitality Department
  - The decrease was partially offset by carry forward related to the General Plan update.
  - The decrease was also partially offset by the services budget for Land Acquisition program moving from the Information Technology Department.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	3,393,973	4,137,400	4,090,800	3,827,300	(310,100)	(7%)
Supplies	77,400	93,300	88,000	51,900	(41,400)	(44%)
Services	5,186,229	1,947,400	925,000	290,000	(1,657,400)	(85%)
Sub-Total Operating Expenses	**8,657,602**	**6,178,100**	**5,103,800**	**4,169,200**	**(2,008,900)**	**(33%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	7,021,077	4,115,800	4,101,700	4,124,200
One-Time	1,636,525	2,062,300	1,002,100	45,000

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DEPARTMENT OVERVIEW
Community Development

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	3,490,706	4,372,900	2,600,600	2,057,400	(2,315,500)	(53%)
Sub-Total Operating Revenue	**3,490,706**	**4,372,900**	**2,600,600**	**2,057,400**	**(2,315,500)**	**(53%)**

Divisions

Administration — The administration division is responsible for the overall coordination of the department's activities and performance in relation to the organization, budget and undertakes special projects.

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 review division provides facilitation and a point of contact for Plans Examination and Building Safety to the customer so they may complete their development project in a faster, more cost efficient manner.

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 the development process, current and long range planning through the creation and implementation of the zoning ordinance, general plan and long-range transportation planning.

Real Property Division — The real property division procures, approves and negotiates the acquisition of real property and any rights thereon, provides the City with property Management duties as well as title, appraisal verification, relocation.

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	256,491	260,100	172,500	398,300	138,200	53%
Planning & Zoning	637,430	862,600	1,399,200	1,219,000	356,400	41%
Building Safety	1,001,674	1,133,900	1,152,200	1,189,500	55,600	5%
Economic Development	4,188,570	0	0	0	0	-
Development Services	561,461	861,000	730,800	771,400	(89,600)	(10%)
Code Enforcement	528,388	653,200	613,300	591,000	(62,200)	(10%)
Neighborhood Services	1,483,588	2,407,300	1,035,800	0	(2,407,300)	(100%)
Total Uses	**8,657,602**	**6,178,100**	**5,103,800**	**4,169,200**	**(2,008,900)**	**(33%)**

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Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	3.5	3.0	3.3	2.0	(1.3)
Planning & Zoning	6.0	6.0	8.0	11.0	3.0
Building Safety	9.0	12.0	12.0	12.0	0.0
Economic Development	1.0	3.0	0.0	0.0	0.0
Development Services	7.0	7.0	10.0	10.0	0.0
Code Enforcement	5.0	5.0	6.0	5.0	(1.0)
Neighborhood Services	4.0	4.0	4.0	0.0	(4.0)
Total	35.5	40.0	43.3	40.0	(3.3)

Accomplishments, Enhancements, and Efficiencies

- General Plan Summit Conducted and report completed
- Village 5 Scope modified to update the Land Use, Economic Development, Housing, Implementation, Circulation, Growth Areas and Recreation & Open Space sections of the General Plan
- OTS Heritage District Overlay implementation and the Public Arts Master Plan process have been undertaken
- Public Arts Master Plan process has been undertaken
- West-MEC Zoning and Final Plat have been approved and in concert with Public Works full access on Grand Avenue has been negotiated and approved by ADOT and MAG
- The Industrial Zoning Height, Assisted Living and Donation Bin Text Amendments have been approved
- Safe Routes to Schools Grant has been accepted and project is underway

Major Initiatives and Policy Issues

- Major General Plan Amendment to update the Land Use, Economic Development, Housing, Implementation, Circulation, Growth Areas and Recreation & Open Space sections of the General Plan
- Finalize and gain approval of the OTS Heritage District Overlay and the Public Arts Master Plan
- Create a special taxing district policy as well as amend the current community facilities district policy and annexation policy.
- Surprise development code and fee schedule update and adoption
- Reorganization of personnel, divisions and processes
- Explore with Public Works the implementation of second phase of self certification permit process to include civil permits
- Conduct the 2016 General Plan Summit and report
- Coordinate with Public Works to create the City of Surprise Planning and Engineering Design Standards Manuals

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Goals, Objectives, and Performance Measures

Department Goal	Provide accurate planning and development information to customers so they can make knowledgeable development decisions and receive timely delivery of property based services				
Objective	Assist 95% of development center customers within 15 minutes of sign-in				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of customers anticipated	8,500	8,900	9,000	9,000	9,500
Number of customers assisted	8,591	9,711	9,000	11,500	11,500
Average time spent per customer	21 minutes	19 minutes	20 minutes	16 minutes	15 minutes
Percent of customers assisted within 15 minutes of sign in	81%	87%	90%	94%	100%

Department Goal	The code enforcement division ensures the health and safety of residents as it relates to property maintenance, zoning regulations, education, and enforcement				
Objective	The number of cases opened, resolved, and inspections completed directly reflects the primary work by the code enforcement division to meet the department goal				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of new cases opened	4,163	4,855	4,600	5.096	5,200
Number of cases resolved	3,992	4,413	4,300	5,134	5,500
Number of inspections	11,651	13,561	13,000	14,524	14,900
Proactive inspections	2,829	2,999	2,750	4,177	4,300

Department Goal	The building safety division reviews, approves, and inspects new development, tenant improvements and restoration				
Objective	The number of plan sheets reviewed and inspections completed demonstrates the output to meet the department goal				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Average number of inspections performed (per inspector per day)	20	18	16	13	14
Number of building permit inspections performed	20,150	18,220	19,500	18,000	19,000
Number of building plan sheets reviewed	40,119	39,078	38,000	34,619	36,542
Number of building reviews completed	6,628	7,067	5,600	9,334	9,800

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Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	7,021,796	4,094,900	4,449,500	4,169,200	74,300	2%
Neighborhood Revitalization	1,259,131	2,083,200	654,300	0	(2,083,200)	(100%)
Transportation Improvement	64,060	0	0	0	0	-
Water Operations	26,206	0	0	0	0	-
Wastewater Operations	286,409	0	0	0	0	-
Total Uses	**8,657,602**	**6,178,100**	**5,103,800**	**4,169,200**	**(2,008,900)**	**(33%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	1,724,078	2,289,700	1,946,300	2,057,400	(232,300)	(10%)
General Capital	499,998	0	0	0	0	-
Donations	7,500	0	0	0	0	-
Neighborhood Revitalization	1,259,130	2,083,200	654,300	0	(2,083,200)	(100%)
Total Uses	**3,490,706**	**4,372,900**	**2,600,600**	**2,057,400**	**(2,315,500)**	**(53%)**

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CITY COURT

Department Description

The City Court is committed to providing the community with an independent judiciary, which serves the public by the fair and impartial administration of justice.

Mission Statement

The city court's primary function is to fairly and impartially adjudicate all cases in the court and to effectively obtain compliance with the court's orders, as prescribed by the code of judicial conduct and all other standards as set by the Arizona Supreme Court. Court staff answers questions from the public and provides assistance to those having business at the court. The Court ensures accountability for judicial and financial orders.

Major Budget Changes

The overall FY2016 operating budget increased by 3% over the FY2015 budget.

- Personnel increased 6% primarily due to:
  - See the expenditures/uses summary for information regarding personnel increases
- Supplies decreased 2% primarily due to:
  - Decrease in awards and recognition
  - Decrease in furniture, fixtures, and equipment for the purchase of office chairs
  - Decreases are partially offset by an increase in computer supplies
- Services decreased 11% primarily due to:
  - Decrease in audit services as audits only occur every third year
  - Decrease in cell phone service as the court's interpreter no longer requires a pager
  - Decrease in dues and memberships as fewer court employees are required to maintain professional memberships
  - Decrease in service agreement for security guard service as the contract was renewed with no increase in services
  - Decreases are partially offset by an increase in software licenses for software upgrades
- Operating capital decreased 100% primarily due to:
  - A one time expenditure in FY2015 for courtroom audio/visual equipment

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	1,616,364	1,797,500	1,774,700	1,897,400	99,900	6%
Supplies	29,296	40,900	40,100	40,000	(900)	(2%)
Services	366,940	228,900	195,500	202,600	(26,300)	(11%)
Operating Capital	11,037	20,000	20,000	0	(20,000)	(100%)
Sub-Total Operating Expenses	**2,023,637**	**2,087,300**	**2,030,300**	**2,140,000**	**52,700**	**3%**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	2,023,637	2,087,300	2,030,300	2,140,000

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DEPARTMENT OVERVIEW
City Court

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	1,327,757	1,361,100	1,249,800	1,324,600	(36,500)	(3%)
Sub-Total Operating Revenue	**1,327,757**	**1,361,100**	**1,249,800**	**1,324,600**	**(36,500)**	**(3%)**

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	2,023,637	2,087,300	2,030,300	2,140,000	52,700	3%
Total Uses	**2,023,637**	**2,087,300**	**2,030,300**	**2,140,000**	**52,700**	**3%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
General Operations	19.1	19.1	20.1	20.3	0.2
Total	19.1	19.1	20.1	20.3	0.2

Accomplishments, Enhancements, and Efficiencies

- A/V Project - The city court, in coordination with the I.T. Department and Communications Department, has completed the first phase of a two-part project to replace and/or upgrade non-functioning audio/video equipment in our courtrooms.
- ADA Compliance - The city court, in coordination with the Facilities Maintenance Department, has completed phase one of the installation of automatic door switches in the courthouse in compliance with ADA requirements.
- Electronic Docket - The city court, in coordination with the I.T. department and communications department has installed two LCD panels for the electronic display of the court's daily docket.
- MVD Kiosk- An Arizona Motor Vehicle Division (ADOT) Self-Service Kiosk was installed inside the city court. This kiosk provides a convenience to the community as well as assists court users in expediting the resolution of MVD related cases.
- Community Outreach - The city court continues to assist with the facilitation of the Teen Court program which is managed by Maricopa County Juvenile Probation Deparment. The city court, in partnership with Maricopa County Superior Court and Glendale City Court, participates in their annual Veteran's Court programs. Additionally, the city court participates each month with the Maricopa County Superior Court, Homeless Court program.

Major Initiatives and Policy Issues

- Arizona Supreme Court strategic agenda Advancing Justice Together, Courts and Communities 2014-2019 includes the following goals:
  1. Promoting access to justice
  2. Protecting children, families, and communities
  3. Improving court processes to better serve the public
  4. Enhancing professionalism within Arizona's courts
  5. Improving communications and community participation
- Surprise City Court initiatives also include:
  1. Implement state legislature changes
  2. Implement federal and state rule and policy initiatives
  3. Implement new city ordinances
- A/V project - Phase II: complete installation of courtroom audio/video equipment.
- ADA Switches - Phase II: complete installation of ADA switches throughout the courthouse.

Goals, Objectives, and Performance Measures

Department Goal	Comply with the standards and requirements set forth by the Committee on Judicial Education (COJET) outlined in the Arizona Code of Judicial Administration Section 1-302. Court staff must complete a minimum of 16 hours of continuing education per calendar year.				
Objective	To exceed the annual minimum education requirement and proactively improve competence, professionalism and excellence. Supreme Court Strategic Agenda- Goal 4: Enhancing Professionalism within Arizona Courts				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Minimum number of COJET training hours required	288	288	304	304	304
Number of COJET hours completed	619	498	550	28	600
Percent above the minimum hours required	114%	73%	81%	-90%	98%

Department Goal	Improve "time to disposition" - the percentage of cases disposed or otherwise resolved within established time frames for DUI cases.				
Objective	Resolve DUI cases according to Arizona Supreme Court standards (Administrative Order 2014-108). Supreme Court Strategic Agenda- Goal 3: Improving Court Processes to Better Serve the Public				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percent of DUI's resolved within 120 days (Standard 85%)	79.68%	80.99%	85%	0%	85%
Percent of DUI's resolved within 180 days (Standard 93%)	90.04%	92.42%	93%	0%	93%

Department Goal	Improve "time to disposition" - the percentage of cases disposed or otherwise resolved within established time frames for civil traffic cases.				
Objective	Resolve civil traffic cases according to Arizona Supreme Court standards (Administrative Order 2014-108). Supreme Court Strategic Agenda- Goal 3: Improving Court Processes to Better Serve the Public				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percent of civil traffic cases resolved within 30 days (Standard 65%)	66.05%	65.49%	65%	70.19%	65%
Percent of civil traffic cases resolved within 60 days (Standard 80%)	84.42%	82.80%	80%	87.39%	80%
Percent of civil traffic cases resolved within 90 days (Standard 95%)	98.31%	97.69%	95%	98.4%	95%

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DEPARTMENT OVERVIEW
City Court

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	1,884,010	1,847,600	1,839,300	1,983,900	136,300	7%
Municipal Court Enhancement	86,782	120,000	130,000	85,000	(35,000)	(29%)
Municipal Court JCEF	52,845	104,700	46,000	58,000	(46,700)	(45%)
Municipal Court MFTG	0	15,000	15,000	13,100	(1,900)	(13%)
Total Uses	**2,023,637**	**2,087,300**	**2,030,300**	**2,140,000**	**52,700**	**3%**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	1,199,998	1,214,800	1,117,400	1,184,100	(30,700)	(3%)
Municipal Court Enhancement	89,191	110,000	91,900	97,400	(12,600)	(11%)
Municipal Court JCEF	22,321	23,300	23,500	25,000	1,700	7%
Municipal Court MFTG	12,093	8,600	12,700	13,500	4,900	57%
Municipal Court FARE	4,154	4,400	4,300	4,600	200	5%
Total Uses	**1,327,757**	**1,361,100**	**1,249,800**	**1,324,600**	**(36,500)**	**(3%)**

POLICE

Department Description

The Surprise Police Department, in partnership with the community, provides the delivery of progressive services, including, but not limited to, community-based policing, proactive and responsive patrol, criminal investigations, traffic enforcement and safety, and crime prevention and protection. The department provides proactive patrols and responds to police-related calls for service. These calls for service, from 9-1-1 emergencies and non-emergencies, are dispatched through the communications unit. Criminal investigations are conducted for crimes against persons and for property crimes. Traffic enforcement and safety is provided through enforcement and education programs. Crime prevention is provided through multiple programs involving communities, business, and schools. The department also provides victim support services and sex offender notices to the community.

Mission Statement

The police department is committed to maintaining a safe community by providing extraordinary law enforcement service with an emphasis on professionalism, accountability, and respect.

Major Budget Changes

The overall FY2016 operating budget increased by 1% over the FY2015 budget.

- Personnel increased 6% primarily due to:
  - See the expenditures/uses summary for information regarding personnel increases
  - Increase due to the addition of one police records technician to support video redaction, storage, and retention
  - Increase due to the addition of one crime scene technician to support the collection, preservation, and presentation of biological and physical evidence
  - Increase due to the addtion of two field operation officers
- Supplies decreased 35% primarily due to:
  - Decrease in operating equipment based on trends and anticipated needs
  - Decrease in uniforms due to a duplication of the uniform budget in both the Patrol and Administration divisions in FY2015
  - Decrease in books and subscriptions due to the increased usage of online materials
  - Decreases are partially offset by an increase in operating equipment and tools to accommodate the addition of two field operation officers
- Services increased 0.2% primarily due to:
  - Increase in pre-employment services due to the Maricopa County Sheriff's Office no longer offering free polygraph testing
  - Increase in radio equipment maintenance due to cost increases for operation, maintenance, software upgrades, and federal conversion requirements per the city of Phoenix
  - Increases are partially offset by decreases in taxes and service fees for credit card fees and a decrease in jail services due to updated rates released by the Maricopa County's Sheriff's Office
- Operating capital increased 235% primarily due to:
  - Increase in vehicles for one vehicle to accommodate the addition of two field operation officers
  - Increase in improvements to vehicles for the maintenance and equipment for one vehicle to accommodate the addition of two field operation officers

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DEPARTMENT OVERVIEW
Police

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	18,006,538	20,905,800	20,707,400	22,140,000	1,234,200	6%
Supplies	764,459	2,319,500	1,099,400	1,507,500	(812,000)	(35%)
Services	1,474,363	1,980,000	1,706,400	1,984,100	4,100	0%
Operating Capital	287,210	19,700	0	66,000	46,300	235%
Sub-Total Operating Expenses	**20,532,570**	**25,225,000**	**23,513,200**	**25,697,600**	**472,600**	**2%**
Transfers Out	541,304	245,200	216,500	136,400	(108,800)	(44%)
Total Uses	**21,073,874**	**25,470,200**	**23,729,700**	**25,834,000**	**363,800**	**1%**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	20,248,731	23,904,900	22,970,700	25,339,400
One-Time	825,143	1,565,300	759,000	494,600

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	1,214,079	1,562,000	1,016,300	1,339,700	(222,300)	(14%)
Development Impact Fees	248,765	482,800	225,600	217,600	(265,200)	(55%)
Sub-Total Operating Revenue	**1,462,844**	**2,044,800**	**1,241,900**	**1,557,300**	**(487,500)**	**(24%)**
Transfers In	295,553	0	264,700	0	0	-
Total Sources	**1,758,397**	**2,044,800**	**1,506,600**	**1,557,300**	**(487,500)**	**(24%)**

Divisions

Administrative Services — This division is responsible for the performance of the police department and its commanding officers. Additional functions of the division are internal financial review, strategic planning, quality management, criminal history records management, property and evidence management, the vehicle impound program, and the public safety communications/911 section.

Professional Standards & Training — This division is responsible for recruiting, departmental Commission on Accreditation of Law Enforcement Agencies accreditation, policy management, internal audits, inspections, internal administrative investigations, and department-wide training.

Criminal Investigations — This division is the investigative arm of the department and performs criminal investigations related to property and person crimes. Also included in the division are the Neighborhood Response Unit (NRU), crime prevention, crime and intelligence analysis, and victim services.

Field Operations — This division is responsible for providing patrol and police response services to the community utilizing community-based policing methods, beat team programs, traffic enforcement, the school resource officer program, animal control services, the K-9 program, jail transportation, front desk services, and other directed community policing activities.

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Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	3,216,427	3,990,300	3,353,000	3,635,100	(355,200)	(9%)
General Operations	245,751	245,200	200,200	99,800	(145,400)	(59%)
Investigations	2,890,686	3,730,600	3,158,800	4,755,000	1,024,400	27%
Patrol	12,449,064	14,747,900	14,429,400	14,604,000	(143,900)	(1%)
Communications	2,114,691	2,534,900	2,374,000	2,520,800	(14,100)	(1%)
Technical Services	157,255	221,300	214,300	219,300	(2,000)	(1%)
Total Uses	**21,073,874**	**25,470,200**	**23,729,700**	**25,834,000**	**363,800**	**1%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	23.0	23.0	23.0	24.0	1.0
Investigations	26.0	25.0	24.0	33.0	9.0
Patrol	109.0	111.0	112.0	106.0	(6.0)
Communications	23.0	23.0	25.0	25.0	0.0
Total	181.0	182.0	184.0	188.0	4.0

Accomplishments, Enhancements, and Efficiencies

- Reduction of Uniformed Crime Reporting (UCR) part I crime by 1% (18% over three years)
- Completed Annual Quality Assurance program to ensure continued compliance with the Commission on Accreditation of Law Enforcement Agencies (CALEA) re-accreditation requirements
- Passed new city false alarm ordinance, which reduced the average number of false alarms responded to by approximately 87%.
- Conducted several table-top exercises with local schools to enhance critical incident response capabilities
- Hosted a community drug awareness symposium

Major Initiatives and Policy Issues

- Complete mobile electronic ticket writer project for all patrol vehicles
- Develop and implement crisis intervention training (C.I.T.) to enhance response to incidents involving individuals suffering from mental illness
- Review department policies and procedures regarding application, documentation, and analysis of Use of Force incidents

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Goals, Objectives, and Performance Measures

Department Goal	Achieve agency reaccreditation for the international law enforcement standards developed and maintained by CALEA				
Objective	Review and revise policies in accordance with CALEA standards, provide sufficient evidence of SPD compliance and institutional use, demonstrate proficiency in Annual Quality Assurance (AQA) program, maintain the high standard of excellence through annual analysis of critical operations including: vehicle pursuits, internal investigations, use of force, and bias based complaints				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Reviewed/revised policies	21	26	50+	25	25
Completed AQA of 481 standards	April	April	August	August	April
Successful reaccreditation	N/A	August	N/A	N/A	N/A
Complete time-sensitive audits/inspections	23	23	23	23	23

Department Goal	Provide rapid response to service calls, maintain high visibility in neighborhoods and business locations, and enforce traffic safety laws throughout the city.				
Objective	Respond quickly (under 5 minutes) to police calls for service, increase proactive patrol volume, and continue to enforce traffic safety.				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Calls for service	39,857	37,566	40,055	37,756	38,393
Number of report actions	19,108	21,996	19,520	22,806	21,303
Priority 1 average response times	4min 24sec	4min 44sec	4min 40sec	4min 36sec	4min 35sec
Officer initiated call volume	54,550	56,204	65,494	59,571	56,775

Department Goal	Prevent, reduce, and disrupt crime				
Objective	Increase arrest volume and maintain or reduce UCR part 1 violent and property crimes				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of arrests	3,732	3,749	3,748	3,610	3,697
UCR Part 1 crimes	2,348	2,230	2,447	2,343	2,307
UCR Part 1 crimes per 1,000	19.7	18.3	18.7	19.26	19

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	19,913,529	23,103,300	22,909,300	24,460,400	1,357,100	6%
General Capital	72,000	43,000	43,000	0	(43,000)	(100%)
Donations	10,190	14,700	0	12,400	(2,300)	(16%)
Grants And Contingency	238,072	376,400	183,700	385,800	9,400	2%
SPD RICO	140,224	1,277,900	15,000	710,000	(567,900)	(44%)
SPD DEA	295,553	0	0	0	0	-
SPD Towing	154,315	375,100	342,600	82,500	(292,600)	(78%)
SB 1398 Fines	4,240	19,600	19,600	42,800	23,200	118%
Animal Seizure Bond Forfeiture	0	5,000	0	1,000	(4,000)	(80%)
Unclaimed Property Disposal	0	5,000	0	1,000	(4,000)	(80%)
Program 1033 Auction Proceeds	0	5,000	0	1,700	(3,300)	(66%)
Police Dev Fees	245,751	245,200	216,500	136,400	(108,800)	(44%)
Total Uses	**21,073,874**	**25,470,200**	**23,729,700**	**25,834,000**	**363,800**	**1%**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	723,732	728,300	726,100	736,800	8,500	1%
Donations	14,593	9,100	0	13,400	4,300	47%
Grants And Contingency	238,072	182,700	163,300	218,200	35,500	19%
SPD RICO	409,414	480,000	0	245,000	(235,000)	(49%)
SPD DEA	2,235	0	0	0	0	-
SPD Towing	96,518	117,000	106,600	105,000	(12,000)	(10%)
SB 1398 Fines	21,284	17,000	18,300	18,300	1,300	8%
Animal Seizure Bond Forfeiture	0	5,000	0	1,000	(4,000)	(80%)
Unclaimed Property Disposal	0	5,000	1,000	1,000	(4,000)	(80%)
Program 1033 Auction Proceeds	652	5,000	1,000	1,000	(4,000)	(80%)
Police Dev Fees	251,897	495,700	490,300	217,600	(278,100)	(56%)
Total Uses	**1,758,397**	**2,044,800**	**1,506,600**	**1,557,300**	**(487,500)**	**(24%)**

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SURPRISE FIRE - MEDICAL DEPARTMENT

Department Description

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

Mission Statement

The Surprise Fire-Medical Department mission is to protect and serve life and property with the highest level of safety, customer service, pride and professionalism.

Major Budget Changes

The overall FY2016 operating budget increased by 2% over the FY2015 budget.

- Personnel increased 4% primarily due to:
  - See the expenditures/uses summary for information regarding personnel increases
  - Increase due to the addition of one financial specialist position to provide support to SFMD administration
- Supplies decreased 2% primarily due to:
  - Decrease in auto parts and lubricants for wildland fire equipment due to trends and anticipated needs
- Services decreased 4% primarily due to:
  - Decrease in EE certifications and licensing
  - Decrease in training and education supplies
  - Decreases are partially offset by increases in travel and training to send five sworn members to the Arizona Fire Chiefs Association annual conference
- Operating captial decreased 100% primarily due to:
  - A one time expenditure in FY2015 for phase 2 of the cardiac monitor replacement

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	13,613,541	15,481,800	15,073,800	16,074,600	592,800	4%
Supplies	463,325	558,100	485,000	545,900	(12,200)	(2%)
Services	1,527,772	1,771,400	1,719,700	1,700,400	(71,000)	(4%)
Operating Capital	10,287	175,000	37,000	0	(175,000)	(100%)
Sub-Total Operating Expenses	**15,614,925**	**17,986,300**	**17,315,500**	**18,320,900**	**334,600**	**2%**
Transfers Out	329,692	121,200	107,000	67,400	(53,800)	(44%)
Total Uses	**15,944,617**	**18,107,500**	**17,422,500**	**18,388,300**	**280,800**	**2%**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	15,709,046	17,630,000	17,229,400	18,251,300
One-Time	235,571	477,500	193,100	137,000

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DEPARTMENT OVERVIEW
Surprise Fire - Medical Department

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	956,432	1,297,400	1,142,300	1,489,500	192,100	15%
Development Impact Fees	413,024	1,736,900	1,070,900	1,252,200	(484,700)	(28%)
Sub-Total Operating Revenue	**1,369,456**	**3,034,300**	**2,213,200**	**2,741,700**	**(292,600)**	**(10%)**
Transfers In	208,262	0	130,800	0	0	-
Total Sources	**1,577,718**	**3,034,300**	**2,344,000**	**2,741,700**	**(292,600)**	**(10%)**

Divisions

Administration	Provides leadership, fiscal management, long-range planning, interdepartmental coordination, budget development, grant management, payroll, and administrative support to all divisions
Community Life Safety Education	Identifies, develops, and provides a variety of needed public education and life safety programs to the citizens of Surprise
Crisis Response	Provides a support system to the citizens of Surprise 24 hours a day, 7 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 (EMS)	Provides basic and advanced life support services to the community 24 hours a day, 7 days a week while maintaining compliance with the Arizona Department of Health Services mandates for personnel and equipment resources
Fire Operations	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
Fire Prevention	Supports programs designed to reduce the loss of life and property through education, prevention, and code enforcement
Support Services	Provides logistical support to all fire facilities, apparatus, and safety equipment maintenance ensuring compliance with federal and state mandates while maintaining the continuity of critical service delivery
Training	Coordinates training programs, inter-agency and multi-company drills, and develops training academy curriculum while maintaining compliance with safety mandates

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	2,414,115	2,257,800	2,056,600	2,304,300	46,500	2%
General Operations	15,030	0	0	0	0	-
Training	205,129	251,400	242,600	271,000	19,600	8%
Fire Operations	12,302,240	14,275,900	13,961,700	14,655,300	379,400	3%
EMS	207,937	418,800	292,000	256,000	(162,800)	(39%)
Crisis Response	18,007	34,400	30,400	31,500	(2,900)	(8%)
Support Services	296,548	315,300	314,600	316,600	1,300	0%
Comm. Life Safety Education	153,205	199,900	164,300	190,900	(9,000)	(5%)
Community Services	120	0	0	0	0	-
Prevention	332,286	354,000	360,300	362,700	8,700	2%
Total Uses	**15,944,617**	**18,107,500**	**17,422,500**	**18,388,300**	**280,800**	**2%**

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Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	7.0	7.0	7.0	8.0	1.0
Training	1.0	1.0	1.0	1.0	0.0
Fire Operations	104.0	104.0	106.0	106.0	0.0
EMS	1.0	1.0	1.0	1.0	0.0
Support Services	1.0	1.0	1.0	1.0	0.0
Comm. Life Safety Education	0.0	0.0	1.0	1.0	0.0
Community Services	1.0	1.0	0.0	0.0	0.0
Prevention	3.0	3.0	3.0	3.0	0.0
Total	118.0	118.0	120.0	121.0	1.0

Accomplishments, Enhancements, and Efficiencies

- Developed and implemented a Pilot Fire Company Inspection Program. This involved developing the program, training staff and the final stage of deploying the program in late Spring 2015 which is projected to yield an additional 420 occupancy inspections per year.
- Received an Urban Areas Security Initiative (UASI) grant totaling $54,000 which includes hazardous material training and chemical, biological, radiological, nuclear, and explosives (CBRNE) software and equipment enhancements; as well as two Governor's Office of Highway Safety Grants totaling $20,160 for training mannequins, associated training, educational safety supplies and car seats.
- Filed for the Certificate of Necessity (CON) with the Arizona Department of Health Services to provide ground ambulance transportation services within the city of Surprise.
- Deployed a new pumper, new advanced life support equipment and all equipment needed for fire suppression activities in May 2015. SFMD has initiated the purchase of an additional pumper, a new Ladder Tender (LT) and a new Crisis Response (CR) Van. The new LT is expected to deploy in the spring of 2016.
- In October 2014, SFMD in cooperation with Petroleum Helicopters, Inc. (PHI), deployed Helicopter Air Logisitics Operations (HALO) stationed at Fire Station 304 to effectively provide critical services to the western areas of the valley and Surprise residents in need of traumatic life saving services.
- SFMD launched a 60 hour per week Peak Time Ambulance Pilot Program in cooperation with Rural Metro to more efficiently staff ambulances within the city of Surprise and also better improve transport services and patient outcomes.

Major Initiatives and Policy Issues

- Research and develop a comprehensive plan to implement a ground ambulance transportation program.
- Enhance geographical information system software to optimize and enhance response standards, resource allocation, and deployment strategies within the department.
- Continue to seek grant funding to implement Phase II of department's citywide risk assessment project for the development of a tactical premise program.
- Research the feasibility of developing a community paramedicine program.
- Research and apply for additional grant funding to enhance and expand fire services such as operational, safety, equipment and community life safety education programs.

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Goals, Objectives, and Performance Measures

Department Goal	Annually review existing training curriculum, programs, facilities, interagency 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 (NFPA) standards				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Target training hours per operational employee	238	168	250	89	250
Total training hours completed by all operational personnel	25,783	18,374	27,500	9,800	27,500
Percent of target hours attained	95%	67%	100%	35%	100%

Department Goal	Ensure the city of Surprise remains a viable location for new business				
Objective	Continue on path of continuous quality improvement with a long-range goal of further reducing the ISO rating from a 3 to a 2 by FY2016				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
ISO rating	3	2	2	2	2

Department Goal	Maintain efficient and timely inspections and plan reviews to Surprise businesses and citizens				
Objective	Inspect all commercial structures annually, conduct plan reviews according to department standards (20 days for new plans and 10 days for tenant improvements), and inspect new construction in a timely efficient manner				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of inspections completed	944	1,411	1,300	0	0
Number of plans reviewed	348	409	330	278	300
Number of new construction inspections	568	167	300	123	300

Department Goal	Improve department emergency response times to better serve the needs of the residents and citizens living and working in Surprise				
Objective	Review incident response data monthly to identify the nature of delays in incident responses and appropriate remedies for improvement				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Total incidents	12,304	14,004	14,200	11,015	15,600
Percent of time 5 minute response attained*	36.3%	39.8%	41%	40%	45%
90th percentile response time	8:26	8:37	8:17	8:02	7:45
Average response time	5:49	5:47	5:40	5:40	5:30

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Department Goal	Maintain efficient and timely inspections to Surprise businesses and citizens				
Objective	Inspect all commercial structures annually/provide other inspections as deemed appropriate by fire code, state agency or safety need				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Commercial Fire Code inspections (Occupancy & Assisted Living)	0	0	0	891	1,300
Other Inspections (DES Food, Liquor, Knox Box, citizen contacts)	0	0	0	162	250

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	15,337,671	17,221,700	16,839,200	17,664,400	442,700	3%
General Capital	0	225,000	37,000	0	(225,000)	(100%)
Donations	7,719	7,100	0	4,200	(2,900)	(41%)
Grants And Contingency	59,882	46,700	5,100	116,600	69,900	150%
Wildland Fire	18,316	140,000	116,900	143,700	3,700	3%
HALO	120,183	158,000	133,700	168,900	10,900	7%
Ambulance Contract	35,161	187,800	183,600	223,100	35,300	19%
Fire and EMS Dev Fees	344,722	121,200	107,000	67,400	(53,800)	(44%)
Firefighters Pension	20,963	0	0	0	0	-
Total Uses	**15,944,617**	**18,107,500**	**17,422,500**	**18,388,300**	**280,800**	**2%**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	685,610	704,800	715,100	790,600	85,800	12%
Donations	2,163	900	900	2,500	1,600	178%
Grants And Contingency	59,882	46,700	46,700	101,000	54,300	116%
Wildland Fire	40,550	140,000	62,300	143,700	3,700	3%
HALO	133,066	158,000	133,700	156,000	(2,000)	(1%)
Ambulance Contract	35,161	247,000	183,600	295,700	48,700	20%
Fire and EMS Dev Fees	621,286	1,736,900	1,201,700	1,252,200	(484,700)	(28%)
Total Uses	**1,577,718**	**3,034,300**	**2,344,000**	**2,741,700**	**(292,600)**	**(10%)**

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HUMAN SERVICE AND COMMUNITY VITALITY

Department Description

The City Council updated and adopted the Strategic Plan for Fiscal Year 2013-2014. The Strategic Plan highlights seven priorities of focus along with implementation goals to address community challenges. The newly established Human Service & Community Vitality Department will implement programs, projects and partnerships to meet those goals in coordination with the City Manager's Annual Action Plan.

The Human Service & Community Vitality Department strategizes its neighborhood services, senior services, community services and grant administration by:
• Supporting the City of Surprise's City Council approved Strategic Plan;
• Aligning programs and projects with the City Manger's Annual Action Plan;
• Support City Staff resources by leveraging funding and complementing existing programs;
• Pursuing funding opportunities through community relationships;
• Build community trust through partnerships, trainings and grant related collaborations; and,
• Researching new funding mechanisms to include donations and sponsorships.

Mission Statement

Proudly investing and connecting our people.

Major Budget Changes

This is a new department for FY2016.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	0	0	0	998,300	998,300	-
Supplies	0	0	0	174,400	174,400	-
Services	0	0	0	2,167,200	2,167,200	-
Sub-Total Operating Expenses	**0**	**0**	**0**	**3,339,900**	**3,339,900**	**-**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	0	0	0	1,152,500
One-Time	0	0	0	2,187,400

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	0	0	0	2,178,400	2,178,400	-
Sub-Total Operating Revenue	**0**	**0**	**0**	**2,178,400**	**2,178,400**	**-**

Divisions

Community Services — The Division provides community based services that help to partner with public, private, non-profits, schools veterans, and faith based organizations. The overall mission is to assist entities with city resources that will help them successfully meet their goals.

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DEPARTMENT OVERVIEW
Human Service and Community Vitality

Neighborhood Services — This Division is responsible for providing resources at the neighborhood and family levels. Programs, projects and services are specifically targeted at specific needs. The overall mission is to revitalize neighborhoods and advocate for self-help opportunities within the community.

Senior Services — This Division facilitates activities, programs and events that meet the health and wellness needs of the community in the OTS Campus Center. Services are for all residents and programmed in a manner that fosters an Age Friendly Network. The overall mission is to energize residents through appropriate social interactions.

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Human Services	0	0	0	416,800	416,800	-
Senior Services	0	0	0	408,300	408,300	-
Neighborhood Services	0	0	0	2,514,800	2,514,800	-
Total Uses	**0**	**0**	**0**	**3,339,900**	**3,339,900**	**-**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Human Services	0.0	0.0	0.0	2.0	0.0
Senior Services	0.0	0.0	0.0	1.5	0.0
Neighborhood Services	0.0	0.0	0.0	5.8	0.0
Total	0.0	0.0	0.0	9.3	0.0

Accomplishments, Enhancements, and Efficiencies

- Established a new department
- Assessed the current fabric of three divisions
- Drafted a business plan
- Revised budget
- Building partnerships for funding leverage

Major Initiatives and Policy Issues

- Complete Business Plan
- Become an Age Friendly Community
- Leverage resources with partnerships, grants, sponsorships and donations
- Implement Consolidated Plan
- Improve customer satisfaction for human services

Goals, Objectives, and Performance Measures

Department Goal	Improve access to and from Surprise, specifically east/west connections.				
Objective	Identify a list of specific east/west corridor improvements and develop funding strategies with neighboring jurisdictions MAG, MC				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
# of Safe Routes to Schools Grants	0	3	4	4	5
# of MAG 5310,5311 Grants	0	1	0	2	3
# of MAG 5316 Grants	0	0	0	1	2

Department Goal	Continue hands-on approach with small business start-ups and retention/expansion opportunities				
Objective	Outline potential city support				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
# of Grants support to non-profits	0	2	3	4	6
# of Community Outreach Grant	0	10	0	10	12
# of Joint Grant Partnerships	0	2	0	3	5
# of Business Support Activities	0	0	0	1	2

Department Goal	Reduce total energy usage in city owned facilities, i.e. city hall , stadium, OTS				
Objective	Continue to seek after grants that will provide for more sustainable choices at city facilities				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
CDBG OTS Projects (Water Study)	0	3	0	4	5
Grant Assistance PM-10, CMAQ FEMA	0	4	0	5	6

Department Goal	Enhance the beauty of neighborhoods throughout our community.				
Objective	Emphasize neighborhood preservation and rehabilitation; Continue clean up programs; Expand revitalization and reinvestment programs				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Grant funding for revitalization	0	0	0	600,000	800,000
Block Party attended/organized	0	0	0	40	45
Senior Center Membership	0	390	450	500	550
Clean up event volunteers	0	0	1	1	2
Community Trainings (Fair Housing etc.)	0	0	0	0	0

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DEPARTMENT OVERVIEW
Human Service and Community Vitality

Department Goal	Take a strong and visible role in local and regional educational initiatives by expanding partnerships and maximizing				
Objective	Enhance and expand the city internship program at Surprise which allow students an opportunity to learn about and foster interest in a career in local government				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Joint Grants with other Schools	0	4	4	4	6
SYEP number of students served	0	20	0	20	25
Community Education Classes	0	0	0	22	25
Workforce Development efforts	0	0	0	1	2
Senior Center Programs	0	0	0	1	2

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	0	0	0	1,174,200	1,174,200	-
Donations	0	0	0	6,200	6,200	-
Neighborhood Revitalization	0	0	0	2,090,900	2,090,900	-
Grants And Contingency	0	0	0	68,600	68,600	-
Total Uses	**0**	**0**	**0**	**3,339,900**	**3,339,900**	**-**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	0	0	0	33,500	33,500	-
Donations	0	0	0	4,000	4,000	-
Neighborhood Revitalization	0	0	0	2,090,900	2,090,900	-
Grants And Contingency	0	0	0	50,000	50,000	-
Total Uses	**0**	**0**	**0**	**2,178,400**	**2,178,400**	**-**

COMMUNITY AND RECREATION SERVICES

Department Description

The city of Surprise Community and Recreation Services (CRS) 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.

Major Budget Changes

The overall FY2016 operating budget decreased by 3% from the FY2015 budget.

- Supplies decreased 4% primarily due to:
  - The Senior Center moved to the Human Service and Community Vitality.
- Services decreased 1% primarily due to:
  - The stadium improvement fund had a substantial decrease due to the project utiltizing the funds that will be spent in FY2015.
  - Decreases are partially offset by increases in the library service contract.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	6,050,527	7,049,100	6,630,500	7,075,100	26,000	0%
Supplies	1,894,061	2,282,900	2,307,100	2,180,300	(102,600)	(4%)
Services	6,345,612	7,471,000	7,396,800	7,413,900	(57,100)	(1%)
Operating Capital	607,091	0	0	0	0	-
Sub-Total Operating Expenses	**14,897,291**	**16,803,000**	**16,334,400**	**16,669,300**	**(133,700)**	**(1%)**
Transfers Out	794,115	1,437,500	699,500	1,085,700	(351,800)	(24%)
Total Uses	**15,691,406**	**18,240,500**	**17,033,900**	**17,755,000**	**(485,500)**	**(3%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	14,762,335	16,646,200	16,284,400	17,755,000
One-Time	929,071	1,594,300	749,500	0

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	5,395,917	5,324,300	5,201,200	5,193,800	(130,500)	(2%)
Development Impact Fees	335,037	836,000	331,200	330,500	(505,500)	(60%)
Sub-Total Operating Revenue	**5,730,954**	**6,160,300**	**5,532,400**	**5,524,300**	**(636,000)**	**(10%)**
Transfers In	0	0	855,200	0	0	-
Total Sources	**5,730,954**	**6,160,300**	**6,387,600**	**5,524,300**	**(636,000)**	**(10%)**

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Divisions

Administration	The Administration Division provides leadership and overall department oversight for Community and Recreation Services, including 66 full time employees and 49 full time equivalents (FTE) in part time employee support, and four boards and commissions. The division provides fiscal oversight for an operating budget of $15.7 million and ensures revenue recovery of at least $4 million.
Aquatics	The Aquatics Division manages the Surprise Aquatic Center and the Hollyhock Community Pool. Water safety, lessons, open swim, special events, competitive and recreational swim teams, dive team, and pool rentals are offered at the pools.
Campus & Park Maintenance	The Campus and Park Maintenance Division oversee turf and ground maintenance of the 140-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, special interest classes, summer camp, tot time, and teens totaling over 1,700 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 140-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 Major League Baseball (MLB) training operations, Arizona Fall League, six National United States Tennis Association (USTA) events, Surprise Party, Performances in the Park, Memorial Day, Spring Eggstravaganza, and the annual 4th 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.

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Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	557,932	598,400	605,500	666,200	67,800	11%
General Operations	252	0	0	337,600	337,600	-
Senior Services	0	38,300	0	0	(38,300)	(100%)
Tennis	976,235	527,500	515,700	537,900	10,400	2%
Surprise Aquatic Center	567,207	825,600	767,800	804,200	(21,400)	(3%)
Hollyhock Community Pool	114,334	119,900	122,600	114,600	(5,300)	(4%)
Campus Operations	5,835,355	6,384,700	5,625,900	5,411,800	(972,900)	(15%)
Special Events	530,174	718,800	701,700	689,200	(29,600)	(4%)
Recreation	3,316,270	3,859,400	3,746,200	3,654,200	(205,200)	(5%)
Park Maintenance	2,235,743	2,986,200	2,913,900	3,033,000	46,800	2%
Library	969,727	1,484,600	1,396,800	1,807,000	322,400	22%
Sierra Montana Rec Center	254,871	311,400	273,300	309,500	(1,900)	(1%)
Country Side Rec Center	189,023	238,000	216,500	238,200	200	0%
Community Promotions	144,283	147,700	148,000	151,600	3,900	3%
Total Uses	**15,691,406**	**18,240,500**	**17,033,900**	**17,755,000**	**(485,500)**	**(3%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	40.8	49.0	57.1	53.9	(3.2)
Tennis	2.0	2.0	2.0	2.0	0.0
Surprise Aquatic Center	0.0	0.0	2.0	2.0	0.0
Campus Operations	17.1	21.0	20.0	20.0	0.0
Aquatics	0.0	1.0	0.0	0.0	0.0
Special Events	1.0	2.0	2.0	2.0	0.0
Recreation	21.0	19.0	21.0	20.0	(1.0)
Park Maintenance	13.9	15.0	17.0	17.0	0.0
Community Promotions	1.0	1.0	1.0	1.0	0.0
Total	96.8	110.0	122.1	117.9	(4.2)

Accomplishments, Enhancements, and Efficiencies

- The Community and Recreation Services Department delivered over 1,700 recreation and special events programs, servicing over 480,000 participants.
- CRS hosted many 3rd party events including Celebrity Flag Football, Surprise Fine Art and Wine Festival, Color run, Korean Baseball and Special Olympics. These events totaled over 10,000 participants and the Special Olympics Arizona Fall Games and had over 1,500 athletes, and 450 volunteers. The estimated economic impact of Special Olympics was estimated at 200K.
- Surprise hosted a record number of Sports Tournaments at the Surprise Recreation Campus in 2014. A total of 8 State 3 Regional and 3 National Baseball tournaments featured a total of 116 teams that traveled to Surprise this past summer generating close to 2,400 room nights.
- CRS introduced Competitive Sports programming in FY 15 with the addition of the City of Surprise Club Swim Team and Competitive soccer. The Surprise Storm Swim team has nearly 50 year round team members. The team competed in 11 swim meets and had 25 Arizona Regional Qualifiers. The completive soccer program has a total of 8 teams and over 110 participants.

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- The first Surprise Fiesta Grande event was held in the original town site. The event highlighted Mariachis and Folklorico dancers from Nogales, Mexico, authentic Mexican food and a classic car show that brought attendtion to the Grand Avenue corridor. The event took place from Noon - 9 pm and had an attendance of 16,000.

Major Initiatives and Policy Issues

- Completed Capital Improvement Plan for CRS through 2030.
- Successfully negotiate an amendment to the current team agreements that includes a contract extension with the Rangers and Royals to extend spring training and additional 7 years through June 2030. The amendment also includes renovation to the clubhouses.
- Complete parks and recreation open space and facility master plan update and implementation along with general plan update.
- Implement new city wide cash handling policies and training to CRS part time and full time staff.
- Groundbreaking ceremonies were held and construction began on new park projects for Surprise Farms and Veramonte Park. Projects will be complete fall 2015.

Goals, Objectives, and Performance Measures

Department Goal	Provide quality recreation programs to residents and visitors of Surprise				
Objective	Provide recreation programs at a 50% revenue recovery rate or greater				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Number of programs offered	1,700	1734	1,700	1700	1700
Number of participants	191,648	192300	190,000	193000	193000
Revenue	$1,868,900	1907528	$1,785,800	2100300	2100300
Revenue recovery (net revenue less expenses)	70%	0.7	65%	65%	0.65

Department Goal	To provide Cactus League Spring Training Major League Baseball in the city of Surprise generating an economic impact of over $30 million dollars				
Objective	Surprise Stadium to have annual attendance of at least 180,000 and generate gross revenue of 4.4 million				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Gross revenue	$4,984,400	$4,800,000	$4,400,000	4400000	4400000
Attendance	190,991	180,000	182,000	182000	182000
Number of games	35	28	29	29	29

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Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	14,161,718	15,934,700	15,613,900	16,178,500	243,800	2%
Donations	132,323	443,300	446,900	440,800	(2,500)	(1%)
Tourism	31,000	0	0	0	0	-
Grants And Contingency	47,745	50,000	50,000	0	(50,000)	(100%)
Net Premium Seating	15,482	50,000	33,600	50,000	0	0%
Spring Training Ticket Surcharge	0	895,100	190,000	645,000	(250,100)	(28%)
Stadium Improvements	508,771	0	0	0	0	-
Parks and Rec Dev Fees	794,115	792,400	699,500	440,700	(351,700)	(44%)
Library Dev Fees	0	75,000	0	0	(75,000)	(100%)
Sanitation Operations	252	0	0	0	0	-
Total Uses	**15,691,406**	**18,240,500**	**17,033,900**	**17,755,000**	**(485,500)**	**(3%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	4,746,969	3,987,300	3,989,500	3,962,800	(24,500)	(1%)
Donations	122,737	434,200	437,900	433,900	(300)	0%
Grants And Contingency	47,745	50,000	11,700	0	(50,000)	(100%)
Net Premium Seating	26,532	22,000	25,000	25,000	3,000	14%
Spring Training Ticket Surcharge	325,957	635,000	600,000	635,000	0	0%
Stadium Improvements	83,949	136,400	137,100	137,100	700	1%
Parks and Rec Dev Fees	298,828	841,800	1,182,100	330,500	(511,300)	(61%)
Library Dev Fees	78,237	53,600	4,300	0	(53,600)	(100%)
Total Uses	**5,730,954**	**6,160,300**	**6,387,600**	**5,524,300**	**(636,000)**	**(10%)**

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PUBLIC WORKS

Department Description

The public works department provides services to both internal and external customers through its four branches: engineering, operations, utilities, and business management. These services include vehicle maintenance, facilities management, development review engineering, traffic engineering, streets maintenance, environmental programs, and project management for all city capital improvement projects. The public works department also operates and manages the city's solid waste enterprise.

The highway user revenue fund (HURF) is established to track non-transit transportation related activities. The HURF fund is 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, signs and striping, and pavement preservation. The traffic engineering division is structured in three primary functions as follows: general operations, traffic management, and signals.

Major Budget Changes

The overall FY2016 operating budget decreased by 8% from the FY2015 budget.

- Overall decrease of 8% in operations is due to asset replacement being accounted for as capital projects and a reduction in debt payment due to planned refinancing of outstanding 2003 MPC.

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	6,381,262	7,085,800	7,048,200	7,476,800	391,000	6%
Supplies	1,665,760	1,801,900	1,798,400	1,897,200	95,300	5%
Services	8,433,443	11,955,200	9,111,300	10,449,600	(1,505,600)	(13%)
Operating Capital	65,032	519,500	484,500	129,000	(390,500)	(75%)
Sub-Total Operating Expenses	**16,545,497**	**21,362,400**	**18,442,400**	**19,952,600**	**(1,409,800)**	**(7%)**
Transfers Out	671,040	665,000	587,000	369,900	(295,100)	(44%)
Total Uses	**17,216,537**	**22,027,400**	**19,029,400**	**20,322,500**	**(1,704,900)**	**(8%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	14,488,253	16,552,800	15,998,900	17,188,400
One-Time	2,728,284	5,474,600	3,030,500	3,134,100

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
State Shared	7,023,790	7,358,400	7,413,600	7,727,200	368,800	5%
Charges for Services/Other	1,351,615	1,379,400	837,300	1,472,800	93,400	7%
Property Tax	2,229,591	2,384,700	2,380,200	2,416,600	31,900	1%
Development Impact Fees	515,153	0	508,600	514,400	514,400	-
Sub-Total Operating Revenue	**11,120,149**	**11,122,500**	**11,139,700**	**12,131,000**	**1,008,500**	**9%**
Transfers In	0	1,000,000	1,717,700	1,000,000	0	0%
Total Sources	**11,120,149**	**12,122,500**	**12,857,400**	**13,131,000**	**1,008,500**	**8%**

Divisions

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Engineering Services	The engineering development services division provides engineering development review, civil engineering plan review, permit issuance, and construction inspection and land survey services.
Facilities Management	The facilities management division provides energy management, service, and maintenance to city-owned facilities
Vehicle Maintenance	The vehicle maintenance division maintains, repairs, and assists in the acquisition and disposition of the city's fleet of vehicles and equipment
Stormwater	Is a component of the wastewater division 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 and is funded by numerous funds.
Transit	Administers city transit services including the Dial-a-Ride contract and 571 Route and represents the city on regional boards and commissions.
CIP	The capital improvement projects (CIP) division provides the delivery and management of capital projects from project initiation through closeout. The CIP division manages improvement projects for all departments and divisions within the city.
Traffic Engineering	Responsible for the traffic engineering operations, signal operations, traffic control, and intelligent transportation systems for the city

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	954,050	996,700	924,600	762,200	(234,500)	(24%)
General Operations	10,479,513	14,096,500	11,693,200	12,838,700	(1,257,800)	(9%)
Project Management	796,064	799,400	715,600	510,000	(289,400)	(36%)
Sustainability	960	600	0	0	(600)	(100%)
Transit	635,833	1,119,500	745,300	853,600	(265,900)	(24%)
Signals	445,079	472,500	458,100	478,200	5,700	1%
Signs	627,444	895,200	845,600	1,009,100	113,900	13%
Asphalt	433,564	473,400	479,900	521,900	48,500	10%
Crack Sealing	268,322	292,900	300,400	391,400	98,500	34%
Concrete	268,365	345,500	301,300	416,400	70,900	21%
Right Of Way	1,388,023	1,534,600	1,643,600	1,671,300	136,700	9%
Street Sweeping	720,590	819,100	736,900	683,700	(135,400)	(17%)
Civil Inspection	198,730	181,500	184,900	186,000	4,500	2%
Total Uses	**17,216,537**	**22,027,400**	**19,029,400**	**20,322,500**	**(1,704,900)**	**(8%)**

Return to TOC

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	4.3	9.0	8.0	7.0	(1.0)
General Operations	39.7	40.0	40.0	41.0	1.0
Project Management	1.0	1.0	1.0	1.0	0.0
Transit	9.0	0.0	0.0	0.0	0.0
Signals	2.0	2.0	2.0	2.0	0.0
Signs	4.0	4.0	5.0	6.0	1.0
Asphalt	4.0	5.0	5.0	4.0	(1.0)
Crack Sealing	4.0	4.0	4.0	4.0	0.0
Concrete	3.0	3.0	3.0	4.0	1.0
Right Of Way	8.0	7.0	6.0	7.0	1.0
Street Sweeping	6.0	6.0	7.0	6.0	(1.0)
Civil Inspection	2.0	2.0	2.0	2.0	0.0
Total	87.0	83.0	83.0	84.0	1.0

Accomplishments, Enhancements, and Efficiencies

- Energy Projects - 1) retrofitted all fluorescent lighting at Senior Center, 2) retrofitted Parking Structure lights with induction lighting, 3) Retrofit Westgate parking with induction lighting, Reduced Central Utility Plant consumption from E-32L to E-32M.
- Installed 3 new air conditioners, sealed roof, and coated walls at Villanueva Gym.
- Installed 5 new air conditioners, replaced roof, and rebuilt showers at FS301.
- Implementation of the AIMS Fuel Master system on all new vehicles. This assists with mileage tracking, fuel tracking and provides a monthly usage report to the fleet manager.
- Created a better tracking system to help with increasing communication between departments on the current status of their vehicles.
- Improved the filing system of civil development project documentation; and Created a system to track projects from construction to final closeouts to ensure proper timing of conditional and final warranty field walks and financial assurance/bond releases.
- Landscaped 6 miles of unimproved medians (HURF).
- Completed annual pavement preservation program funded by Council (HURF).
- Completed phase 1 of 5 to replace all non-compliant city street signs to new FHWA reflectivity standards (HURF).
- Completed and removed the Bell Road/168th drive Traffic Signal based on Study results; and constructed the ¾ intersection (mustache) as part of the Win Co. development project (HURF).
- Completed median design and construction for 175th Ave and Waddell Rd associated with Paradise Honors High School (HURF)
- Completed the Bell Road Median Opening Project, east of El Mirage Road (HURF).
- Started development of a City-wide Speed Limit Ordinance and Map for Council Approval (HURF).

Major Initiatives and Policy Issues

- Identify alternative fuel training and increase technicians training/certification.
- Review current Replacement Policy to identify a more defined replacement process.
- Refine fleets operational needs for new facility and work in conjunction with project manager to ensure facility is outfitted to meet those needs.
- Publish a comprehensive update of City of Surprise Engineering Development Standards. Update the civil review processes and guidelines for development due diligence and concept meetings.

- Relamp Bullard Library for energy efficiency; and update Energy Management system at Sierra Montana Recreation Center.
- Complete APWA Best Management Practices for facilities.
- Update pavement preservation street segment listing based on FY2015 pavement condition assessment study (HURF).
- Enhance street sweeper routes to increase efficiency and PM10 compliance (HURF).
- Evaluate prison crew work plan to align with unlandscaped Right-of-Way maintenance (HURF).
- Convert Illuminated Street Name signs to LED's (HURF).
- Improve Preventative Maintenance on the traffic signals to stay ahead of operational problems (HURF).
- Implement a Pro-active signal timing program to increase intersection efficiency (HURF).

Goals, Objectives, and Performance Measures

Department Goal	Ensure all city facilities are properly maintained and functional in the most efficient and effective manner				
Objective	o Emergency maintenance requests (i.e. air conditioning down, loss of power, elevator malfunction, smoke/fire alarm, continuous leak, broken window, door that can't be secured) to be addressed within 30 minutes o Perform all maintenance work order requests within 30 day time frame o Perform custodial services within 95% of industry standard				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percentage of emergency response – on time completion	96%	98%	99%	75%	0
Percentage of maintenance – on time completion	94%	93%	96%	67%	0
Custodial expenditures per sq. ft. for admin/office facilities as compared to ICMA mean (In-house services)	97%	97%	98%	91%	0
Custodial Expenditures per sq. ft. for admin/office facilities as compared to ICMA Mean (Contracted services)	100%	100%	100%	100%	0

Department Goal	Improve the public's knowledge of the review process and maintain staff presence on active construction sites				
Objective	o Reduce the number of "third and subsequent submittals approved" by increasing approvals in the "initial submittal approval" o Maintain percentage of inspector time on site at 45% despite expected increase in permit load				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Plan review – number of sheets reviewed	1,894	3,009	3,500	2500	3000
Plan review – percent of submittals approved on first or second review	92%	47%	85%	92%	85%
Inspections – number of permits issued for civil inspection	354	291	400	430	400
Inspection – percent of time on site	36%	45%	45%	55%	70%

Department Goal	Perform preventive maintenance, scheduled and unscheduled vehicle repairs and diagnostic services				
Objective	o Maintain service level by completing all preventative maintenance (PM) in four hours for heavy vehicles and one hour for light vehicles o Maintain standard using American Public Works Association (APWA) data of 1,415 billable hours for each mechanic annually o Average maintenance cost per mile for general fund vehicles o Set and maintain a fleet miles per gallon (MPG) standard of 70%				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percentage of PM's completed in allowable time	45%	43%	45%	48%	48%
Percentage of billable hours for each mechanic	91%	95%	95%	98%	98%
Average maintenance cost per mile for general fund vehicles	63¢	32¢	35¢	54¢	54¢
Percentage of fleet vehicles meeting MPG standards	40%	42%	65%	70%	70%

Department Goal	Ensure regulatory compliance related to PM 10 standards agreed to by the city and Maricopa Association of Governments (MAG)				
Objective	100% compliance with PM 10 regulations by providing effective sweeping services matched to targeted efficiency benchmarks				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Lane miles swept/target	100%	100%	98%	99%	100%
Hours sweeper operation/total hours available	86%	85%	85%	94%	90%
Sweeping cycles/targeted 20 cycles per year	100%	100%	100%	100%	100%

Department Goal	Respond to street maintenance customer service requests within targeted time frames				
Objective	o Complete all work orders within 20 days o Complete customer service response requests within the target timeframe of 3 days o Maintain average pavement condition of city streets as good or better o Complete all graffiti work orders within 24 hours				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Work orders completed within 20 day target	99%	100%	100%	97%	100%
Service requests completed within 3 day target	100%	100%	100%	100%	100%
Percent of streets in good or better condition compared with 85% target	81%	80%	85%	81%	78%
Graffiti work orders completed with 72 hour target period **	50%	98%	100%	100%	100%

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Department Goal	Enhance traffic safety and efficiency in the city by focusing on proactive maintenance and by utilizing the latest technology and traffic engineering standards to minimize traffic accidents and maximize traffic flow
Objective	o Maintain traffic signs and markings to ensure 100% compliance with reflectivity and visibility standards o Maintain ornamental street lights to ensure 100% operations and monitor Arizona Public Service installed 'SLID' street lights to ensure 95% operations o Maintain 100% completion of signs/signals, pavement markings, and street light maintenance schedules in order to minimize related traffic accidents and to maximize traffic flow within existing street network

Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Percent of traffic signs within current reflectivity/visibility standards compared to sign PM schedule	98%	98%	98%	98%	0%
Percent of pavement marking within current reflectivity/visibility standards compared to pavement marking PM schedule	98%	98%	98%	98%	0%
Percent of street lights in operation compared to target	97%	96%	95%	92%	95%

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	6,251,712	6,857,400	6,594,600	6,887,400	30,000	0%
General Capital	0	484,500	484,500	0	(484,500)	(100%)
Transit	4,620	0	0	0	0	-
HURF	5,382,771	8,596,800	8,364,200	7,790,600	(806,200)	(9%)
Grants And Contingency	778	0	0	0	0	-
Arizona Lottery Fund	346,740	350,000	346,700	350,000	0	0%
Proposition 400	19,572	19,600	0	54,700	35,100	179%
General Government Dev Fees	666,420	665,000	587,000	369,900	(295,100)	(44%)
Public Works Dev Fees	63,642	84,000	84,000	84,000	0	0%
Transportation Improvement	2,073,467	2,438,300	128,600	2,265,500	(172,800)	(7%)
Street Lighting Districts	2,406,815	2,531,800	2,439,800	2,520,400	(11,400)	0%
Total Uses	**17,216,537**	**22,027,400**	**19,029,400**	**20,322,500**	**(1,704,900)**	**(8%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	623,663	667,100	647,600	699,100	32,000	5%
General Capital	546,146	386,400	50,000	275,700	(110,700)	(29%)
Vehicle Replacement Fund	0	1,000,000	1,000,000	1,000,000	0	0%
HURF	6,700,546	7,008,400	7,121,600	7,390,200	381,800	5%
Grants And Contingency	778	250,000	0	125,000	(125,000)	(50%)
Arizona Lottery Fund	346,740	350,000	346,700	350,000	0	0%
Proposition 400	139,503	19,300	54,700	0	(19,300)	(100%)
Roads of Regional Significance Dev Fees	11,221	27,100	0	0	(27,100)	(100%)
General Government Dev Fees	378,113	0	1,216,500	514,400	514,400	-
Public Works Dev Fees	141,547	29,500	40,200	0	(29,500)	(100%)
Transportation Improvement	0	0	0	360,000	360,000	-
Street Lighting Districts	2,231,892	2,384,700	2,380,100	2,416,600	31,900	1%
Total Uses	**11,120,149**	**12,122,500**	**12,857,400**	**13,131,000**	**1,008,500**	**8%**

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PUBLIC WORKS - SANITATION

Department 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 weekly curbside collections for trash and recyclable materials. Each customer is provided with a 95 gallon trash and 95 gallon 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 events 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. The solid waste division is managed by the public works department as a division under the assistant director of operations.

Mission Statement

The city of Surprise Public Works Department is dedicated to the community by delivering safe, customer focused services with the highest level of integrity and professionalism.

Major Budget Changes

The overall FY2016 operating budget increased by 16% over the FY2015 budget.

- Personnel increased 8% primarily due to the following:
  - Increase of overtime
  - Movement of sanitation manager from the general fund
- Supplies increased 12% primarily due to the following:
  - Increase in the replacement of recycle cans
  - Increase the replacement of trash cans
  - One time purchase of Zonar tablets
- Services increased 7% primarily due to the following:
  - Increase in landfill fees and fuel
- Operating Capital increased 46% primarily due to the following:
  - One time purchase of heavy vehicle lifts to facilitate vehicle maintenance to solid waste trucks
  - One new rolloff truck
  - One new can delivery truck
  - Increase in replacement of vehicles

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	2,154,631	2,376,900	2,234,500	2,576,600	199,700	8%
Supplies	957,480	944,300	870,900	1,057,900	113,600	12%
Services	1,608,084	1,662,700	1,650,700	1,781,700	119,000	7%
Operating Capital	24,942	2,240,000	1,237,000	3,278,500	1,038,500	46%
Sub-Total Operating Expenses	**4,745,137**	**7,223,900**	**5,993,100**	**8,694,700**	**1,470,800**	**20%**
Transfers Out	1,919,157	1,921,000	1,919,000	1,882,600	(38,400)	(2%)
Total Uses	**6,664,294**	**9,144,900**	**7,912,100**	**10,577,300**	**1,432,400**	**16%**

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DEPARTMENT OVERVIEW
Public Works - Sanitation

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	5,128,054	6,904,900	6,675,100	7,280,600
One-Time	1,536,240	2,240,000	1,237,000	3,296,700

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	7,059,025	7,198,400	7,212,500	7,282,600	84,200	1%
Sub-Total Operating Revenue	**7,059,025**	**7,198,400**	**7,212,500**	**7,282,600**	**84,200**	**1%**

Divisions

Operations — Conducts residential curbside solid waste collection operations

Bulk Trash — Handles operations and issues related to bulk trash and roll-off collection services

Recycling — Conducts the recycling education and waste inspection program, as well as the household hazardous waste events

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	5,948,630	8,294,200	7,058,300	9,447,500	1,153,300	14%
Bulk Trash	425,717	535,900	510,400	810,600	274,700	51%
Recycling	289,947	314,800	343,400	319,200	4,400	1%
Total Uses	**6,664,294**	**9,144,900**	**7,912,100**	**10,577,300**	**1,432,400**	**16%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
General Operations	25.0	24.0	25.0	26.0	1.0
Bulk Trash	5.0	4.0	4.0	4.0	0.0
Recycling	3.0	3.0	3.0	3.0	0.0
Total	33.0	31.0	32.0	33.0	1.0

Accomplishments, Enhancements, and Efficiencies

- Successfully completed first fiscal year of implementing same-day curbside collection service for trash and recycling with no customer service complaints or increase in missed pickups
- Achieved a 1% increase in recycling diversion from 22% to 23%; set upcoming target goal of 25%
- Maintained high levels of customer satisfaction through the above-average quality of trash and recycling collection service provided by both the call center and field service operations

Major Initiatives and Policy Issues

- Increase revenues through implementation of commercial solid waste collection program and rates
- Improve recycling outreach, waste diversion, and waste reduction
- Evaluate equipment options to improve capacity for better efficiency
- Continue providing exceptional customer service to our residents

Goals, Objectives, and Performance Measures

Department Goal	Improve recycling collection, outreach, and education				
Objective	Increase residential and roll-off recycling participation				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Recycling tons collected	7,643	8,300	8,500	8600	8800
Recycling diversion	22%	22%	25%	23%	25%
Roll-off recycling collected	494	557	500	600	500
Education outreach events	8	15	15	15	15

Department Goal	Provide value added services to customers				
Objective	o Promote and provide Christmas tree drop off services o Promote and provide household hazardous waste events o Promote and provide fall and spring cleaning events with the landfill o Promote and provide an annual E-waste event with AZStRUT and APS				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Christmas tree drop off (trees)	1,550	3,027	3,000	1833	2000
Household hazardous waste participation (tons)	54.8	45.0	55.0	60.0	55.0
Fall and spring cleaning events at landfill participation (tons)	115	148	130	150	140
AZStRUT E-Waste participation (tons)	3	4	4	4	4

Department Goal	Maintain a high level of customer service				
Objective	o Continue scoring high on the national citizens survey o Minimize customer complaints o Schedule on demand bulk services within 10 days on average				
Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Annual missed pickups*	6	21	20	20	20
Maintain a 10 day annual average service level for on demand bulk trash collection	10	8	10	5	10
Call center average speed of answer	1:48	1:25	2:00	3:00	2:00

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Sanitation Operations	6,664,294	9,144,900	7,912,100	10,577,300	1,432,400	16%
Total Uses	**6,664,294**	**9,144,900**	**7,912,100**	**10,577,300**	**1,432,400**	**16%**

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Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Sanitation Operations	7,059,025	7,198,400	7,212,500	7,282,600	84,200	1%
Total Uses	**7,059,025**	**7,198,400**	**7,212,500**	**7,282,600**	**84,200**	**1%**

WATER RESOURCE MANAGEMENT - WATER

Department Description

The water operations fund is established as an enterprise fund to account for the provision of water services to users within the city of Surprise water service area. The Water Resource Management 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 residents of Surprise are serviced by several water systems including EPCOR Water 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 residents in Surprise.

Mission Statement

Serving the Surprise community at the front line of public safety. Providing safe, quality drinking water, effective waste removal, and managing the use of water in a sustainable and efficient manner.

Major Budget Changes

The overall FY2016 operating budget increased by 3% over the FY2015 budget.

- Personnel increased 31% primarily due to:
  - Two positions moved from Wastewater to Water
  - One water operator position and two water service worker positions were added through change requests in order to meet current "customer served" standards and to support current operational staff.
  - The increase was partially offset by one position moving to Wastewater.
- Supplies decreased 14% primarily due to a reduction in asset replacement worth less than $10,000.
- Services decreased 15% primarily due to the following one-time funding in FY2015:
  - Two well assessments and partial abandonment
  - Permanent water quality sample station project phase II
  - Groundwater modeling
  - Rancho Gabriela multiple asset replacement requiring a contractor to install
  - Mountain Vista multiple asset replacement requiring a contractor to install
  - Ashton Ranch multiple asset replacement requiring a contractor to install
  - Emergency Response Plan
- Operating capital increased 160% primarily due to the following:
  - CAP Allocation (M&I Subcontract) to get current past price increase
  - Replacement of vehicles
  - Two new vehicles for new positions

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	1,894,745	1,954,700	1,895,900	2,559,000	604,300	31%
Supplies	596,902	791,000	616,200	679,500	(111,500)	(14%)
Services	4,032,717	4,736,200	4,558,500	4,022,500	(713,700)	(15%)
Operating Capital	(1,283,937)	205,000	205,000	532,300	327,300	160%
Sub-Total Operating Expenses	**5,240,427**	**7,686,900**	**7,275,600**	**7,793,300**	**106,400**	**1%**
Transfers Out	2,975,975	1,638,700	1,633,100	1,824,300	185,600	11%
Total Uses	**8,216,402**	**9,325,600**	**8,908,700**	**9,617,600**	**292,000**	**3%**

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Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	8,045,052	8,351,600	8,005,000	9,211,800
One-Time	171,350	974,000	903,700	405,800

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	10,044,688	10,902,600	10,912,900	12,105,300	1,202,700	11%
Development Impact Fees	694,718	3,737,000	354,400	347,700	(3,389,300)	(91%)
Sub-Total Operating Revenue	**10,739,406**	**14,639,600**	**11,267,300**	**12,453,000**	**(2,186,600)**	**(15%)**
Transfers In	1,350,659	0	14,400	0	0	-
Total Sources	**12,090,065**	**14,639,600**	**11,281,700**	**12,453,000**	**(2,186,600)**	**(15%)**

Divisions

Administration	Coordinates and provides centralized administrative and management functions associated with the drinking water wells, water supply facilities, and water transmission and distribution systems
Operations	Oversees all the day-to-day operations and maintenance of the production, treatment, and distribution of drinking water
CIP	Responsible for city related water infrastructure construction projects
Customer Service	Responds to customer's water service requests, complaints, and customer needs
Utility Locating	Performs utility locating - blue stake activities
Environmental	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

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	3,183,796	2,281,100	2,184,900	2,350,500	69,400	3%
General Operations	3,244,317	3,913,000	3,623,700	4,214,500	301,500	8%
Project Management	122,566	355,200	231,300	378,100	22,900	6%
Customer Service	238,536	248,000	246,700	308,300	60,300	24%
Sustainability	221,140	0	112,300	0	0	-
Utility Locating	239,200	279,100	266,900	284,800	5,700	2%
Environmental	966,847	2,249,200	2,242,900	2,081,400	(167,800)	(7%)
Total Uses	**8,216,402**	**9,325,600**	**8,908,700**	**9,617,600**	**292,000**	**3%**

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Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	3.6	0.0	0.0	0.0	0.0
General Operations	14.0	14.0	14.0	18.0	4.0
Project Management	1.0	1.0	3.0	3.0	0.0
Customer Service	3.2	3.0	2.0	3.0	1.0
Sustainability	2.0	2.0	0.0	0.0	0.0
Utility Locating	3.0	3.0	3.0	3.0	0.0
Environmental	2.0	2.0	2.0	2.0	0.0
Total	28.7	25.0	24.0	29.0	5.0

Accomplishments, Enhancements, and Efficiencies

- Water and wastewater divisions collectively reached three years without a recordable lost man-hour of time.
- Completed construction of Mountain Vista well #2 and the installation of the final phase of drinking water sampling stations projects.
- Procured 100% of the City's Central Arizona Project (CAP) water allocation for recharge purposes.
- Completed the second phase of the Integrated Water Master Plan Update.
- Completed groundwater modeling study for SPA2.
- Completed department wide Emergency Response Plan.
- Hired a Water Portfolio Manager to manage and grow the City's water portfolio for the future.
- Completed $558,950 worth of water system major asset rehabilitation and replacement.

Major Initiatives and Policy Issues

- Complete the final phase of the Integrated Water Master Plan Update.
- Perform live action training exercises as outlined by the Emergency Response Plan.
- Establish standardized service order contracts for engineering and hydrology services.
- Continue development of the asset management program by establishing criticalities in the water system.
- Establish water portfolio asset targets, perform due diligence, and make recommendations to Council.
- Eliminate arsenic sludge hauling to the landfill by sending it to the wastewater system.
- Design interconnection system between Ashton Ranch and Rancho Gabriela water systems.
- Partner with EPCOR on interconnection between EPCOR and Surprise service areas.
- Integrate Water Policy language into the citywide General Plan Update.

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Goals, Objectives, and Performance Measures

Department Goal	Operate and maintain the drinking water facilities and distribution systems in a safe, efficient, and effective manner according to the American Water Works Association (AWWA)				
Objective	o Successfully meet the drinking water demand by placing wells in/out of service, treating high arsenic water, maintaining storage tank levels, distributing drinking water at needed volumes and pressure, and monitoring flow to determine when additional facilities should be constructed o Achieve the median value of 61.6% for preventative maintenance of assets as cited in the AWWA benchmarking performance indicators o Demonstrate successful implementation of safety programs, training, and work practices				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
SPA1 WRF: Millions of gallons of drinking water produced per day	6.8	6.7	6.8	6.9	6.9
Preventative maintenance to total maintenance ratio (hours)	0	35%	50%	50%	55%
OSHA recordable accidents	0	0	0	0	0

Department Goal	Provide efficient customer service to city's water customer				
Objective	o Provide developers prompt response for design submittals o Provide prompt response to contractors for utility locating requests o Maintain current standard of two minutes for response on all customer service calls o New residential water meters installed within the standard timeframe of seven days upon completion of contractors requirements				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percentage of master plans reviewed within allotted time	95%	100%	95%	100%	95%
Percent of new residential water meters installed within allotted time	0	100%	100%	100%	100%

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Department Goal	Provide high quality drinking water to our customers while complying with local, state, and federal regulations				
Objective	o Meet all monitoring and reporting requirements to comply with the Safe Drinking Water Act and Arizona administrative code o Reduce lost and unaccounted for water through proper documentation of all water uses from the city's water system o Purchase Central Arizona Project (CAP) allotment for recharge to build the city's long term water bank				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Compliance with federal, state, and local wastewater and water reuse regulations	100%	100%	100%	100%	100%
Lost and unaccounted water percentage	6.9%	9.5%	<7.0%	Data to calculate connected with AME challenges.	6.0%
Central Arizona Project (CAP) water allotment recharged	51%	53%	100%	100%	100%
Cumulative years of water banked	2.56	3.23	4.50	2.56	3.00

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Water Operations	7,951,302	9,120,600	8,703,700	9,310,300	189,700	2%
Water Dev Fee	265,100	205,000	205,000	307,300	102,300	50%
Total Uses	**8,216,402**	**9,325,600**	**8,908,700**	**9,617,600**	**292,000**	**3%**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Water Operations	11,351,735	10,860,500	10,869,900	12,061,300	1,200,800	11%
Water Dev Fee	738,330	3,779,100	411,800	391,700	(3,387,400)	(90%)
Total Uses	**12,090,065**	**14,639,600**	**11,281,700**	**12,453,000**	**(2,186,600)**	**(15%)**

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WATER RESOURCE MANAGEMENT - WASTEWATER

Department 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 Water Resource Management 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 collection systems.

Mission Statement

Serving the Surprise community at the front line of public safety. Providing safe, quality drinking water, effective waste removal, and managing the use of water in a sustainable and efficient manner.

Major Budget Changes

The overall FY2016 operating budget decreased by 8% from the FY2015 budget.

- Personnel increased 8% primarily due to the following:
  - Addition of one senior wastewater operator position
  - Addition of one collections supervisor position
  - Addition of one wastewater mechanic
- Supplies increased 9% primarily due to the following:
  - Salt to manufacture sodium hypochlorite for effluent disinfection
  - Polymer for centrifuges
- Services decreased 12% primarily due to the following:
  - one time funding of multiple asset replacement items at SPA1 and SPA2 WRF requiring contractor support
- Operating captial decreased 26% primarily due to the following:
  - Asset replacement being accounted for as capital projects

Total Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	2,963,582	3,237,100	2,793,400	3,489,000	251,900	8%
Supplies	1,681,230	1,751,800	1,880,400	1,906,700	154,900	9%
Services	3,490,977	4,766,000	4,596,000	4,201,900	(564,100)	(12%)
Operating Capital	(1,635,464)	401,000	440,600	297,000	(104,000)	(26%)
Sub-Total Operating Expenses	**6,500,325**	**10,155,900**	**9,710,400**	**9,894,600**	**(261,300)**	**(3%)**
Transfers Out	10,843,295	12,420,800	18,774,200	10,929,400	(1,491,400)	(12%)
Total Uses	**17,343,620**	**22,576,700**	**28,484,600**	**20,824,000**	**(1,752,700)**	**(8%)**

Total Uses by Ongoing/One-Time Status	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget
Ongoing	8,680,834	11,383,800	12,836,600	16,430,900
One-Time	8,662,786	11,192,900	15,648,000	4,393,100

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DEPARTMENT OVERVIEW
Water Resource Management - Wastewater

Total Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	16,218,280	16,469,000	16,619,800	16,767,000	298,000	2%
Development Impact Fees	0	0	1,582,600	1,229,500	1,229,500	-
Sub-Total Operating Revenue	**16,218,280**	**16,469,000**	**18,202,400**	**17,996,500**	**1,527,500**	**9%**
Transfers In	0	0	8,916,000	4,051,300	4,051,300	-
Total Sources	**16,218,280**	**16,469,000**	**27,118,400**	**22,047,800**	**5,578,800**	**34%**

Divisions

Administration	Coordinates and provides centralized administrative and management functions associated with the wastewater treatment plants, reclaimed water system, and wastewater collection system
Operations	Operations and maintenance of city wastewater treatment plants, reclaimed water system, and wastewater collection system
CIP	Responsible for city related wastewater treatment plants and infrastructure construction projects
Customer Service	Responds to customer's wastewater service requests, complaints, and needs
Collections	Responsible for all the day-to-day operations and maintenance activities for the wastewater collection system
Utility Locating	Performs utility locating - blue stake activities
Environmental	Assures all regulated public works operations remain in compliance with all federal, state, county, and city regulations, as well as hazardous materials management for all wastewater operations

Total Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	1,216,224	1,411,700	1,386,400	1,446,800	35,100	2%
General Operations	14,857,851	19,568,300	25,618,800	17,795,200	(1,773,100)	(9%)
Project Management	297,747	413,100	361,800	258,400	(154,700)	(37%)
Customer Service	67,587	70,300	67,500	76,700	6,400	9%
Swr Collection System Ops	521,482	611,500	561,900	733,400	121,900	20%
Utility Locating	101,121	107,900	110,000	110,300	2,400	2%
Environmental	281,608	393,900	378,200	403,200	9,300	2%
Total Uses	**17,343,620**	**22,576,700**	**28,484,600**	**20,824,000**	**(1,752,700)**	**(8%)**

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Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Administration	3.4	2.0	2.0	2.0	0.0
General Operations	23.5	25.2	24.2	26.3	2.1
Project Management	2.4	2.0	3.0	2.0	(1.0)
Customer Service	1.0	1.0	1.0	1.0	0.0
Swr Collection System Ops	3.0	3.0	4.0	5.0	1.0
Utility Locating	1.0	1.0	1.0	1.0	0.0
Environmental	1.3	2.0	2.0	2.0	0.0
Total	35.6	36.2	37.2	39.3	2.1

Accomplishments, Enhancements, and Efficiencies

- The water and wastewater divisions collectively reached three years without a recordable lost man-hour of time.
- Filled all open positions within the wastewater division.
- Developed a department wide Emergency Response Plan.
- Completed the installation of the 2nd Chlorine generation unit and effluent disinfection by-product reduction projects.
- Completed the second phase of the Integrated Water Master Plan update.
- Continued progress of identifying wastewater system assets and evaluating their condition as part of the ongoing asset management program.
- Completed $512,000 worth of major asset rehabilitation and replacement.
- Completed the $250,000 wastewater Supervisory Control and Data Acquisition (SCADA) upgrade project.

Major Initiatives and Policy Issues

- Complete Solar Bio-solids drying pilot.
- Perform live action training exercises as outlined by the Emergency Response Plan.
- Establish standardized service order contracts for engineering and hydrology services.
- Continue development of the asset management program by establishing criticalities in the wastewater system.
- Complete the final phase of the Integrated Water Master Plan Update.

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Goals, Objectives, and Performance Measures

Department Goal	Operate and maintain the SPA 1 and SPA2 (WRF) and wastewater collection systems in an effective manner				
Objective	o Successfully treat all wastewater received at the WRF and monitor influent flow to determine when additional facilities should be placed in service or constructed o Achieve the median value of 66.5% for investing in preventative maintenance of assets as cited in the American Water Works Association (AWWA) benchmarking performance indicators o Clean 100 miles of the wastewater system annually so that the entire system is cleaned in a five year period by following the Environmental Protection Agency's (EPA's) Capacity, Management, Operations, and Maintenance (CMOM) program to prevent sanitary sewer overflows				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
SPA1 WRF: percentage of millions of gallons of wastewater treated per day vs. capacity	48.8%	43.3%	48%	50.5%	50%
SPA2 WRF: percentage of millions of gallons of wastewater treated per day vs. capacity	5.3%	5.9%	6.0%	6.0%	6.1%
Preventative maintenance to total maintenance ratio (hours)	0	40.4%	66.5%	50.0%	65.0%
Percentage of 100 miles of wastewater collection system cleaned	33%	110%	100%	101%	110%

Department Goal	Maximize use of effluent from WRF through various applications				
Objective	o Recharge 80% of wastewater treatment facility effluent per day o Provide customers with reclaimed water o Produce grade A+ reclaimed water quality				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percentage of effluent recharged vs. wastewater treated	71.8%	69%	80%	70.67%	80%
Percentage of effluent recharged vs. groundwater withdrawal	104.1%	73%	80%	85%	80%
Percentage of reclaimed water provided to customers	28.2%	27%	20%	20.3%	17%
Percentage of days at grade rating	99.3%	99%	99%	97.8%	99%

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Department Goal	Protect the city's groundwater, reclaimed water, environment, and public health through programs designed to achieve regulatory compliance with local, state, and federal regulations associated with the city's wastewater systems.
Objective	o Meet all monitoring and reporting requirements to comply with wastewater regulations o Demonstrate compliant operation and maintenance of facilities with permit conditions and regulatory requirements to avoid agency issued violations and penalties o Achieve the median value of 2.73 when operating and maintaining the wastewater collection system to minimize blockages and pipe breaks that result in a report of a sanitary sewer overflow to the governing agency as cited in the AWWA benchmarking performance indicators

Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Compliance with federal, state, and local wastewater and water reuse regulatory reporting	100%	100%	100%	100%	100%
Wastewater Effluent Compliance Rate of No Violations Issued (% Days)	0	0	0	0	0
Sanitary Sewer Overflow Rate	0.31	0.36	2	0.002	1

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Wastewater Operations	8,755,745	12,419,200	19,322,000	16,376,500	3,957,300	32%
Wastewater Dev Fee	8,587,875	10,157,500	9,162,600	4,447,500	(5,710,000)	(56%)
Total Uses	**17,343,620**	**22,576,700**	**28,484,600**	**20,824,000**	**(1,752,700)**	**(8%)**

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Wastewater Operations	16,218,280	16,469,000	16,619,800	16,767,000	298,000	2%
Wastewater Dev Fee	0	0	10,498,600	5,280,800	5,280,800	-
Total Uses	**16,218,280**	**16,469,000**	**27,118,400**	**22,047,800**	**5,578,800**	**34%**

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CAPITAL IMPROVEMENT PLAN SUMMARY

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 has increases slightly to 123,797 at the end of 2014.

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 city is working on a comprehensive, multi-year CIP 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 to the budgeted year. It reflects the city's strengthened financial status with the programming of a number of projects placed on hold during the fiscal downturn. During the course of FY2015, a CIP committee made up of city staff worked to improve and refine the five-year CIP and identify funding strategies.

Funding

Funding for FY2016 is $58,996,800. The CIP is broken down into four major fund types:

1. general capital fund
2. transportation improvement fund
3. development impact fee funds
4. water and wastewater enterprise funds

1. general capital fund

Projects in this fund are paid for primarily by construction sales tax in excess of the first $1.25M as well as third party funding (e.g. grants, intergovernmental revenue, etc.).

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, intergovernmental revenue, etc.).

3. development impact fee funds

Projects in these funds represent the proportional share that growth contributes towards the cost of public facilities. They are paid by impact fees assessed to new development.

4. water and wastewater enterprise funds

These CIP projects are paid for by a combination of user rates and development impact fees.

Capital and Operational Finances

In keeping with the city's policy of sustainability, approved capital projects stress continuation of current service levels. Surprise residents 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 capital constructed by the city of Surprise will have an impact on the city's operating budget. 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.

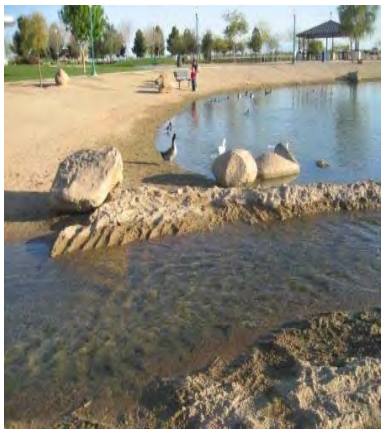
Recommended capital projects include those to maintain the current level of service as well as a number of new projects to construct new or expand existing facilities/amenities. New residents who move to Surprise will be greeted with a high level of service and amenities.

CIP Development

The following section provides information that served as the background for the development of the Infrastructure Improvement Plan.

What was addressed in this planning effort?

- Public Health, Safety and Other Mandates
- Supports Stated Community Goals and Policies
- Capital Fiscal Impact
- Promotes Economic Development
- Operation and Maintenance Fiscal Impact
- Impact on Service Levels
- Relationship to Other Projects/Coordination



Capital Project Definition

In order to distinguish between capital projects and minor-capital operating expenses, 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, department master plans, and growth pattern studies.
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.

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.

2. Financial Analysis

In developing the CIP, a complete financial analysis is conducted. Like most communities, the city of Surprise will always have more needs than financial resources. Funding options, the community's borrowing capacity, and current debt are discussed below:

Funding Options

As a growing community, the city of Surprise has continuing capital needs been that may be funded by variety of sources. The following options are possible sources considered when programming the city's CIP.

- **Pay-as-you-go from current revenues:** Funding of projects through available cash on hand (fund balance) and the revenue forecasted for the budgeted year represents pay-as-you-go financing. Construction sales taxes are commonly used by the city to fund pay-as-you-go projects. A majority of new projects are currently funded on this basis.
- **Municipal bonds:** The city may issue bonds to finance capital projects. Borrowing allows the city to construct assets as needed, rather than wait for sufficient cash to construct. Bonds are secured by secondary property taxes and are repaid over time with interest. The city's ability to use bond financing is discussed in greater 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 alternative funding mechanisms used to issue non-voter approved bonds. The debt may be secured by a variety of on-going revenue sources. The city of Surprise has outstanding debt issued by the municipal property corporation.
- **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 asset upon the completion 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 through secondary property taxes (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, wastewater, and sanitation fall under this category.

3. Capital Improvement Plan Policies

Policies

The following capital improvement policies are adopted annually by the Mayor and City Council as part of the Comprehensive Financial Management Policies (full policy document included in the appendix of this book).

25. 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.

26. 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.

27. Proposed capital projects will be prioritized based on the City Council's goals and objectives, the General Plan, and master plans.

28. Future operating, maintenance, and replacement costs associated with new capital improvements will be included as a schedule within the annual budget document. Capital project will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.

29. The first $1.25 million received in revenues from the 2.2% transaction privilege tax on construction will be retained in the general fund. Any additional amount will be recorded in general capital fund and will be used to fund the Capital Improvement Plan.

30. The city currently imposes an additional 1.5% transaction privilege tax on construction dedicated to the construction of new roadways and to refurbishing existing transportation corridors. The revenue is recorded in the transportation improvement fund and will be used to fund transportation projects in the Capital Improvement Plan.

31. 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 (i.e. “growth pays for growth”). Elements of this financial structure include impact fees, development agreements, improvement districts (IDs) and community facility districts (CFDs).

32. 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.

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.

General Implementation Guidelines

- The Surprise CIP is adopted along with the operating budget each year by the Mayor and City Council. The document is published and widely distributed. The CIP is updated annually.
- 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.
- Department directors are responsible for project management and regular monitoring to ensure efficient and effective construction and cost management.

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 requests are updated in the budget preparation software 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 prioritized within each fund.

Return to TOC

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 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.

Major Budget Changes

The dedicated sales tax for FY2016 is estimated at $1,567,500, 51% less than the FY2015 adopted budget. The decrease is primarily due to recent Transaction Privilege Tax reform, including changes to the taxation of modifications, additions, and renovations that are not considered new construction have partially stalled this recovery.

The expenditures are primarily for capital projects that include asset replacements, multiple transportation projects, a skate park, a project to replace the financial system, Regional Wireless Cooperative radios, and an ambulance.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Supplies	0	308,000	308,000	0	(308,000)	(100%)
Services	0	550,000	115,000	385,000	(165,000)	(30%)
Operating Capital	122,000	692,000	554,000	0	(692,000)	(100%)
Sub-Total Operating Expenses	**122,000**	**1,550,000**	**977,000**	**385,000**	**(1,165,000)**	**(75%)**
Contingency	0	2,823,600	0	0	(2,823,600)	(100%)
Capital	3,856,158	10,070,300	2,699,400	11,284,100	1,213,800	12%
Total Uses by Category	**3,978,158**	**14,443,900**	**3,676,400**	**11,669,100**	**(2,774,800)**	**(19%)**
Uses by Department						
City Manager	50,000	47,500	47,500	220,000	172,500	363%
Legal	0	500,000	115,000	385,000	(115,000)	(23%)
Information Services	572,890	1,420,800	1,234,700	2,500,000	1,079,200	76%
General Operations	0	2,823,600	0	0	(2,823,600)	(100%)
Community Development	480,527	0	0	0	0	-
Police	72,000	263,000	263,000	330,000	67,000	25%
Fire-Emergency Services	455,981	225,000	53,900	188,000	(37,000)	(16%)
Community and Recreation Services	137,522	2,550,000	325,000	2,725,000	175,000	7%
Public Works	2,209,238	6,614,000	1,637,300	5,321,100	(1,292,900)	(20%)
Total Uses by Department	**3,978,158**	**14,443,900**	**3,676,400**	**11,669,100**	**(2,774,800)**	**(19%)**
Sources by Category						
Local Sales Tax	2,140,766	3,210,200	1,487,000	1,567,500	(1,642,700)	(51%)
Charges for Services/Other	1,057,869	386,400	50,000	275,700	(110,700)	(29%)
Transfers In	0	2,000,000	3,651,200	2,720,000	720,000	36%
Total Sources by Category	**3,198,635**	**5,596,600**	**5,188,200**	**4,563,200**	**(1,033,400)**	**(18%)**

Return to TOC

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. City Code §30-19 authorizes this fee.

Major Budget Changes

The FY2015 capital budget included a project for courtroom audio/visual equipment. This project is scheduled to be completed in FY2015 and no capital projects are scheduled for FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	75,745	100,000	110,000	85,000	(15,000)	(15%)
Operating Capital	11,037	20,000	20,000	0	(20,000)	(100%)
Sub-Total Operating Expenses	**86,782**	**120,000**	**130,000**	**85,000**	**(35,000)**	**(29%)**
Contingency	0	177,600	0	162,600	(15,000)	(8%)
Capital	0	200,000	200,000	0	(200,000)	(100%)
Total Uses by Category	**86,782**	**497,600**	**330,000**	**247,600**	**(250,000)**	**(50%)**
Uses by Department						
City Court	86,782	497,600	330,000	247,600	(250,000)	(50%)
Total Uses by Department	**86,782**	**497,600**	**330,000**	**247,600**	**(250,000)**	**(50%)**
Sources by Category						
Charges for Services/Other	91,336	110,000	91,900	97,400	(12,600)	(11%)
Total Sources by Category	**91,336**	**110,000**	**91,900**	**97,400**	**(12,600)**	**(11%)**

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 then 1% transient lodging tax for a total of 2.52%. The increase was approved by Mayor and City Council on January 28, 2010 and is authorized by city code §46-3.14-447. Use of the funding is restricted to promoting and marketing tourism for the City of Surprise.

Major Budget Changes

In FY2015, the clubhouse renovation project at Surprise stadium was recommended by the tourism commission and approved by city council. Total estimated cost for the clubhouse renovation project is $17,217,300. The Tourism fund is funding $330,100 of the project in FY2015. No capital projects are scheduled for FY2016 in the Tourism fund.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	31,000	0	0	0	0	-
Sub-Total Operating Expenses	**31,000**	**0**	**0**	**0**	**0**	**-**
Contingency	0	676,900	0	559,600	(117,300)	(17%)
Capital	0	0	330,100	0	0	-
Total Uses by Category	**31,000**	**676,900**	**330,100**	**559,600**	**(117,300)**	**(17%)**
Uses by Department						
Community and Recreation Services	31,000	676,900	330,100	559,600	(117,300)	(17%)
Total Uses by Department	**31,000**	**676,900**	**330,100**	**559,600**	**(117,300)**	**(17%)**
Sources by Category						
Local Sales Tax	177,312	182,800	198,400	215,200	32,400	18%
Charges for Services/Other	1,535	2,700	0	0	(2,700)	(100%)
Total Sources by Category	**178,847**	**185,500**	**198,400**	**215,200**	**29,700**	**16%**

Return to TOC

Description

The spring training ticket surcharge fund is a special revenue fund established in June 2012 to account for revenue from a ticket surcharge on the sale of spring training tickets. The community and recreation services department is able to use this revenue to address future facility operational improvements at the stadium. The spring training ticket surcharge fund was established after the adoption of the FY2013 budget.

Major Budget Changes

The transfer of annual payment for anticipated new debt issuance, related to upgrades and enhancements to the clubhouses, has been postponed to FY2016.

In FY2015, $396,000 capital budget was approved to be spent on the clubhouse renovation project at Surprise stadium from the spring training ticket surcharge fund. The total estimated cost for the clubhouse renovation project is $17,217,300. This project is being funded by multiple funds. No capital projects are scheduled for FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	0	250,000	190,000	0	(250,000)	(100%)
Sub-Total Operating Expenses	**0**	**250,000**	**190,000**	**0**	**(250,000)**	**(100%)**
Contingency	0	137,900	0	0	(137,900)	(100%)
Transfers Out	0	645,100	0	645,000	(100)	0%
Capital	0	0	396,000	0	0	-
Total Uses by Category	**0**	**1,033,000**	**586,000**	**645,000**	**(388,000)**	**(38%)**
Uses by Department						
Community and Recreation Services	0	1,033,000	586,000	645,000	(388,000)	(38%)
Total Uses by Department	**0**	**1,033,000**	**586,000**	**645,000**	**(388,000)**	**(38%)**
Sources by Category						
Charges for Services/Other	325,957	635,000	600,000	635,000	0	0%
Total Sources by Category	**325,957**	**635,000**	**600,000**	**635,000**	**0**	**0%**

Description

On November 2, 2004, Proposition 400 was passed by the voters of Maricopa County, which authorizes pursuant to A.R.S. §42-6105, the continuation of a countywide, half-cent sales tax for regional transportation improvements (Maricopa County Transportation Excise Tax). Proposition 400 is the major funding sources for the Maricopa Association of Governments' (MAG) Regional Transportation Plan (RTP). The city receives funding for capital improvement projects and transportation operations as part of the RTP. Beginning in FY2014, the city receives funding only for ADA trips. In June 2012, a new special revenue fund was established to manage these funds.

Major Budget Changes

The FY2015 budget includes revenue from the sale of the Dial-a-Ride buses. This one time revenue will be used to offset FY2016 cost of Dial-a-Ride services. A capital project was added in FY2015 for park and ride enhancements. Funds are being carried forward into FY2016 to complete the project. There are no new projects scheduled for FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	19,572	19,600	0	54,700	35,100	179%
Sub-Total Operating Expenses	**19,572**	**19,600**	**0**	**54,700**	**35,100**	**179%**
Contingency	0	0	0	12,100	12,100	-
Capital	0	108,200	9,400	98,800	(9,400)	(9%)
Total Uses by Category	**19,572**	**127,800**	**9,400**	**165,600**	**37,800**	**30%**
Uses by Department						
Public Works	19,572	127,800	9,400	165,600	37,800	30%
Total Uses by Department	**19,572**	**127,800**	**9,400**	**165,600**	**37,800**	**30%**
Sources by Category						
Charges for Services/Other	139,503	19,300	54,700	0	(19,300)	(100%)
Total Sources by Category	**139,503**	**19,300**	**54,700**	**0**	**(19,300)**	**(100%)**

Return to TOC

Description

In FY2014, the city renewed its agreement with the concessionaire to provide concessions for the Surprise Stadium. As part of that agreement, the concessionaire provided an additional two million dollars for improvements to the stadium. Per the agreement, the city will realized earnings by amortizing the two million dollars from the day the funds were received through June 30, 2028. The community and recreation services department is able to use this funding to address current and future facility improvements at the stadium.

Major Budget Changes

The budget includes $137,100 realized earned revenue from the agreement with the concessionaire.

In FY2015, $1,491,200 was approved to be spent on the clubhouse renovation project at Surprise stadium from the stadium improvements fund. The total estimated cost for the clubhouse renovation project is $17,217,300 and is being funded by multiple funds. $200,000 is being carried forward for the project to FY2016 in the stadium improvements fund. There are no new capital projects scheduled for FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Operating Capital	508,771	0	0	0	0	-
Sub-Total Operating Expenses	**508,771**	**0**	**0**	**0**	**0**	**-**
Capital	0	1,491,200	1,291,200	200,000	(1,291,200)	(87%)
Total Uses by Category	**508,771**	**1,491,200**	**1,291,200**	**200,000**	**(1,291,200)**	**(87%)**
Uses by Department						
Community and Recreation Services	508,771	1,491,200	1,291,200	200,000	(1,291,200)	(87%)
Total Uses by Department	**508,771**	**1,491,200**	**1,291,200**	**200,000**	**(1,291,200)**	**(87%)**
Sources by Category						
Charges for Services/Other	83,949	136,400	137,100	137,100	700	1%
Total Sources by Category	**83,949**	**136,400**	**137,100**	**137,100**	**700**	**1%**

Return to TOC

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 and commercial 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.

Arizona Revised Statutes (ARS) §9-463.05 provides a framework for cities and towns to assess, collect and administer development fees. In April of 2011, statutory revisions were made by the approval of Senate Bill (SB) 1525 that significantly changed the requirements for development impact fees. As required by law, the city of Surprise retained the services of an outside consultant to complete an update of the City's development impact fees for compliance with the requirements of ARS §9-463.05 effective August 1, 2014. These fees will be continued as they have been pledged to repay existing debt, based on the new statute.

Major Budget Changes

The programed expenditures are for the impact fee study, rental payments, and two capital projects for the expansion and improvement of Surprise Farms and Veramonte parks. The capital budget of one million dollars in FY2016 is a carry forward from the existing projects. There are no new projects scheduled for FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	0	25,000	0	25,000	0	0%
Sub-Total Operating Expenses	**0**	**25,000**	**0**	**25,000**	**0**	**0%**
Contingency	0	1,659,300	0	1,153,000	(506,300)	(31%)
Transfers Out	794,115	792,400	882,200	440,700	(351,700)	(44%)
Capital	0	2,635,100	1,635,100	1,000,000	(1,635,100)	(62%)
Total Uses by Category	**794,115**	**5,111,800**	**2,517,300**	**2,618,700**	**(2,493,100)**	**(49%)**
Uses by Department						
Finance	0	25,000	0	25,000	0	0%
General Operations	0	0	182,700	1,153,000	1,153,000	-
Community and Recreation Services	794,115	5,086,800	2,334,600	1,440,700	(3,646,100)	(72%)
Total Uses by Department	**794,115**	**5,111,800**	**2,517,300**	**2,618,700**	**(2,493,100)**	**(49%)**
Sources by Category						
Charges for Services/Other	22,112	5,800	4,500	0	(5,800)	(100%)
Development Impact Fees	280,630	836,000	326,900	330,500	(505,500)	(60%)
Transfers In	0	0	1,037,900	0	0	-
Total Sources by Category	**302,742**	**841,800**	**1,369,300**	**330,500**	**(511,300)**	**(61%)**

Return to TOC

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.

Arizona Revised Statutes (ARS) §9-463.05 provides a framework for cities and towns to assess, collect and administer development fees. In April of 2011, statutory revisions were made by the approval of Senate Bill (SB) 1525 that significantly changed the requirements for development impact fees. As required by law, the city of Surprise retained the services of an outside consultant to complete an update of the City's development impact fees for compliance with the requirements of ARS §9-463.05 effective August 1, 2014. Based on the new statute these fees will be discontinued. Previously collected funds will be utilized to fund projects until funds are expended.

Major Budget Changes

The expenditures are primarily for capital projects that includes the new north public works yard.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Supplies	63,642	84,000	84,000	84,000	0	0%
Services	0	25,000	0	25,000	0	0%
Sub-Total Operating Expenses	**63,642**	**109,000**	**84,000**	**109,000**	**0**	**0%**
Contingency	0	8,557,300	0	4,893,200	(3,664,100)	(43%)
Capital	106,348	1,009,600	5,200	4,597,600	3,588,000	355%
Total Uses by Category	**169,990**	**9,675,900**	**89,200**	**9,599,800**	**(76,100)**	**(1%)**
Uses by Department						
Finance	0	25,000	0	25,000	0	0%
Public Works	169,990	9,650,900	89,200	9,574,800	(76,100)	(1%)
Total Uses by Department	**169,990**	**9,675,900**	**89,200**	**9,599,800**	**(76,100)**	**(1%)**
Sources by Category						
Charges for Services/Other	56,851	146,800	111,000	0	(146,800)	(100%)
Development Impact Fees	136,254	0	9,800	0	0	-
Total Sources by Category	**193,105**	**146,800**	**120,800**	**0**	**(146,800)**	**(100%)**

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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 City Council through ordinance 05-13 (city code section 46-3.14-415). This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

Major Budget Changes

The dedicated sales tax for FY2016 is estimated at $1,921,000, 37% less than the FY2015 adopted budget. The decrease is due to recent Transaction Privilege Tax reform, including changes to the taxation of modifications, additions, and renovations that are not considered new construction.

The FY2016 capital budget decreased by 23% from the FY2015 adopted budget. The FY2016 budget is for completion of several road projects. There are no new capital projects scheduled for FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	122,312	131,900	126,400	137,600	5,700	4%
Supplies	903	1,000	1,000	1,000	0	0%
Services	2,203,851	2,591,500	290,400	2,418,300	(173,200)	(7%)
Sub-Total Operating Expenses	**2,327,066**	**2,724,400**	**417,800**	**2,556,900**	**(167,500)**	**(6%)**
Contingency	0	503,600	0	293,100	(210,500)	(42%)
Capital	678,714	2,290,200	1,087,800	1,753,700	(536,500)	(23%)
Total Uses by Category	**3,005,780**	**5,518,200**	**1,505,600**	**4,603,700**	**(914,500)**	**(17%)**
Uses by Department						
City Manager	0	286,100	289,200	0	(286,100)	(100%)
Finance	189,539	0	0	0	0	-
Economic Development	0	0	0	291,400	291,400	-
Community Development	64,060	0	0	0	0	-
Public Works	2,752,181	5,232,100	1,216,400	4,312,300	(919,800)	(18%)
Total Uses by Department	**3,005,780**	**5,518,200**	**1,505,600**	**4,603,700**	**(914,500)**	**(17%)**
Sources by Category						
Local Sales Tax	2,311,886	3,041,000	1,866,100	1,921,000	(1,120,000)	(37%)
Charges for Services/Other	31,586	46,500	0	360,000	313,500	674%
Total Sources by Category	**2,343,472**	**3,087,500**	**1,866,100**	**2,281,000**	**(806,500)**	**(26%)**

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Description

The water system and replenishment development fee funds are established to account for the inflow of water system and replenishment 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.

Arizona Revised Statutes (ARS) §9-463.05 provides a framework for cities and towns to assess, collect and administer development fees. In April of 2011, statutory revisions were made by the approval of Senate Bill (SB) 1525 that significantly changed the requirements for development impact fees. As required by law, the city of Surprise retained the services of an outside consultant to complete an update of the City's development impact fees for compliance with the requirements of ARS §9-463.05 effective August 1, 2014.

Major Budget Changes

The FY2016 projected revenue for development impact fees is $347,700. This is 91% less than the FY2015 adopted budget. The decrease is primarily due to reduction in single family residential permits.

The expenditures are primarily for continued capital projects that include Desert Oasis WSF arsenic treatment, and SPA 1 effluent storage reservoir covers. The city will continue to review and evaluate potential projects through the preparation of the Infrastructure Improvement Plan (IIP) for the impact fee study update.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	60,120	500,000	0	50,000	(450,000)	(90%)
Operating Capital	(1,145,679)	205,000	205,000	307,300	102,300	50%
Sub-Total Operating Expenses	**(1,085,559)**	**705,000**	**205,000**	**357,300**	**(347,700)**	**(49%)**
Contingency	0	10,769,100	0	2,820,400	(7,948,700)	(74%)
Transfers Out	1,350,659	0	0	0	0	-
Capital	1,248,169	4,343,200	1,476,300	2,943,500	(1,399,700)	(32%)
Total Uses by Category	**1,513,269**	**15,817,300**	**1,681,300**	**6,121,200**	**(9,696,100)**	**(61%)**
Uses by Department						
City Manager	0	450,000	0	0	(450,000)	(100%)
Finance	0	50,000	0	50,000	0	0%
Water Services	1,513,269	15,317,300	1,681,300	6,071,200	(9,246,100)	(60%)
Total Uses by Department	**1,513,269**	**15,817,300**	**1,681,300**	**6,121,200**	**(9,696,100)**	**(61%)**
Sources by Category						
Charges for Services/Other	45,140	42,100	43,000	44,000	1,900	5%
Development Impact Fees	694,718	3,737,000	354,400	347,700	(3,389,300)	(91%)
Transfers In	(6)	0	14,400	0	0	-
Total Sources by Category	**739,852**	**3,779,100**	**411,800**	**391,700**	**(3,387,400)**	**(90%)**

CAPITAL IMPROVEMENT PLAN
Wastewater System Development Fee Funds

Description
The wastewater system development fee funds are 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.

Arizona Revised Statutes (ARS) §9-463.05 provides a framework for cities and towns to assess, collect and administer development fees. In April of 2011, statutory revisions were made by the approval of Senate Bill (SB) 1525 that significantly changed the requirements for development impact fees. As required by law, the city of Surprise retained the services of an outside consultant to complete an update of the City's development impact fees for compliance with the requirements of ARS §9-463.05 effective August 1, 2014.

Major Budget Changes
The FY2016 projected revenue for development impact fees is $1,229,500. This is 77% less than the FY2015 adopted budget. The decrease is primarily due to reduction in single family residential permits.

The 54% decreases in expenditures is mainly due to a one time $5,978,500 tranche payment for outstanding MPC debt. FY2016 expenditures include the SPA 1 centrifuge installation capital project, rental payments, developer reimbursements, and debt service.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	30,060	25,000	0	25,000	0	0%
Operating Capital	0	25,000	0	25,000	0	0%
Sub-Total Operating Expenses	**30,060**	**50,000**	**0**	**50,000**	**0**	**0%**
Debt	163,684	0	0	0	0	-
Contingency	0	1,491,500	0	699,500	(792,000)	(53%)
Transfers Out	8,557,815	10,157,500	9,162,600	4,447,500	(5,710,000)	(56%)
Capital	0	1,800,000	116,400	1,683,600	(116,400)	(6%)
Total Uses by Category	**8,751,559**	**13,499,000**	**9,279,000**	**6,880,600**	**(6,618,400)**	**(49%)**
Uses by Department						
City Manager	0	25,000	0	0	(25,000)	(100%)
Finance	0	25,000	0	25,000	0	0%
Economic Development	0	0	0	25,000	25,000	-
Wastewater Services	8,751,559	13,449,000	9,279,000	6,830,600	(6,618,400)	(49%)
Total Uses by Department	**8,751,559**	**13,499,000**	**9,279,000**	**6,880,600**	**(6,618,400)**	**(49%)**
Sources by Category						
Charges for Services/Other	2,595	3,400	0	0	(3,400)	(100%)
Development Impact Fees	1,879,239	5,445,300	1,582,600	1,229,500	(4,215,800)	(77%)
Transfers In	0	0	8,916,000	4,051,300	4,051,300	-
Total Sources by Category	**1,881,834**	**5,448,700**	**10,498,600**	**5,280,800**	**(167,900)**	**(3%)**

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Description

This fund is established to account for bond proceeds from a planned FY2015 debt issuance.

Major Budget Changes

Expenditures are programmed for the clubhouse renovation capital project at Surprise stadium The total estimated cost for the clubhouse renovation project is $17,217,300. This project is being funded by multiple funds and $15,000,000 will be funded from debt issuance.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Contingency	0	11,513,200	0	4,800	(11,508,400)	(100%)
Transfers Out	0	0	197,800	0	0	-
Capital	0	0	0	15,000,000	15,000,000	-
Total Uses by Category	**0**	**11,513,200**	**197,800**	**15,004,800**	**3,491,600**	**30%**
Uses by Department						
General Operations	0	11,513,200	197,800	4,800	(11,508,400)	(100%)
Community and Recreation Services	0	0	0	15,000,000	15,000,000	-
Total Uses by Department	**0**	**11,513,200**	**197,800**	**15,004,800**	**3,491,600**	**30%**
Sources by Category						
Transfers In	0	0	15,202,600	0	0	-
Total Sources by Category	**0**	**0**	**15,202,600**	**0**	**0**	**-**

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CAPITAL IMPROVEMENT PLAN
Summary by Fund

Fund	2015 Estimate	Carry Forward	2016 Request	Total CF and FY2016
General	$1,510,000	$199,000	$1,850,000	$2,049,000
General Capital Fund	$2,699,400	$5,979,400	$5,304,700	$11,284,100
Highway User Revenue Fund	$0	$475,000	$350,000	$825,000
Municipal Court Enhancement	$200,000	$0	$0	$0
Tourism	$330,100	$0	$0	$0
Spring Training Ticket Surcharge	$396,000	$0	$0	$0
Proposition 400	$9,400	$98,800	$0	$98,800
Stadium Improvements	$1,291,200	$200,000	$0	$200,000
Parks and Recreation Developmnet Fees Fund	$1,635,100	$1,000,000	$0	$1,000,000
Public Works Development Fees Fund	$5,200	$997,600	$3,600,000	$4,597,600
Transportation Improvement Fund	$1,087,800	$1,195,500	$558,200	$1,753,700
Water Operations	$44,300	$1,413,300	$2,737,500	$4,150,800
Water System and Replenishment Dev Fee Funds	$1,476,300	$2,606,000	$337,500	$2,943,500
Wastewater Operations	$884,200	$3,920,400	$7,340,300	$11,260,700
Wastewater System Development Fee Funds	$116,400	$1,683,600	$0	$1,683,600
Sanitation Operations	$0	$1,250,000	$900,000	$2,150,000
Government Construction Fund	$0	$0	$15,000,000	$15,000,000
Total	**$11,685,400**	**$21,018,600**	**$37,978,200**	**$58,996,800**

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CAPITAL IMPROVEMENT PLAN
General Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21527 - Jerry Street and Rimrock Drainage Improvement	$0	$189,000	$0	$189,000
21528 - Surprise Campus/Fields Electrical Panel Split	$170,000	$0	$0	$0
21529 - AZ TechCelerator Renovation	$500,000	$0	$0	$0
27187 - MID-DECADE CENSUS	$840,000	$10,000	$1,850,000	$1,860,000
Total	**$1,510,000**	**$199,000**	**$1,850,000**	**$2,049,000**

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CAPITAL IMPROVEMENT PLAN
General Capital Fund Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21103 - BELL RD SIDEWALKS E OF GRAND	$121,300	$150,000	$37,300	$187,300
21105 - DOVE VALLEY PARKWAY (203rd Avenue to 187th Aven	$47,300	$14,800	$269,200	$284,000
21106 - MARTIN ACRES FLOOD CONTROL	$436,800	$391,300	$0	$391,300
21108 - FIBER OPTICS-LOOP 303-PEOR-BEL	$3,000	$0	$0	$0
21204 - 107th & Union Hills Drainage	$102,200	$2,325,800	$333,400	$2,659,200
21205 - Pave Dirt Shoulders	$2,400	$0	$0	$0
21407 - Fire Station #304 Temporary Relocation	$16,900	$0	$0	$0
21408 - ENTERPRISE RESOURCE PLANNING SYSTEM	$940,000	$0	$2,000,000	$2,000,000
21409 - IT DISASTER RECOVERY	$44,700	$0	$0	$0
21410 - BOOSTER STATION BELL RD LAKE	$32,500	$81,400	$0	$81,400
21414 - CRS MASTER PLAN UPDATE	$25,000	$25,000	$0	$25,000
21501 - RWC Radio Replacement	$220,000	$0	$330,000	$330,000
21502 - Bell Rd Adaptive Signal Control Technology Deployment	$0	$27,400	$0	$27,400
21503 - Cactus Road - South Side (Railroad Tracks to Litchfield)	$0	$35,000	$105,000	$140,000
21504 - Jomax 147th to 133rd Pave Dirt Road	$130,500	$69,500	$121,800	$191,300
21506 - Enhancement SR303 Mountain View to Grand Ave	$146,800	$28,200	$200,000	$228,200
21507 - Skate Park located at Surprise Farms Community Park	$300,000	$200,000	$0	$200,000
21508 - Boys and Girls Club	$0	$2,000,000	$0	$2,000,000
21510 - City Entry Monuments	$0	$50,000	$0	$50,000
21524 - Electric Service Upgrade at Techcelerator	$5,000	$331,000	$0	$331,000
21525 - Medians Waddell Rd West of Litchfield	$50,000	$0	$0	$0
21526 - Medians at Bell E. El Mirage	$75,000	$0	$0	$0
21527 - Jerry Street and Rimrock Drainage Improvement	$0	$250,000	$0	$250,000
28026 - ASSET REPL-COMMUNICATIONS	$0	$0	$220,000	$220,000
28027 - ASSET REPL-IT	$0	$0	$500,000	$500,000
28028 - ASSET REPL-CRS	$0	$0	$500,000	$500,000
28029 - ASSET REPL-FACILITIES	$0	$0	$500,000	$500,000
AUTO - 821 - Ambulance	$0	$0	$188,000	$188,000
Total	**$2,699,400**	**$5,979,400**	**$5,304,700**	**$11,284,100**

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CAPITAL IMPROVEMENT PLAN
Highway User Revenue Fund Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21410 - BOOSTER STATION BELL RD LAKE	$0	$125,000	$0	$125,000
21509 - Median & ROW Landscaping	$0	$300,000	$300,000	$600,000
21511 - Sidewalk Gaps	$0	$50,000	$50,000	$100,000
Total	**$0**	**$475,000**	**$350,000**	**$825,000**

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CAPITAL IMPROVEMENT PLAN
Municipal Court Enhancement Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21512 - Courtroom Audio/Video Equipment	$200,000	$0	$0	$0
Total	**$200,000**	**$0**	**$0**	**$0**

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CAPITAL IMPROVEMENT PLAN
Tourism Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$330,100	$0	$0	$0
Total	**$330,100**	**$0**	**$0**	**$0**

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CAPITAL IMPROVEMENT PLAN
Spring Training Ticket Surcharge Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$396,000	$0	$0	$0
Total	**$396,000**	**$0**	**$0**	**$0**

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CAPITAL IMPROVEMENT PLAN
Proposition 400 Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21513 - Park N Ride Enhancements	$9,400	$98,800	$0	$98,800
Total	**$9,400**	**$98,800**	**$0**	**$98,800**

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CAPITAL IMPROVEMENT PLAN
Stadium Improvements Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$1,291,200	$200,000	$0	$200,000
Total	**$1,291,200**	**$200,000**	**$0**	**$200,000**

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CAPITAL IMPROVEMENT PLAN
Parks and Recreation Developmnet Fees Fund Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21417 - Surprise Farms Community Park	$1,086,300	$600,000	$0	$600,000
21418 - Veramonte Park Improvements	$548,800	$400,000	$0	$400,000
Total	**$1,635,100**	**$1,000,000**	**$0**	**$1,000,000**

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CAPITAL IMPROVEMENT PLAN
Public Works Development Fees Fund Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21108 - FIBER OPTICS-LOOP 303-PEOR-BEL	$5,200	$0	$0	$0
21502 - Bell Rd Adaptive Signal Control Technology Deployment	$0	$47,600	$0	$47,600
21515 - New Public Works Yard (North)	$0	$950,000	$3,600,000	$4,550,000
Total	**$5,200**	**$997,600**	**$3,600,000**	**$4,597,600**

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CAPITAL IMPROVEMENT PLAN
Transportation Improvement Fund Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21109 - EL MIRAGE RD-NORTHERN TO BELL	$500,000	$0	$0	$0
21210 - Peoria (Sarival to Reems)	$16,500	$861,900	$100,000	$961,900
21303 - Mtn. View Blvd. (West of Grand Ave.)	$352,800	$50,100	$0	$50,100
21304 - Cactus Rd 175th to Cotton Ln.	$11,500	$283,500	$0	$283,500
21504 - Jomax 147th to 133rd Pave Dirt Road	$0	$0	$458,200	$458,200
21525 - Medians Waddell Rd West of Litchfield	$125,000	$0	$0	$0
21526 - Medians at Bell E. El Mirage	$82,000	$0	$0	$0
Total	**$1,087,800**	**$1,195,500**	**$558,200**	**$1,753,700**

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CAPITAL IMPROVEMENT PLAN
Water Operations Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
20671 - SPA 2 Desert Oasis WSF-Arsenic Treatment	$0	$37,500	$12,500	$50,000
21110 - SITE AND SECURITY IMPROVEMENTS	$0	$295,000	$475,000	$770,000
21211 - City Hall Reclaim Connections	$10,700	$219,300	$0	$219,300
21213 - SPA 1 Variable Frequency Drives (VFD's) Plant 4 & 5	$30,100	$451,500	$0	$451,500
21410 - BOOSTER STATION BELL RD LAKE	$0	$340,000	$0	$340,000
21413 - ASHTON RANCH RESERVIOR COATING	$3,500	$0	$0	$0
21503 - Cactus Road - South Side (Railroad Tracks to Litchfield)	$0	$70,000	$210,000	$280,000
28030 - ASSET REPL-WATER	$0	$0	$1,115,000	$1,115,000
AUTO - 537 - Combined Distribution System for Ashton Ranch an	$0	$0	$625,000	$625,000
AUTO - 630 - SPA 1 12-in Water Line (Civic Center Drive/Tierra B	$0	$0	$150,000	$150,000
AUTO - 650 - Well Transmission Line Hydraulic Transient Protecti	$0	$0	$150,000	$150,000
Total	**$44,300**	**$1,413,300**	**$2,737,500**	**$4,150,800**

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CAPITAL IMPROVEMENT PLAN
Water System and Replenishment Dev Fee Funds Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
20671 - SPA 2 Desert Oasis WSF-Arsenic Treatment	$0	$112,500	$37,500	$150,000
21111 - SPA 1 MOUNTAIN VISTA WELL #2	$1,397,300	$0	$0	$0
21214 - IWMP Water Deficiencies	$0	$0	$300,000	$300,000
21308 - SPA1 EFFLUENT STRG RESER COVERS	$79,000	$2,493,500	$0	$2,493,500
Total	**$1,476,300**	**$2,606,000**	**$337,500**	**$2,943,500**

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CAPITAL IMPROVEMENT PLAN
Wastewater Operations Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21110 - SITE AND SECURITY IMPROVEMENTS	$0	$152,700	$415,500	$568,200
21114 - DISINFECTION BYPRDCT REDUCTION	$854,100	$0	$0	$0
21215 - SPA 1 WRF Stabilization, Dust	$1,600	$0	$0	$0
21216 - Additonal Chlorine Generation	$3,600	$137,600	$0	$137,600
21410 - BOOSTER STATION BELL RD LAKE	$0	$1,160,000	$0	$1,160,000
21411 - SPA1 WRF SLUICE GATE REPAIRS	$0	$325,000	$0	$325,000
21503 - Cactus Road - South Side (Railroad Tracks to Litchfield)	$0	$245,000	$735,000	$980,000
21516 - SPA1 WRF North Entrance Gate and Block Wall around	$0	$150,000	$1,500,000	$1,650,000
21517 - Litchfield Road - East Side (Cactus Road to Desert Cove	$0	$300,000	$937,500	$1,237,500
21518 - Solar BioSolids Dryer	$0	$200,000	$250,000	$450,000
21519 - SPA1 Influent Line Hydraulic Rehabilitation	$0	$300,000	$0	$300,000
21520 - Wastewater SCADA Upgrade	$16,400	$233,600	$0	$233,600
21521 - Greewnway Rd Lift Station Rehabilitation	$8,500	$316,500	$0	$316,500
21522 - Line Installations at the SPA1 WRF	$0	$400,000	$0	$400,000
28031 - ASSET REPL-WASTEWATER	$0	$0	$752,300	$752,300
AUTO - 540 - SPA 1 Recharge Expansion	$0	$0	$200,000	$200,000
AUTO - 800 - SPA1 WRF Conference and Training Center	$0	$0	$2,550,000	$2,550,000
Total	**$884,200**	**$3,920,400**	**$7,340,300**	**$11,260,700**

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CAPITAL IMPROVEMENT PLAN
Wastewater System Development Fee Funds Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21303 - Mtn. View Blvd. (West of Grand Ave.)	$116,400	$183,600	$0	$183,600
21412 - SPA 1 Installation of 2nd Centrifuge	$0	$1,500,000	$0	$1,500,000
Total	**$116,400**	**$1,683,600**	**$0**	**$1,683,600**

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CAPITAL IMPROVEMENT PLAN
Sanitation Operations Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21515 - New Public Works Yard (North)	$0	$250,000	$900,000	$1,150,000
21523 - Compressed Natural Gas (CNG) Fueling Station	$0	$1,000,000	$0	$1,000,000
Total	**$0**	**$1,250,000**	**$900,000**	**$2,150,000**

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CAPITAL IMPROVEMENT PLAN
Government Construction Fund Project Summary

Project	2015 Estimate	Carry Forward	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$0	$0	$15,000,000	$15,000,000
Total	**$0**	**$0**	**$15,000,000**	**$15,000,000**

BORROWING AND DEBT SERVICE SUMMARY

During FY2015, the City of Surprise refinanced the Municipal Property Corporation (MPC) 2007 Series bonds to take advantage of better interest rates and smooth annual debt service payments. The MPC 2007 Series bonds had been issued to expand Sewer Utility infrastructure. Later in FY2015, it is also planned to refinance the MPC 2003 Series bonds. This will allow the city to further take advantage of lower interest rates to lessen the debt service impact to the General Government, Police, Parks and Recreation, and Fire and EMS Development Impact Fees as well as the Sewer Utility. The opportunity will also be taken to issue and additional $15.0M for Clubhouse Improvements. The city does not plan on doing any additional borrowing in FY2016.

Borrowing Capacity

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 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 as of February 2015.

Legal General Obligation Bond Capacity

Secondary Assessed Valuation		$1,031,903,036	$1,031,903,036
Limitation	X	6%	20%
G.O. Bond Limit	=	61,914,182	206,380,607
Less Outstanding G.O. Debt	=	0	0
Available Debt Capacity	=	**$61,914,182**	**$206,380,607**

Surprise's current outstanding debt does not count against these limits; although, the overall financial position of the city would be considered by lending institutions.

Outstanding Debt

The city of Surprise holds the following outstanding long-term debt obligations. The total amount of outstanding debt and year of debt retirement are indicated:

Outstanding Debt	Debt Retirement Date	Oustanding Balance
Municipal Property Corporation Bonds: 2000-2003 Issuance	7/1/2020	25,009,998
Municipal Property Corporation Bonds: 2007 Issuance	4/1/2032	39,365,000
	Total	$ 64,374,998

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The current payment schedule for the outstanding debt for the City of Surprise is below.

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Year Ended	2000 - 2003 MPC		2007 MPC		Total	
June 30	Principal	Interest	Principal	Interest	Principal	Interest
2015	3,680,000	1,128,076	-	1,900,155	3,680,000	3,028,231
2016	3,875,001	944,076	1,780,000	1,858,325	5,655,001	2,802,401
2017	4,074,997	750,326	1,865,000	1,772,668	5,939,997	2,522,994
2018	4,280,000	546,576	1,950,000	1,683,015	6,230,000	2,229,591
2019-2023	9,100,000	566,776	10,760,000	6,924,125	19,860,000	7,490,901
2024-2028	-	-	11,540,000	4,279,415	11,540,000	4,279,415
2029-2032	-	-	11,470,000	1,158,360	11,470,000	1,158,360
2033-2034	-	-	-	-	-	-
Total	$ 25,009,998	$ 3,935,830	$ 39,365,000	$ 19,576,063	$ 64,374,998	$ 23,511,893

The following table details the bond ratings for each 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

MARLEY PARK COMMUNITY FACILITY DISTRICT

Description

Community facilities district (CFD) 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 associated with the construction, development, and ongoing maintenance of infrastructure within the district and the repayment of general obligation bonds. The Mayor and City Council serve as the governing board for the district, which is a separate legal entity with the authority to levy taxes on all properties included in the district.

Currently there is one CFD, Marley Park CFD, operated by the city with the possibility of additional districts to be added as the city continues to grow. The city of Surprise assesses a levy of $3.7025 per hundred dollars of assessed valuation for the district and has established a separate fund for the district. The property tax rate is separated into an operational element and a debt service portion. Of the total rate, $0.30 may be used for operational expenditures including maintenance and administrative costs, the remaining $3.4025 may only be used for the payment of general obligation debt incurred by the district. The actual rate to be assessed is based upon estimated expenditures and required bond payments.

The CFD has been authorized by the board to issue up to $80.0 million of bonds. A total of $77,700 has been set aside for the purpose of supporting the operations of the CFD. The contingency represents the minimum $25,000 fund balance reserve per policy. The following schedules represent the adopted budget for the district.

Total Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Property Tax	690,192	749,800	745,700	731,200	(18,600)	(2%)
Total Sources	**690,192**	**749,800**	**745,700**	**731,200**	**(18,600)**	**(2%)**

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Services	55,595	62,800	63,000	77,700	14,900	24%
Debt	677,548	673,900	673,900	672,500	(1,400)	0%
Contingency	0	25,000	0	25,000	0	0%
Total Uses	**733,143**	**761,700**	**736,900**	**775,200**	**13,500**	**2%**

Total Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Marley Park Bond Debt Service	683,548	698,900	673,900	697,500	(1,400)	0%
Marley Park Comm Fac Dist	49,595	62,800	63,000	77,700	14,900	24%
Total Uses	**733,143**	**761,700**	**736,900**	**775,200**	**13,500**	**2%**

Total Uses

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MARLEY PARK COMMUNITY FACILITES DISTRICT
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2015	ACTUAL EXPENDITURES/ EXPENSES** 2015	FUND BALANCE/ NET POSITION*** July 1, 2015**	PROPERTY TAX REVENUES 2016	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2016	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016		TOTAL FINANCIAL RESOURCES AVAILABLE 2016	BUDGETED EXPENDITURES/ EXPENSES 2016
						SOURCES	<USES>	IN	<OUT>		
1. General Fund			$	Primary: $		$	$	$	$	$	
2. Special Revenue Funds	62,800	62,800	15,300	Secondary: 62,400						77,700	77,700
3. Debt Service Funds Available	673,900	674,600	28,700	668,800						697,500	697,500
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	673,900	674,600	28,700	668,800						697,500	697,500
6. Capital Projects Funds											
7. Permanent Funds											
8. Enterprise Funds Available											
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds											
11. Internal Service Funds											
12. TOTAL ALL FUNDS	$ 736,700	$ 737,400	$ 44,000	$ 731,200	$	$	$	$	$	$ 775,200	$ 775,200

EXPENDITURE LIMITATION COMPARISON	2015	2016
1. Budgeted expenditures/expenses	$ 736,700	$ 775,200
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	736,700	775,200
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	$ 736,700	$ 775,200
6. EEC or voter-approved alternative expenditure limitation	$	$

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

* Includes Expenditure/Expense Adjustments Approved in 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 Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

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MARLEY PARK COMMUNITY FACILITES DISTRICT
Tax Levy and Tax Rate Information
Fiscal Year 2016

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	$	$
2. Amount received from primary property taxation in the **current year** in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	$	
3. Property tax levy amounts		
A. Primary property taxes	$	$
B. Secondary property taxes	789,197	731,200
C. Total property tax levy amounts	$ 789,197	$ 731,200
4. Property taxes collected*		
A. Primary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total primary property taxes	$	
B. Secondary property taxes		
(1) **Current** year's levy	$ 789,197	
(2) Prior years' levies		
(3) Total secondary property taxes	$ 789,197	
C. Total property taxes collected	$ 789,197	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate		
(2) Secondary property tax rate	3.7694	3.7025
(3) Total city/town tax rate	3.7694	3.7025

B. Special assessment district tax rates

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating 1 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.

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MARLEY PARK COMMUNITY FACILITES DISTRICT
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
CAPITAL PROJECTS FUNDS			
Marley Park Community Facility District Fund Operations			
Charges for Services/Other	$	$	$
	$	$	$
Total Capital Projects Funds	$	$	$

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

Return to TOC

MARLEY PARK COMMUNITY FACILITES DISTRICT
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING 2016 SOURCES	OTHER FINANCING 2016 <USES>	INTERFUND TRANSFERS 2016 IN	INTERFUND TRANSFERS 2016 <OUT>
GENERAL FUND				
	$	$	$	$
Total General Fund	$	$	$	$
SPECIAL REVENUE FUNDS				
	$	$	$	$
Total Special Revenue Funds	$	$	$	$
DEBT SERVICE FUNDS				
	$	$	$	$
Total Debt Service Funds	$	$	$	$
CAPITAL PROJECTS FUNDS				
	$	$	$	$
Total Capital Projects Funds	$	$	$	$
ENTERPRISE FUNDS				
	$	$	$	$
Total Enterprise Funds	$	$	$	$
TOTAL ALL FUNDS	$	$	$	$

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MARLEY PARK COMMUNITY FACILITES DISTRICT
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
DEBT SERVICE FUNDS				
Marley Park Community Facility District Fund				
Debt Service	$ 673,900	$	$ 674,600	$ 672,500
Contingency				25,000
Total Debt Service Funds	$ 673,900	$	$ 674,600	$ 697,500
SPECIAL REVENUE FUNDS				
Marley Park Community Facility District Fund				
General Operations	$ 62,800	$	$ 62,800	$ 77,700
Total Special Revenue Funds	$ 62,800	$	$ 62,800	$ 77,700
TOTAL ALL FUNDS	$ 736,700	$	$ 737,400	$ 775,200

* 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.

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MARLEY PARK COMMUNITY FACILITES DISTRICT
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Debt Service				
Marley Park CFD	$ 673,900	$	$ 674,600	$ 697,500
Department Total	$ 673,900	$	$ 674,600	$ 697,500
General Operations				
Marley Park CFD	$ 62,800	$	$ 62,800	$ 77,700
Department Total	$ 62,800	$	$ 62,800	$ 77,700
Total All Departments	$ 736,700	$	$ 737,400	$ 775,200

* 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.

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MARLEY PARK COMMUNITY FACILITES DISTRICT
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
CAPITAL PROJECTS FUNDS						
Marley Park CFD		$	$	$	$	= $
Total Capital Projects Funds		$	$	$	$	= $
TOTAL ALL FUNDS		$	$	$	$	= $

Return to TOC

CITY OF SURPRISE
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2015	ACTUAL EXPENDITURES/ EXPENSES** 2015	FUND BALANCE/ NET POSITION*** July 1, 2015**	PROPERTY TAX REVENUES 2016	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2016	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016		TOTAL FINANCIAL RESOURCES AVAILABLE 2016	BUDGETED EXPENDITURES/ EXPENSES 2016
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	$ 101,435,800	$ 89,294,900	$ 27,424,200	Primary: $ 6,578,600	$ 84,044,600	$	$	$ 6,137,500	$ (6,164,700)	$ 118,020,200	$ 101,015,500
2. Special Revenue Funds	26,464,000	15,992,800	$ 2,735,300	Secondary: 2,416,600	17,980,400				(645,000)	$ 22,487,300	23,533,400
3. Debt Service Funds Available	20,493,700	34,893,800	20,455,300					7,714,600	(73,400)	28,096,500	13,091,700
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	20,493,700	34,893,800	20,455,300					7,714,600	(73,400)	28,096,500	13,091,700
6. Capital Projects Funds	61,267,100	9,470,400	40,395,200		7,350,000			4,630,400	(1,014,400)	51,361,200	59,135,600
7. Fiduciary Fund											
8. Enterprise Funds Available	85,789,800	25,944,900	37,283,400		37,732,100			4,051,300	(14,636,300)	64,430,500	60,402,000
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	85,789,800	25,944,900	37,283,400		37,732,100			4,051,300	(14,636,300)	64,430,500	60,402,000
11. Internal Service Funds	15,404,800	11,547,000	4,280,400		11,756,900					16,037,300	14,952,200
12. TOTAL ALL FUNDS	$ 310,855,200	$ 187,143,800	$ 132,573,800	$ 8,995,200	$ 158,864,000	$	$	$ 22,533,800	$ (22,533,800)	$ 300,433,000	$ 272,130,400

EXPENDITURE LIMITATION COMPARISON	2015	2016
1. Budgeted expenditures/expenses	$ 310,855,200	$ 272,130,400
2. Add/subtract: estimated net reconciling items	(10,494,700)	(10,494,700)
3. Budgeted expenditures/expenses adjusted for reconciling items	300,360,500	261,635,700
4. Less: estimated exclusions	24,252,200	24,252,200
5. Amount subject to the expenditure limitation	$ 276,108,300	$ 237,383,500
6. EEC or voter-approved alternative expenditure limitation	$ 919,730,200	$ 954,049,200

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

* Includes Expenditure/Expense Adjustments Approved in 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 Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

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CITY OF SURPRISE
Tax Levy and Tax Rate Information
Fiscal Year 2016

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	$ 8,591,967	$ 8,852,420
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	$ 6,513,600	$ 6,578,600
B. Secondary property taxes	2,384,700	2,416,600
C. Total property tax levy amounts	$ 8,898,300	$ 8,995,200
4. Property taxes collected*		
A. Primary property taxes		
(1) **Current** year's levy	$ 6,471,000	
(2) Prior years' levies	42,600	
(3) Total primary property taxes	$ 6,513,600	
B. Secondary property taxes		
(1) **Current** year's levy	$ 2,384,700	
(2) Prior years' levies		
(3) Total secondary property taxes	$ 2,384,700	
C. Total property taxes collected	$ 8,898,300	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.7591	0.7399
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.7591	0.7399

B. Special assessment district tax rates

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating 108 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.

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
GENERAL FUND			
Local taxes			
Local sales tax	$ 34,422,000	$ 35,774,200	$ 37,620,900
Bed tax	120,200	130,500	141,600
Construction sales tax	1,250,000	1,250,000	1,250,000
Licenses and permits			
Electric Franchise Fee	2,660,900	2,246,900	2,325,900
Cable Franchise Fee	1,208,300	1,305,000	1,350,900
Business Licenses	759,600	460,300	467,100
Natural Gas Franchise Fee	330,200	345,000	357,100
Water Franchise Fee	524,100	524,800	543,300
Sanitation Hauler's License	39,700	38,900	39,700
Intergovernmental			
State Shared Income Tax	14,225,300	14,226,200	14,149,000
State Shared Sales Tax	10,718,600	10,682,100	11,178,700
Vehicle License Tax	4,155,300	4,225,600	4,535,200
Fines and foreits			
Court	1,214,800	1,117,400	1,184,100
Charges for services			
Parks & Recreation	3,987,300	3,989,500	3,962,800
Fire	704,800	715,100	790,600
Police	728,300	726,100	736,800
Community Development	2,289,700	1,946,300	2,057,400
Human Services			33,500
All other	436,600	1,384,200	228,100
Interest Income	16,500	116,100	117,300
Public Works Fees	547,100	526,700	579,100
Facilities	330,500	401,100	395,500
Total General Fund	$ 80,669,800	$ 82,132,000	$ 84,044,600

* 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.

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
State Shared	$ 7,008,400	$ 7,066,900	$ 7,377,200
Charges for Services/Other		54,700	13,000
	$ 7,008,400	$ 7,121,600	$ 7,390,200
Employee Dep Scholarship			
Charges for Services/Other	$ 1,200	$ 900	$ 1,100
	1,200	$ 900	$ 1,100
Donations Fund			
Charges for Services/Other	$ 451,700	$ 438,800	$ 461,300
	$ 451,700	$ 438,800	$ 461,300
Municipal Court Enhancement			
Charges for Services/Other	$ 110,000	$ 91,900	$ 97,400
	$ 110,000	$ 91,900	$ 97,400
Neighborhood Revitalization			
Charges for Services/Other	$ 2,083,200	$ 654,300	$ 2,090,900
	$ 2,083,200	$ 654,300	$ 2,090,900
Tourism			
Charges for Services/Other	$ 2,700	$	$
Local Sales Tax	182,800	198,400	215,200
	$ 185,500	$ 198,400	$ 215,200
Grants			
Charges for Services/Other	5,596,500	288,800	5,567,400
	$ 5,596,500	$ 288,800	$ 5,567,400
SPD RICO Funds			
Charges for Services/Other	$ 480,000	$	$ 245,000
	$ 480,000	$	$ 245,000
SPD DEA Fund			
Charges for Services/Other	$	$	$
	$	$	$
SPD Towing Fund			
Charges for Services/Other	$ 117,000	$ 106,600	$ 105,000
	$ 117,000	$ 106,600	$ 105,000
Municipal Court JCEF			
Charges for Services/Other	$ 23,300	$ 23,500	$ 25,000
	$ 23,300	$ 23,500	$ 25,000
Municipal Court MFTG			
Charges for Services/Other	$ 8,600	$ 12,700	$ 13,500
	$ 8,600	$ 12,700	$ 13,500
Municipal Court FARE			
Charges for Services/Other	$ 4,400	$ 4,300	$ 4,600
	$ 4,400	$ 4,300	$ 4,600
Net Premium Seating			
Charges for Services/Other	$ 22,000	$ 25,000	$ 25,000
	$ 22,000	$ 25,000	$ 25,000
Spring Training Ticket Surcharge			
Charges for Services/Other	$ 635,000	$ 600,000	$ 635,000
	$ 635,000	$ 600,000	$ 635,000
SB1398 Fines			
Charges for Services/Other	$ 17,000	$ 18,300	$ 18,300
	$ 17,000	$ 18,300	$ 18,300

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
LTAF II			
State Shared	$ 350,000	$ 346,700	$ 350,000
	$ 350,000	$ 346,700	$ 350,000
Proposition 400			
Charges for Services/Other	$ 19,300	$ 54,700	$
	$ 19,300	$ 54,700	$
Wildland Fire			
Charges for Services/Other	$ 140,000	$ 62,300	$ 143,700
	$ 140,000	$ 62,300	$ 143,700
HALO			
Charges for Services/Other	$ 158,000	$ 133,700	$ 156,000
	$ 158,000	$ 133,700	$ 156,000
Ambulance Contract			
Charges for Services/Other	$ 247,000	$ 183,600	$ 295,700
	$ 247,000	$ 183,600	$ 295,700
Animal Seizure Bond Forfeiture			
Charges for Services/Other	$ 5,000	$	$ 1,000
	$ 5,000	$	$ 1,000
Unclaimed Property Disposal			
Charges for Services/Other	$ 5,000	$ 1,000	$ 1,000
	$ 5,000	$ 1,000	$ 1,000
Program 1033 Auction Proceeds			
Charges for Services/Other	$ 5,000	$ 1,000	$ 1,000
	$ 5,000	$ 1,000	$ 1,000
Stadium Improvement Fund			
Charges for Services/Other	$ 136,400	$ 137,100	$ 137,100
	$ 136,400	$ 137,100	$ 137,100
Total Special Revenue Funds	$ 17,809,500	$ 10,505,200	$ 17,980,400

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

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
DEBT SERVICE FUNDS			
2000-03 Government Reserve Fund			
Charges for Services/Other		25,000	
	$	$ 25,000	$
2000-03 Proprietary Reserve Fund			
Charges for Services/Other		10,000	
	$	$ 10,000	$
Prop Reserve 2007			
Charges for Services/Other	73,400		
	$ 73,400	$	$
Prop Debt Service 2000-2003			
Charges for Services/Other		6,582,200	
	$	$ 6,582,200	$
Gov Debt Service 2000-2003			
Charges for Services/Other			
	$	$	$
Gov Debt Service 2014			
Charges for Services/Other		30,379,700	
	$	$ 30,379,700	$
Total Debt Service Funds	$ 73,400	$ 36,996,900	$

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
CAPITAL PROJECTS FUNDS			
General Capital Fund			
Charges for Services/Other	$ 386,400	$ 50,000	$ 275,700
Local Sales Tax	3,210,200	1,487,000	1,567,500
	$ 3,596,600	$ 1,537,000	$ 1,843,200
Transportation Improvement Fund			
Charges for Services/Other	$ 46,500	$	$ 360,000
Local Sales Tax	3,041,000	1,866,100	1,921,000
	$ 3,087,500	$ 1,866,100	$ 2,281,000
Vehicle Replacement Fund			
Charges for Services/Other	$ 465,800	$ 391,500	$ 893,300
	$ 465,800	$ 391,500	$ 893,300
General Government Development Fund 2012			
Charges for Services/Other	$ 804,300	$ 50,200	$
	$ 804,300	$ 50,200	$
Roads of Regional Signficiance Development SPA 2, 4, 6 Fund			
Charges for Services/Other	$ 27,100	$ 57,200	$
	$ 27,100	$ 57,200	$
Roads of Regional Signficiance Development SPA 3,5 Fund			
Charges for Services/Other	$ 300	$	$
	$ 300	$	$
Police Development Fee Fund			
Charges for Services/Other	$ 8,500	$	$
	$ 8,500	$	$
Police Development Fee Fund 2012			
Charges for Services/Other	$ 487,200	$ 18,200	$
	$ 487,200	$ 18,200	$
Parks and Recreation Development Fee Fund			
Charges for Services/Other	$	$	$
	$	$	$
Parks and Recreation Development Fee Fund 2012			
Charges for Services/Other	$ 841,800	$ 26,500	$
	$ 841,800	$ 26,500	$
Fire and EMS Development Fee Fund 2012			
Charges for Services/Other	$ 851,100	$ 57,900	$
	$ 851,100	$ 57,900	$
Fire and EMS Development Fee Fund 2014			
Charges for Services/Other	$ 891,800	$ 502,100	$ 662,400
	$ 891,800	$ 502,100	$ 662,400
Library Development Fee Fund			
Charges for Services/Other	$ 53,600	$	$
	$ 53,600	$	$
Library Development Fee Fund 2012			
Charges for Services/Other	$ 1,200	$ 4,300	$
	$ 1,200	$ 4,300	$

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
Public Works Development Fee Fund			
Charges for Services/Other	$ 144,800	$ 111,000	$
	$ 144,800	$ 111,000	$
Public Works Development Fee Fund 2012			
Charges for Services/Other	$ 2,000	$ 9,800	$
	$ 2,000	$ 9,800	$
163rd Ave Development Fee Fund			
Charges for Services/Other	$ 19,800	$ 11,100	$ 17,800
	$ 19,800	$ 11,100	$ 17,800
Police Dev Fees Grandfathered			
Charges for Services/Other	$	$ 207,400	$ 217,600
	$	$ 207,400	$ 217,600
Fire/Ems Dev Fee Grandfathered			
Charges for Services/Other	$	$ 510,900	$ 589,800
	$	$ 510,900	$ 589,800
Gen Govt Dev Fee Grandfathered			
Charges for Services/Other	$	$ 448,600	$ 514,400
	$	$ 448,600	$ 514,400
Park/Rec Dev Fee Grandfathered			
Charges for Services/Other	$	$ 304,900	$ 330,500
	$	$ 304,900	$ 330,500
Gov Construction 2014			
Charges for Services/Other			
	$	$	$
Total Capital Projects Funds	$ 11,283,400	$ 6,114,700	$ 7,350,000

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

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
ENTERPRISE FUNDS			
Water Fund			
Charges for Services/Other	$ 10,860,500	$ 10,869,900	$ 12,061,300
	$ 10,860,500	$ 10,869,900	$ 12,061,300
Water Development Fee Fund			
Charges for Services/Other	$ 2,327,000	$ 16,000	$ 20,000
	$ 2,327,000	$ 16,000	$ 20,000
Water Development Fee Fund SPA 2			
Charges for Services/Other	$ 179,200	$ 36,600	$ 2,000
	$ 179,200	$ 36,600	$ 2,000
Replenishment System Development Fee Fund SPA 1			
Charges for Services/Other	$ 1,171,600	$ 18,800	$ 18,000
	$ 1,171,600	$ 18,800	$ 18,000
Replenishment System Development Fee Fund SPA 2			
Charges for Services/Other	$ 101,300	$ 10,700	$ 4,000
	$ 101,300	$ 10,700	$ 4,000
Wtr Res Spa1 Dev Fee 2014 Law			
Charges for Services/Other	$	$ 69,400	$ 69,100
	$	$ 69,400	$ 69,100
Wtr Res Spa2 Dev Fee 2014 Law			
Charges for Services/Other	$	$ 44,400	$ 51,900
	$	$ 44,400	$ 51,900
Water System Dev Fee Spa1 2014 Law			
Charges for Services/Other	$	$ 139,900	$ 134,800
	$	$ 139,900	$ 134,800
Water System Dev Fee Spa2 2014 Law			
Charges for Services/Other	$	$ 61,600	$ 91,900
	$	$ 61,600	$ 91,900
Wastewater Fund			
Charges for Services/Other	$ 16,469,000	$ 16,619,800	$ 16,767,000
	$ 16,469,000	$ 16,619,800	$ 16,767,000
Sewer Development Fee Fund			
Charges for Services/Other	$ 5,403,700	$ 380,000	$
	$ 5,403,700	$ 380,000	$
Sewer Development Fee Fund SPA 2			
Charges for Services/Other	$ 44,400	$	$
	$ 44,400	$	$
Sewer Development Fee Fund SPA 3			
Charges for Services/Other	$ 600	$	$
	$ 600	$	$
Sewer Spa1 Devel Fee 2014 Law			
Charges for Services/Other	$	$ 1,170,200	$ 1,229,500
	$	$ 1,170,200	$ 1,229,500
Sewer Spa2 Dev Fee 2014 Law			
Charges for Services/Other	$	$ 32,400	$
	$	$ 32,400	$

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CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
Sanitation Fund			
Charges for Services/Other	$ 7,198,400	$ 7,212,500	$ 7,282,600
	$ 7,198,400	$ 7,212,500	$ 7,282,600
Total Enterprise Funds	$ 43,755,700	$ 36,682,200	$ 37,732,100
INTERNAL SERVICE FUNDS			
Risk Management Fund			
Charges for Services/Other	$ 1,737,000	$ 1,735,900	$ 1,735,900
	$ 1,737,000	$ 1,735,900	$ 1,735,900
Employee Healthcare Fund			
Charges for Services/Other	$ 9,989,900	$ 9,863,600	$ 10,021,000
	$ 9,989,900	$ 9,863,600	$ 10,021,000
Total Internal Service Funds	$ 11,726,900	$ 11,599,500	$ 11,756,900
TOTAL ALL FUNDS	$ 165,318,700	$ 184,030,500	$ 158,864,000

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

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CITY OF SURPRISE
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING 2016 SOURCES	OTHER FINANCING 2016 <USES>	INTERFUND TRANSFERS 2016 IN	INTERFUND TRANSFERS 2016 <OUT>
GENERAL FUND				
Debt Payment	$	$	$	(1,534,300)
Sanitation Hauler's License			25,000	
Franchise Fees			574,400	
Indirect Cost Allocation			4,983,700	
Payments in Lieu of Property Taxes			554,400	
General Capital Fund				(3,630,400)
Vehicle Replacement Fund				(1,000,000)
Total General Fund	$	$	$ 6,137,500	$ (6,164,700)
SPECIAL REVENUE FUNDS				
Spring Training Ticket Surcharge	$	$	$	$ (645,000)
Total Special Revenue Funds	$	$	$	$ (645,000)
DEBT SERVICE FUNDS				
2000-03 Government Debt Service	$	$	$	$
2000-03 Proprietary Debt Service				
2014 Government Debt Service			3,193,700	
2014 Government Constr Service				
2014 Prop Debt Service			809,100	
2007 Debt Service				
Prop Reserve 2007				(73,400)
Prop Debt Service 2007			3,711,800	
Total Debt Service Funds	$	$	$ 7,714,600	$ (73,400)
CAPITAL PROJECTS FUNDS				
Police Development Fee	$	$	$	$ (83,500)
Police Development Fee 2012				(52,900)
P&R Development Fee 2012				(103,100)
P&R Development Fee Grandfathered				(337,600)
General Government Development Fee				
General Government Development Fee Grandfathered				(369,900)
Fire and EMS Development Fee				(8,100)
Fire and EMS Development Fee Grandfathered				(59,300)
General Capital Fund			2,720,000	
Vehicle Replacement Fund			1,910,400	
Total Capital Projects Funds	$	$	$ 4,630,400	$ (1,014,400)
ENTERPRISE FUNDS				
Water	$	$	$	$ (1,824,300)
Wastewater				(6,481,900)
Sanitation				(1,882,600)
Sewer SPA1 Development Fee 2014 Law			4,051,300	(4,447,500)
Total Enterprise Funds	$	$	$ 4,051,300	$ (14,636,300)
TOTAL ALL FUNDS	$	$	$ 22,533,800	$ (22,533,800)

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
GENERAL FUND				
City Clerk	$ 504,600	$	$ 446,200	$ 459,500
City Court	1,847,600		1,839,300	1,983,900
City Manager	7,044,400	597,700	9,257,100	4,586,800
Community and Rec Services	15,934,700	(104,000)	15,783,900	16,178,500
Community Development	4,094,900	466,100	4,449,500	4,169,200
Economic Development				6,291,900
Finance	3,974,500	(259,600)	3,248,100	3,905,500
Fire-Emergency Services	17,221,700	(168,300)	16,839,200	17,664,400
General Operations				255,300
Human Service				1,174,200
Human Resources	1,751,900	294,400	1,787,500	2,138,800
Information Services	4,620,900	(629,100)	3,845,400	4,185,900
Legal	2,005,600		1,923,200	2,083,600
Mayor & Council	404,300		371,600	378,400
Police	23,103,300		22,909,300	24,460,400
Public Works	6,857,400	359,600	6,594,600	7,076,400
Contingency	12,070,000	(556,800)		4,022,800
Total General Fund	$ 101,435,800	$	$ 89,294,900	$ 101,015,500
SPECIAL REVENUE FUNDS				
Employee Dep Scholarship Fund				
General Operations	$ 3,000	$	$ 3,000	$ 3,000
Contingency	2,900			600
Donations Fund				
City Manager	7,500			
Community and Rec Services	443,300		446,900	440,800
Fire-Emergency Services	7,100			4,200
Economic Development				
Human Services				6,200
Police	14,700			12,400
Contingency	658,200			282,200
Municipal Court Enhancement				
City Court	320,000		330,000	85,000
Information Services				
Contingency	177,600			162,600
Neighborhood Revitalization				
Community Development	2,083,200	258,300	654,300	
Human Services				2,090,900
Contingency				
Tourism				
Community and Rec Services		50,000	330,100	
General Operations				
Contingency	676,900	(50,000)		559,600
Grants				
Community and Rec Services	50,000		50,000	
Fire-Emergency Services	46,700		5,100	116,600
Police	376,400	7,900	183,700	385,800
Public Works				
General Operations	24,800			
Legal	67,100		46,400	
Human Services				68,600
Contingency	5,031,500	(712,300)		5,000,000
SPD RICO				
Police	1,277,900		15,000	710,000
Contingency				323,300
SPD DEA				
Police				
Contingency				16,500
SPD Towing				
Police	375,100		342,600	82,500
Contingency				119,800
Municipal Court JCEF				
City Court	104,700		46,000	58,000
Contingency	(400)			25,700
Municipal Court MFTG				
City Court	15,000		15,000	13,100
Contingency	15,800			24,000
Municipal Court FARE				
City Court				
Contingency	18,900			23,300
Net Premium Seating				
Community and Rec Services	50,000		33,600	50,000
Contingency	2,600			
Spring Training Ticket Surcharge				
Community and Rec Services	250,000	334,000	586,000	
Contingency	137,900	(137,900)		
SB1398 Fines				
Police	19,600		19,600	42,800
Contingency				17,000

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
LTAFII				
Public Works	350,000		346,700	350,000
Contingency				
Proposition 400				
Public Works	127,800		9,400	153,500
Contingency				12,100
Wildland Fire				
Fire-Emergency Services	140,000		116,900	143,700
Contingency				
HALO				
Fire-Emergency Services	158,000		133,700	168,900
Contingency				
Ambulance Contract				
Fire-Emergency Services	187,800		183,600	223,100
Contingency	59,200			72,600
Highway User Revenue Fund				
Public Works	9,071,800		8,364,200	8,615,600
Contingency	323,400			343,300
Street Lights Improvement District				
Public Works	2,531,800		2,439,800	2,520,400
Contingency				
Animal Seizure Bond Forfeiture				
Police	5,000			1,000
Contingency				
Unclaimed Property Disposal				
Police	5,000			1,000
Contingency				1,000
Program 1033 Auction Proceeds				
Police	5,000			1,700
Contingency				1,000
Stadium Improvement Fund				
Community and Rec Services	1,491,200		1,291,200	200,000
Contingency				
Total Special Revenue Funds	$ 26,714,000	$ (250,000)	$ 15,992,800	$ 23,533,400
DEBT SERVICE FUNDS				
2000-03 Government Debt Service Fund				
General Operations	$	$	$ 18,136,000	$
2007 Proprietary Debt Service Fund				
General Operations	8,703,000		8,694,600	3,638,400
Contingency	1,297,900			529,100
2007 Proprietary Reserve Fund				
Contingency	5,069,400			4,921,400
2000-03 Proprietary Debt Service Fund				
General Operations			7,865,400	
2014 Government Debt Service Fund				
General Operations	3,968,900		197,800	3,193,700
2014 Prop Debt Service Fund				
General Operations	1,454,500			809,100
Total Debt Service Funds	$ 20,493,700	$	$ 34,893,800	$ 13,091,700
CAPITAL PROJECTS FUNDS				
General Capital Fund				
Community Development	$	$	$	$
City Manager	47,500		47,500	220,000
Community and Rec Services	2,550,000		325,000	2,725,000
City Court				
Fire-Emergency Services	225,000		53,900	188,000
Information Services	1,420,800		1,234,700	2,500,000
Police	263,000		263,000	330,000
Finance				
General Operations				
Legal	500,000		115,000	385,000
Public Works	6,614,000	250,000	1,637,300	5,321,100
Contingency	2,823,600			
Transportation Improvement Fund				
Community Development				
Public Works	4,728,500		1,216,400	4,019,200
Economic Development				291,400
City Manager	286,100		289,200	
Contingency	503,600			293,100
Vehicle Replacement Fund				
General Operations	3,954,900		2,564,100	4,512,200
Public Works				
Contingency	338,900			
Roads of Regional Significance SPA 2, 4, 6				
Finance				
General Operations				
Contingency	2,124,700			2,450,500
Roads of Regional Significance SPA 3, 5				
Finance	12,500			12,500
Contingency	6,500			10,800

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
General Government Development Fee				
General Operations				
Finance				
Public Works				
Contingency				
General Government Development Fee 2012				
General Operations				
Finance	25,000			
Public Works				
Contingency	894,200			
General Government Development Fee Grandfathered				
General Operations				
Finance				25,000
Public Works				
Contingency				748,300
Police Development Fee				
Police				
Finance				
Contingency	334,700			
Police Development Fee 2012				
Police				
Finance	25,000			25,000
Contingency	1,203,500			725,200
Police Development Fee Grandfathered				
Police				
Finance				
Contingency				689,700
Parks and Recreation Development Fee				
Community and Rec Services	2,635,100		1,635,100	1,000,000
Finance				
Contingency	593,200			
Parks and Recreation Development Fee 2012				
Community and Rec Services				
Finance	25,000			25,000
Contingency	1,066,100			
Parks and Recreation Development Fee Grandfathered				
Community and Rec Services				
Finance				
Contingency				1,153,000
Public Works Development Fee				
Public Works	1,093,600		89,200	4,681,600
Finance				
Contingency	8,232,600			4,523,200
Public Works Development Fee 2012				
Public Works				
Finance	25,000			25,000
Contingency	324,700			370,000

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Fire & EMS Development Fee				
Fire-Emergency Services				
Finance				
General Operations				
Contingency	68,200			
Fire & EMS Development Fee 2012				
Fire-Emergency Services				
Finance	12,500			
General Operations				
Contingency	1,077,100			
Fire & EMS Development Fee 2014				
Fire-Emergency Services				
Finance	12,500			12,500
General Operations				
Contingency	879,300			1,137,000
Fire & EMS Development Fee Grandfathered				
Fire-Emergency Services				
Finance				12,500
General Operations				
Contingency				1,159,700
Library Development Fee				
Community and Rec Services				
Finance				
Contingency	4,388,500			4,358,700
Library Development Fee 2012				
Community and Rec Services	75,000			
Finance	25,000			25,000
Contingency	68,700			161,700
163rd Ave Roadway Dev Fee 2014				
Community and Rec Services				
Finance	12,500			12,500
Contingency	7,300			1,400
2014 Government Construction Fund				
Community and Rec Services				15,000,000
Contingency	11,513,200			4,800
Total Capital Projects Funds	$ 61,017,100	$ 250,000	$ 9,470,400	$ 59,135,600
ENTERPRISE FUNDS				
Water Fund				
Community Development	$	$	$	$
City Manager	27,800		29,800	4,000
Finance				
Economic Development				480,700
Public Works	9,286,400		7,114,900	11,636,800
Contingency	6,455,500			2,850,900
Water Development Fee				
Community Development				
City Manager	450,000			
Finance	8,400			8,400
Economic Development				
Public Works	1,835,700		1,602,300	607,300
Contingency	5,974,500			392,400
Water Development Fee SPA2				
Community Development				
Finance	8,300			8,300
Public Works	112,500			150,000
Contingency	46,400			39,200
Water Development Fee SPA3				
Community Development				
Finance	8,300			
Public Works				
Contingency				
Water Development Fee SPA 4				
Community Development				
City Manager				
Finance				
Public Works				
Contingency				
Water Development Fee SPA5				
Community Development				
Finance				
Public Works				
Contingency				
Water Development Fee SPA 6				
Community Development				
Finance				
Public Works				
Contingency				
Water Development Fee SPA1 2014 Law				
Community Development				
Finance				4,200
Public Works				
Contingency				284,000

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Water Development Fee SPA2 2014 Law				
Community Development				
Finance				4,100
Public Works				
Contingency				162,900
Water Replenishment Development Fee SPA 1				
Finance	8,400			8,400
Public Works	2,600,000		79,000	2,493,500
Contingency	4,312,700			1,293,000
Water Replenishment Development Fee SPA 2				
Finance	8,300			8,300
Public Works				
Contingency	435,500			395,400
Water Replenishment Development Fee SPA 3				
Finance	8,300			
Public Works				
Contingency				
Water Replenishment Development Fee SPA 4				
Finance				
Public Works				
Contingency				
Water Replenishment Development Fee SPA 5				
Finance				
Public Works				
Contingency				

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Water Replenishment Development Fee SPA 6				
Finance				
Public Works				
Contingency				
Water Replenishment Development Fee SPA1 2014 Law				
Finance				4,200
Public Works				
Contingency				147,800
Water Replenishment Development Fee SPA2 2014 Law				
Finance				4,100
Public Works				
Contingency				105,700
Wastewater Fund				
Community Development				
City Manager	327,900		414,800	
Finance				
Economic Development				481,900
Public Works	15,965,600		10,594,600	21,155,300
Contingency	19,555,700			1,920,400
Sewer Development Fee SPA1				
Community Development				
City Manager	25,000			
Finance	8,400			
Economic Development				
Public Works	1,800,000		116,400	
Contingency	1,100,000			
Sewer Development Fee SPA2				
Community Development				
Finance	8,300			8,300
Public Works				
Contingency	351,700			311,500
Sewer Development Fee SPA3				
Community Development				
Finance	8,300			8,300
Public Works				
Contingency	39,800			41,100
Sewer Development Fee SPA4				
Community Development				
Finance				
Public Works				
Contingency				1,000
Sewer Development Fee SPA5				
Community Development				
Finance				
Public Works				
Contingency				
Sewer Development Fee SPA6				
Community Development				
Finance				
Public Works				
Contingency				
Sewer Development Fee SPA1 2014 Law				
Community Development				
Economic Development				25,000
Finance				8,400
Public Works				1,683,600
Contingency				300,000
Sewer Development Fee SPA2 2014 Law				
Community Development				
Finance				
Public Works				
Contingency				45,900
Sanitation				
Finance				
City Manager				400
Public Works	8,473,900		5,993,100	10,844,700
Contingency	6,538,200			2,472,600
Total Enterprise Funds	$ 85,789,800	$	$ 25,944,900	$ 60,402,000
INTERNAL SERVICE FUNDS				
Risk Management Fund				
Community Development	$	$	$	$
Finance				
Human Resources	1,595,800		1,600,700	1,616,600
Contingency	2,147,900			2,142,800
Employee Healthcare Fund				
Human Resources	9,949,100		9,946,300	9,697,600
Contingency	1,712,000			1,495,200
Total Internal Service Funds	$ 15,404,800	$	$ 11,547,000	$ 14,952,200
TOTAL ALL FUNDS	$ 310,855,200	$	$ 187,143,800	$ 272,130,400

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CITY OF SURPRISE
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016

* 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.

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CITY OF SURPRISE
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
City Clerk				
General Fund	$ 504,600	$	$ 446,200	$ 459,500
Department Total	$ 504,600	$	$ 446,200	$ 459,500
Mayor & Council				
General Fund	$ 404,300	$	$ 371,600	$ 378,400
Department Total	$ 404,300	$	$ 371,600	$ 378,400
City Court				
General Fund	$ 1,847,600	$	$ 1,839,300	$ 1,983,900
Municipal Court Enhancement	497,600		330,000	247,600
Municipal Court FARE	18,900			23,300
Municipal Court JCEF	104,300		46,000	83,700
Municipal Court MFTG	30,800		15,000	37,100
General Capital Fund				
Department Total	$ 2,499,200	$	$ 2,230,300	$ 2,375,600
City Manager				
General Fund	$ 8,114,400	$ 179,900	$ 9,257,100	$ 4,586,800
General Capital Fund	47,500		47,500	220,000
Donations	7,500			
Transportation Improvement	286,100		289,200	
Water Operations fund	27,800		29,800	4,000
Water System Dev Fee Fund	450,000			
Sewer Operations	327,900		414,800	
Sewer System Dev Fee	25,000			
Sanitation Operations				400
Department Total	$ 9,286,200	$ 179,900	$ 10,038,400	$ 4,811,200
Community Development				
General Fund	$ 4,094,900	$ 466,100	$ 4,449,500	$ 4,169,200
General Capital Fund				
Donations				
Neighborhood Revitalization	2,083,200		654,300	
Transportation Improvement				
Water Operations fund				
Water System Dev Fee Fund				
Sewer Operations				
Sewer System Dev Fee				
Department Total	$ 6,178,100	$ 466,100	$ 5,103,800	$ 4,169,200
Economic Development				
General Fund	$	$	$	$ 7,291,900
General Capital Fund				
Donations				
Neighborhood Revitalization				
Transportation Improvement				291,400
Water Operations fund				480,700
Water System Dev Fee Fund				
Sewer Operations				481,900
Sewer System Dev Fee SPA1 2014 Law				25,000
Department Total	$	$	$	$ 8,570,900
Finance				
General Fund	$ 3,974,500	$ (259,600)	$ 3,248,100	$ 3,905,500
RDS Regional sig. SPA 2,4 & 6				
RDS Regional sig. SPA 3 & 5	12,500			12,500
General Govt Dev Fee 2012	25,000			
General Govt Dev Fee Grandfathered				25,000
Police Dev Fee 2012	25,000			25,000
Parks & Recreation Dev Fee 2012	25,000			25,000
P&R Dev Fee Grandfathered				
Public Works Dev Fee 2012	25,000			25,000
Fire Dev Fee 2012	12,500			
Library Dev Fee 2012	25,000			25,000
163rd Ave Roadway Dev Fee 2014	12,500			12,500
Fire & EMS Dev Fee 2014	12,500			12,500
Fire & EMS Dev Fee Grandfathered				12,500
Water System Dev Fee Fund	8,400			8,400
Water Sys Dev Fee Fund SPA 2	8,300			8,300
Water Sys Dev Fee Fund SPA 3	8,300			
Water Sys Dev Fee Fund SPA 4				
Water Sys Dev Fee Fund SPA 5				
Water Sys Dev Fee Fund SPA 6				
Water Sys Dev Fee Fund SPA1 2014 Law				4,200
Water Sys Dev Fee Fund SPA2 2014 Law				4,100
WTR Resources Sys Dev Fee SPA1	8,400			8,400
WTR Resources Sys Dev Fee SPA2	8,300			8,300
WTR Resources Sys Dev Fee SPA3	8,300			
WTR Resources Sys Dev Fee SPA1 2014 Law				4,200
WTR Resources Sys Dev Fee SPA2 2014 Law				4,100
Sewer System Dev Fee	8,400			
Sewer System Dev Fee SPA 2	8,300			8,300
Sewer System Dev Fee SPA 3	8,300			8,300
Sewer System Dev Fee SPA1 2014 Law				8,400
Sewer System Dev Fee SPA2 2014 Law				
Risk Management Fund				

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CITY OF SURPRISE
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Department Total	$ 4,224,500	$ (259,600)	$ 3,248,100	$ 4,155,500

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CITY OF SURPRISE
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Fire				
General Fund	$ 17,221,700	$ (168,300)	$ 16,839,200	$ 17,664,400
General Capital Fund	225,000		53,900	188,000
Donations	7,100			4,200
Grants	46,700		5,100	116,600
Wildland Fire	140,000		116,900	143,700
HALO	158,000		133,700	168,900
Ambulance Contract	247,000		183,600	295,700
Fire & EMS Dev Fee	68,200			
Fire Dev Fee 2012	1,077,100			
Fire & EMS Dev Fee 2014	879,300			1,137,000
Department Total	$ 20,070,100	$ (168,300)	$ 17,332,400	$ 19,718,500
General Operations				
General Fund	$ 11,000,000	$ (139,000)	$	$ 3,208,100
General Capital Fund	2,823,600			
Vehicle Replacement Fund	3,954,900		2,564,100	4,512,200
Donations	658,200			282,200
Tourism				
Grants	5,056,300	(196,100)		5,000,000
RDS Regional sig. SPA 2,4 & 6	2,124,700			2,450,500
Transportation Improvement				
RDS Regional sig. SPA 3 & 5	6,500			10,800
General Govt Dev Fee 2012	894,200			
Public Works Dev Fee 2012				
Fire Dev Fee 2012				
Library Dev Fee 2012				
General Govt Dev Fee Grandfathered				748,300
P&R Dev Fee Grandfathered				1,153,000
Fire-Medical Dev Fee Grandfathered				1,159,700
Police Dev Fee Grandfathered				689,700
163rd Ave Roadway Dev Fee 2014	7,300			1,400
Employee Healthcare				
Employee Dep Scholarship FD	5,900		3,000	3,600
Firefighters Pension Fund				
Gov Debt Service 2000-2003			18,136,000	
Gov Reserve Fund 2000-2003				
Prop Debt Service 2007	10,000,900		8,694,600	4,167,500
Prop Reserve Fund 2007	5,069,400			4,921,400
Prop Debt Service 2000-2003			7,865,400	
Prop Reserve Fund 2000-2003				
Gov Debt Service 2014	3,968,900		197,800	3,193,700
Gov Construction 2014	11,513,200			4,800
Prop Debt Service 2014	1,454,500			809,100
Department Total	$ 58,538,500	$ (335,100)	$ 37,460,900	$ 32,316,000
Human Resources				
General Fund	$ 1,751,900	$ 294,400	$ 1,787,500	$ 2,138,800
Employee Healthcare Fund	11,661,100		9,946,300	11,192,800
Risk Management Fund	3,743,700		1,600,700	3,759,400
Department Total	$ 17,156,700	$ 294,400	$ 13,334,500	$ 17,091,000
Information Services				
General Fund	$ 4,620,900	$ (629,100)	$ 3,845,400	$ 4,185,900
General Capital Fund	1,420,800		1,234,700	2,500,000
Department Total	$ 6,041,700	$ (629,100)	$ 5,080,100	$ 6,685,900
Legal				
General Fund	$ 2,005,600	$	$ 1,923,200	$ 2,083,600
General Capital Fund	500,000		115,000	385,000
Grants	67,100		46,400	
Department Total	$ 2,572,700	$	$ 2,084,600	$ 2,468,600
Human Service and Community Vitality				
General Fund	$	$	$	$ 1,244,200
General Capital Fund				
Donations				6,200
Tourism				
Grants				68,600
Neighborhood Revitalization				2,090,900
Spring Training Ticket Surcharge				
Parks & Recreation Dev Fee				
Library Dev Fee				
Parks & Recreation Dev Fee 2012				
Library Dev Fee 2012				
Stadium Improvement Fund				
Department Total	$	$	$	$ 3,409,900

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CITY OF SURPRISE
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Community and Recreation Services				
General Fund	$ 15,934,700	$ (104,000)	$ 15,783,900	$ 16,178,500
General Capital Fund	2,550,000		325,000	2,725,000
Donations	443,300		446,900	440,800
Tourism	676,900		330,100	559,600
Grants	50,000		50,000	
Net Premium Seating	52,600		33,600	50,000
Spring Training Ticket Surcharge	387,900	196,100	586,000	
Parks & Recreation Dev Fee	3,228,300		1,635,100	1,000,000
Library Dev Fee	4,388,500			4,358,700
Parks & Recreation Dev Fee 2012	1,066,100			
Library Dev Fee 2012	143,700			161,700
Stadium Improvement Fund	1,491,200		1,291,200	200,000
2014 Government Constr				15,000,000
Department Total	$ 30,413,200	$ 92,100	$ 20,481,800	$ 40,674,300
Police				
General Fund	$ 23,103,300	$	$ 22,909,300	$ 24,460,400
General Capital Fund	263,000		263,000	330,000
Donations	14,700			12,400
Grants	376,400		183,700	385,800
SPD RICO Funds	1,277,900		15,000	1,033,300
SPD DEA Funds				16,500
SPD Towing Funds	375,100		342,600	202,300
Municipal Court MFTG				
SB1398 Fines	19,600		19,600	59,800
Animal Seizure Bond Forfeiture	5,000			1,000
Unclaimed Property Disposal	5,000			2,000
Program 1033 Auction Proceeds	5,000			2,700
Police Development Fee	334,700			
Police Dev Fee 2012	1,203,500			725,200
Department Total	$ 26,983,200	$	$ 23,733,200	$ 27,231,400

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CITY OF SURPRISE
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Public Works				
General Fund	$ 6,857,400	$ 359,600	$ 6,594,600	$ 7,076,400
General Capital Fund	6,614,000		1,637,300	5,321,100
Vehicle Replacement Fund	338,900			
Highway User Revenue Fund	9,395,200		8,364,200	8,958,900
Grants				
LTAF II	350,000		346,700	350,000
Proposition 400	127,800		9,400	165,600
RDS Regional sig. SPA 2,4 & 6				
General Govt Dev Fee				
Public Works Dev Fee	9,326,200		89,200	9,204,800
Transportation Improvement	5,232,100		1,216,400	4,312,300
General Govt Dev Fee 2012				
Public Works Dev Fee 2012	324,700			370,000
163rd Ave Roadway Dev Fee 2014				
Water Operations fund	15,741,900		7,114,900	14,487,700
Water System Dev Fee Fund	7,810,200		1,602,300	999,700
Water Sys Dev Fee Fund SPA 2	158,900			189,200
Water Sys Dev Fee Fund SPA 3				
Water Sys Dev Fee Fund SPA 4				
Water Sys Dev Fee Fund SPA 5				
Water Sys Dev Fee Fund SPA1 2014 Law				284,000
Water Sys Dev Fee Fund SPA2 2014 Law				162,900
WTR Resources Sys Dev Fee SPA1	6,912,700		79,000	3,786,500
WTR Resources Sys Dev Fee SPA2	435,500			395,400
WTR Resources Sys Dev Fee SPA1 2014 Law				147,800
WTR Resources Sys Dev Fee SPA2 2014 Law				105,700
Sewer Operations	35,521,300		10,594,600	23,075,700
Sewer System Dev Fee	2,900,000		116,400	
Sewer System Dev Fee SPA 2	351,700			311,500
Sewer System Dev Fee SPA 3	39,800			41,100
Sewer System Dev Fee SPA 4				1,000
Sewer System Dev Fee SPA 5				
Sewer System Dev Fee SPA1 2014 Law				1,983,600
Sewer System Dev Fee SPA2 2014 Law				45,900
Sanitation Operations Fund	15,012,100		5,993,100	13,317,300
Gov Reserve Fund 2000-2003				
Streetlight Improvement District	2,531,800		2,439,800	2,520,400
Department Total	$ 125,982,200	$ 359,600	$ 46,197,900	$ 97,614,500
Total All Departments	$ 310,855,200	$	$ 187,143,800	$ 272,130,400

* 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.

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CITY OF SURPRISE
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
GENERAL FUND	653.3	$ 48,490,700	$ 7,168,600	$ 7,078,900	$ 4,306,900	= $ 67,045,100
SPECIAL REVENUE FUNDS						
Neighborhood Revitalization		$ 110,000	$	$	$	= $ 110,000
SPD Towing Fund	0.5	32,500				32,500
Highway User Revenue Fund	41.0	2,373,800	272,000	498,900	308,500	3,453,200
Grants	0.5	183,900	23,100		12,900	219,900
HALO		133,700	21,300		13,900	168,900
Wildland Fire		101,300	16,200		10,600	128,100
Ambulance Contract		134,200	21,400		13,900	169,500
Municipal Court JCEF	1.0	46,500	5,300	2,300	3,900	58,000
Total Special Revenue Funds	43.0	$ 3,069,400	$ 354,000	$ 498,900	$ 359,800	= $ 4,340,100
CAPITAL PROJECTS FUNDS						
Transportation Improvement	1.0	$ 100,200	$ 11,500	$ 16,400	$ 9,500	= $ 137,600
General Capital	2.0	168,000	19,300	31,800	13,800	232,900
Total Capital Projects Funds	3.0	$ 268,200	$ 30,800	$ 48,200	$ 23,300	= $ 370,500
INTERNAL SERVICE FUNDS						
Employee Healthcare Fund	1.0	$ 73,300	$ 8,400	$ 16,400	$ 6,000	= $ 104,100
Risk Management Fund	2.0	171,500	19,700	13,200	14,200	218,600
Total Permanent Funds	3.0	$ 244,800	$ 28,100	$ 29,600	$ 20,200	= $ 322,700
ENTERPRISE FUNDS						
Water Fund	29.0	$ 1,846,400	$ 212,000	$ 311,500	$ 189,100	= $ 2,559,000
Wastewater Fund	39.3	2,545,800	291,400	391,800	260,000	3,489,000
Sanitation Fund	33.0	1,779,300	204,100	368,900	224,300	2,576,600
Total Enterprise Funds	101.3	$ 6,171,500	$ 707,500	$ 1,072,200	$ 673,400	= $ 8,624,600
TOTAL ALL FUNDS	803.6	$ 58,244,600	$ 8,289,000	$ 8,727,800	$ 5,383,600	= $ 80,703,000

CITY OF SURPRISE, ARIZONA
COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES
EFFECTIVE JUNE 25, 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 Association (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. The City Budget is adopted by department within the General Fund, by project in the capital funds, and by fund in total for all other funds.

4. The full time equivalent (FTE) position count is adopted by department within the General Fund and by fund in total for all other funds.

5. 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.

6. Regional considerations and intergovernmental relationships will be evaluated to fund both operating services and capital projects.

7. The City Council will consider citizen input and review the operating and capital budget recommendations from an outcome and goals perspective.

8. A diversified revenue system will be developed to protect City services.

9. 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.

10. To ensure that the City does not become overly reliant on "one-time" revenues for operating needs, the first $1.25 million received in revenues from the 2.2% transaction privilege tax on construction will be retained in the General Fund. Any additional amount will be recorded in General Capital Fund and will be used to fund the Capital Improvement Plan.

11. The City currently imposes an additional 1.5% transaction privilege tax on construction dedicated to the construction of new roadways and to refurbishing existing transportation corridors. The revenue is recorded in the Transportation Improvement Fund and will be used to fund transportation projects in the Capital Improvement Plan.

12. The City currently imposes a 2.52% transaction privilege tax on transient lodging. The 2.52% tax rate is then split, with 1.52% recorded in the Tourism Fund to be used for promoting tourism and 1.0% 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.

13. 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.

14. 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.

15. 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.

16. 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.

17. 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.

18. The Healthcare Self-Insurance Trust Fund was created under the authority of Arizona Revised Statute Section 11-981. The Board of Trustees is charged to administer 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."

19. An actuarial evaluation will be performed annually to determine the Incurred but Not Reported (IBNR) claim liability. This amount is required by accounting practices and represents the cost of unpaid claims (claims run-out), assuming the City stops being self-insured.

20. The City will optimize the efficiency and effectiveness of its services to reduce costs and improve service quality.

21. 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 periodically.

22. All cash transfers between funds must be approved by City Council. Transfers to record capital assets within operating funds are not presented to the City Council as these are administrative in nature.

23. All initial interfund loans must be approved by City Council.

24. All use of budgetary contingency accounts must be approved by City Council prior to being expended.

Capital Management Policies

25. 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.

26. 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.

27. Proposed capital projects will be prioritized based on the City Council's goals and objectives, the General Plan, and master plans.

28. Future operating, maintenance and replacement costs associated with new capital improvements will be included as a schedule within the annual budget document. Capital project will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.

29. The first $1.25 million received in revenues from the 2.2% transaction privilege tax on construction will be retained in the General Fund. Any additional amount will be recorded in General Capital Fund and will be used to fund the Capital Improvement Plan.

30. The City currently imposes an additional 1.5% transaction privilege tax on construction dedicated to the construction of new roadways and to refurbishing existing transportation corridors. The revenue is recorded in the Transportation Improvement Fund and will be used to fund transportation projects in the Capital Improvement Plan.

31. 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 (i.e. "growth pays for growth"). Elements of this financial structure include impact fees, development agreements, Improvement Districts (IDs) and Community Facility Districts (CFDs).

32. 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.

Debt Management Policies

33. The City shall periodically report on measurable steps taken while striving towards achieving and then maintaining the highest bond ratings in order to minimize borrowing costs, preserve access to credit, and demonstrate excellent financial stewardship by the City to our taxpayers and residents.

34. 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.

35. 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).

36. Municipal Property Corporation, trust agreements and contractual debt, all of which are non-voter approved, will be utilized only when approved by City Council.

37. 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.

38. Utility rates will be established to ensure the ratio of revenue to debt service meets bond indenture requirements.

Minimum Fund Balance Policies

39. 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.

40. Minimum fund balance requirements will be evaluated annually for long-term adequacy and use requirements.

41. There is no affect on the presentation of fund balance on the face 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.

42. The City has formally adopted a minimum fund balance policy for the following governmental funds:
    a. The minimum spendable 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 that year's Council Adopted Budget.
    b. General Capital Fund of $1.0M
    c. Transportation 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 5% of its budgeted annual expenses.
    e. Tourism Fund of $5,000.

43. Minimum spendable net asset balances for the proprietary funds:
    a. Within the Water, Waste water, and Solid Waste Funds, spendable net assets are to be maintained at an amount equal to the average budgeted personnel, supplies and services expenses over a two month period for that year's Council Adopted Budget.
    b. Within the Water, Waste water, and Solid Waste Funds, an amount will be maintained for repair and replacement at a minimum of 2% of all tangible capital assets of the system.
    c. The Risk Management Fund will maintain spendable net assets at an amount that, together with purchased insurance policies, will adequately indemnify the City. An actuarial evaluation will be performed periodically to recommend appropriate funding levels, which will be approved by the City Council.
    d. 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. The City has established an Adverse Times Reserve. 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 expected annual claims.

Financial Reporting Policies

44. 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).

45. 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 Vehicle Replacement 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 (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 (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).

46. The City's CAFR will be submitted to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program.

47. The City's Budget will be submitted to the Government Finance Officers Association (GFOA) Distinguished Budget Presentation program.

48. A monthly financial report will be presented to the City Council.

BUDGET AMENDMENT 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.

Return to TOC

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.

Return to TOC

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
City Clerk					
General Operations	4.0	4.0	4.0	4.0	0.0
Total	4.0	4.0	4.0	4.0	0.0
City Court					
General Operations	19.1	19.1	20.1	20.3	0.2
Total	19.1	19.1	20.1	20.3	0.2
City Manager					
Administration	6.2	7.2	9.1	8.0	(1.1)
Intergovernmental Relations	2.0	2.0	2.0	1.0	(1.0)
Economic Development	0.0	0.0	4.0	0.0	(4.0)
Communications	5.0	6.0	6.0	9.2	3.2
Total	13.2	15.2	21.1	18.2	(2.9)
Community and Recreation Services					
Administration	40.8	49.0	57.1	53.9	(3.2)
Tennis	2.0	2.0	2.0	2.0	0.0
Surprise Aquatic Center	0.0	0.0	2.0	2.0	0.0
Campus Operations	17.1	21.0	20.0	20.0	0.0
Aquatics	0.0	1.0	0.0	0.0	0.0
Special Events	1.0	2.0	2.0	2.0	0.0
Recreation	21.0	19.0	21.0	20.0	(1.0)
Park Maintenance	13.9	15.0	17.0	17.0	0.0
Community Promotions	1.0	1.0	1.0	1.0	0.0
Total	96.8	110.0	122.1	117.9	(4.2)
Community Development					
Administration	3.5	3.0	3.3	2.0	(1.3)
Planning & Zoning	6.0	6.0	8.0	11.0	3.0
Building Safety	9.0	12.0	12.0	12.0	0.0
Economic Development	1.0	3.0	0.0	0.0	0.0
Development Services	7.0	7.0	10.0	10.0	0.0
Code Enforcement	5.0	5.0	6.0	5.0	(1.0)
Neighborhood Services	4.0	4.0	4.0	0.0	(4.0)
Total	35.5	40.0	43.3	40.0	(3.3)
Economic Development					
Economic Development	0.0	0.0	0.0	8.3	0.0
Total	0.0	0.0	0.0	8.3	0.0
Finance					
Administration	3.0	2.0	2.0	3.3	1.3
Water	0.7	0.0	0.0	0.0	0.0
Wastewater	0.7	0.0	0.0	0.0	0.0

Return to TOC

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Finance					
Solid Waste	0.7	0.0	0.0	0.0	0.0
Administrative Services	0.0	0.5	1.2	0.0	(1.2)
Budget & Accounting	7.0	11.0	11.0	0.0	(11.0)
Procurement & Payroll	9.0	9.0	10.0	0.0	(10.0)
Internal Audit	1.0	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	9.0	0.0
Revenue (Tax & License)	4.0	4.0	6.0	6.0	0.0
Budget & Management	0.0	0.0	0.0	5.0	0.0
Purch. & Mats. Manangement	0.0	0.0	0.0	4.0	0.0
Total	26.0	26.5	30.2	27.3	(2.9)
Fire-Emergency Services					
Administration	7.0	7.0	7.0	8.0	1.0
Training	1.0	1.0	1.0	1.0	0.0
Fire Operations	104.0	104.0	106.0	106.0	0.0
EMS	1.0	1.0	1.0	1.0	0.0
Support Services	1.0	1.0	1.0	1.0	0.0
Comm. Life Safety Education	0.0	0.0	1.0	1.0	0.0
Community Services	1.0	1.0	0.0	0.0	0.0
Prevention	3.0	3.0	3.0	3.0	0.0
Total	118.0	118.0	120.0	121.0	1.0
Human Resources					
Administration	10.0	10.0	11.0	12.0	1.0
Administrative Services	1.0	1.0	1.0	1.0	0.0
Payroll	0.0	0.0	0.0	3.0	0.0
Risk Management	2.0	2.0	2.0	2.0	0.0
Total	13.0	13.0	14.0	18.0	4.0
Human Service and Community Vitality					
Human Services	0.0	0.0	0.0	2.0	0.0
Senior Services	0.0	0.0	0.0	1.5	0.0
Neighborhood Services	0.0	0.0	0.0	5.8	0.0
Total	0.0	0.0	0.0	9.3	0.0
Information Services					
Geographical Info. Sys.	8.0	8.0	9.0	5.0	(4.0)
Information Technology	16.0	16.0	16.0	18.0	2.0
Total	24.0	24.0	25.0	23.0	(2.0)
Legal					
General Operations	7.0	7.0	7.0	8.0	1.0
Criminal	7.0	7.0	8.0	8.0	0.0

Return to TOC

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Legal					
Total	14.0	14.0	15.0	16.0	1.0
Mayor & Council					
General Operations	7.0	7.0	7.0	7.0	0.0
Total	7.0	7.0	7.0	7.0	0.0
Police					
Administration	23.0	23.0	23.0	24.0	1.0
Investigations	26.0	25.0	24.0	33.0	9.0
Patrol	109.0	111.0	112.0	106.0	(6.0)
Communications	23.0	23.0	25.0	25.0	0.0
Total	181.0	182.0	184.0	188.0	4.0
Public Works					
Administration	4.3	9.0	8.0	7.0	(1.0)
General Operations	39.7	40.0	40.0	41.0	1.0
Project Management	1.0	1.0	1.0	1.0	0.0
Transit	9.0	0.0	0.0	0.0	0.0
Signals	2.0	2.0	2.0	2.0	0.0
Signs	4.0	4.0	5.0	6.0	1.0
Asphalt	4.0	5.0	5.0	4.0	(1.0)
Crack Sealing	4.0	4.0	4.0	4.0	0.0
Concrete	3.0	3.0	3.0	4.0	1.0
Right Of Way	8.0	7.0	6.0	7.0	1.0
Street Sweeping	6.0	6.0	7.0	6.0	(1.0)
Civil Inspection	2.0	2.0	2.0	2.0	0.0
Total	87.0	83.0	83.0	84.0	1.0
Sanitation					
General Operations	25.0	24.0	25.0	26.0	1.0
Bulk Trash	5.0	4.0	4.0	4.0	0.0
Recycling	3.0	3.0	3.0	3.0	0.0
Total	33.0	31.0	32.0	33.0	1.0
Wastewater Services					
Administration	3.4	2.0	2.0	2.0	0.0
General Operations	23.5	25.2	24.2	26.3	2.1
Project Management	2.4	2.0	3.0	2.0	(1.0)
Customer Service	1.0	1.0	1.0	1.0	0.0
Swr Collection System Ops	3.0	3.0	4.0	5.0	1.0
Utility Locating	1.0	1.0	1.0	1.0	0.0
Environmental	1.3	2.0	2.0	2.0	0.0
Total	35.6	36.2	37.2	39.3	2.1

Return to TOC

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Amended	FY2016 Budget	Amended to Budget
Water Services					
Administration	3.6	0.0	0.0	0.0	0.0
General Operations	14.0	14.0	14.0	18.0	4.0
Project Management	1.0	1.0	3.0	3.0	0.0
Customer Service	3.2	3.0	2.0	3.0	1.0
Sustainability	2.0	2.0	0.0	0.0	0.0
Utility Locating	3.0	3.0	3.0	3.0	0.0
Environmental	2.0	2.0	2.0	2.0	0.0
Total	28.7	25.0	24.0	29.0	5.0
Citywide Total	735.9	748.0	782.0	803.6	21.6

GLOSSARY

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.

ALF Arizona Lottery Funds - State lottery funds shared with cities for the purposes of transportation and transit. Also included in this funding source is LTAF and LTAF II which are grants distributed to cities when and if all other funding requirements of state lottery funds are met.

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.

AWWA American Water Works Association - The association was established in 1881 and is the oldest and largest nonprofit, scientific and educational association dedicated to safe and sustainable water in the world. With more than 50,000 members worldwide and 43 Sections in North America, AWWA advances public health, safety and welfare by uniting the efforts of the entire water community.

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.

AZStRUT Arizona students recycling used technology - Formed in 1997 by founding sponsors Intel & Motorola, Arizona StRUT is a partnership between local schools and businesses, where students learn new skills by refurbishing used computer equipment. The equipment is then donated to schools and other qualified non-profit organizations throughout Arizona. Over 100 companies such as Intel, Avnet and APS currently donate hardware through the program.

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.

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 Expenditure 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.

Capital Items (Asset) For a capital expenditure to qualify as a capital item or asset, it must meet all of the following requirements:(1) have an estimated useful life of greater than two years;(2) 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.

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 that have not been allocated to any specific purpose and may only be utilized after receiving Mayor and Council approval. In addition, it is a good budget practice to use this line item as a budget balancing mechanism ensuring that ending fund balance is zero. In accordance with A.R.S.§42-17102(A)(4), an amount must be budgeted for unanticipated contingencies or emergencies.

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.

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.

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.

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
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.

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.
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.
MOU	Memorandum of Understanding. Refers to agreements negotiated with the Police and Fire labor associations.
MPC	Municipal Property Corporation - A non-profit corporation established for issuing debt to purchase municipal facilities and equipment that it leases to the city.
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.
Permanent Adjustment of Expenditure Base	Any city or town can permanently adjust its State imposed expenditure limitation base if a majority of the qualified electors voting on the issue at a regular city/town election vote in favor of the adjustment. A base adjustment may be referred to the voters by an affirmative vote of two-thirds of the members of the city/town council, or qualified electors of the city/town may propose an adjustment through the initiative process.
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.

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.
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 sub-division. 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 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.

SURPRISE
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