TOC

SURPRISE
ARIZONA

FISCAL YEAR 2016
ANNUAL BUDGET

FY2016

SURPRISEAZ.GOV

City of Surprise, Arizona
Adopted Budget
Fiscal Year 2016

Adopted June 2015

Prepared by the City of Surprise
Finance Department

SURPRISE
ARIZONA

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For the Fiscal Year Beginning

July 1, 2014

Executive Director

CITY OF SURPRISE, ARIZONA
FY2016 ANNUAL BUDGET
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FORMAT OF THIS DOCUMENT

This document accounts for the planned activities of the city for the next twelve months. It has been divided by tabs into 15 major sections. The sections are as follows:

The **City Manager's Transmittal Letter** provides the framework under which financial decisions are based for FY2016. It also gives the reader a summary of major revenue changes. It provides a brief discussion of expenditures including personnel changes, operational changes, and capital projects. Other considerations of note are also included.

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

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

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

The **expenditures and uses** section includes all fund detail expenditures by: category, department, category then object, and department then category. This section is for informational purposes that should allow the reader to investigate more thoroughly expenditures associated with particular questions.

The next six sections including **general government, community development, community and recreations services, public safety, public works, and utilities** present the city's operating budget by service area. Each area may contain multiple departments and funds. The department and fund pages contain a description and a narrative describing major expenditure allocations and changes. Expenditure and personnel tables for each department/operating fund depict FY2014 actual results, FY2015 adopted budget, FY2015 estimates and FY2016 adopted budget. Department operating pages include accomplishments, goals, objectives, and performance measures.

The **capital improvement plan (CIP)** section contains the FY2016-FY2020 CIP, capital fund pages, the vehicle replacement fund, and schedules of operating costs associated with capital improvement plan projects.

The **borrowing and debt** section includes a summary of the city's borrowing capacity and outstanding debt obligations.

The **Marley Park CFD** section includes a summary page describing the community facilities district and its purpose as well as the state forms. Marley Park CFD is classified as a separate entity from the city, but the city still maintains certain responsibilities.

The final section, the **appendix**, contains the budget adoption resolution, the official state budget forms, the primary property tax levy resolution, the street light improvement district tax levies, the comprehensive financial management policies, the city's adopted budget amendment policies and procedures, summary of all sources and uses, and personnel schedules. Also, it contains a glossary that defines terms and acronyms used frequently in this book.

This document serves as a guide to the FY2016 budget of the city of Surprise. It provides insight into the operations of the city and, with a balanced budget, demonstrates the city's commitment to fiscal responsibility and the needs of its residents.

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City Manager's Transmittal Letter

July 1, 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 **City of Surprise Fiscal Year 2016 Budget** that begins on July 1, 2015. The $305 million FY2016 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 facilities; and continuing the service level increases and capital improvement plans outlined by the Mayor, Council, and the community over the last fiscal year.

Budget Overview

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 adopted budget includes six new positions for public safety, six new positions for utility operations, and six new positions 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.

Budget Approach

The budget approach has been a collaborative effort between city management, Council, and the community. This effort resulted in an honest and thorough discussion on some of the pressing needs the city is currently facing. In conjunction with these discussions, the approach utilized Council's strategic plan to focus funding on seven key areas:

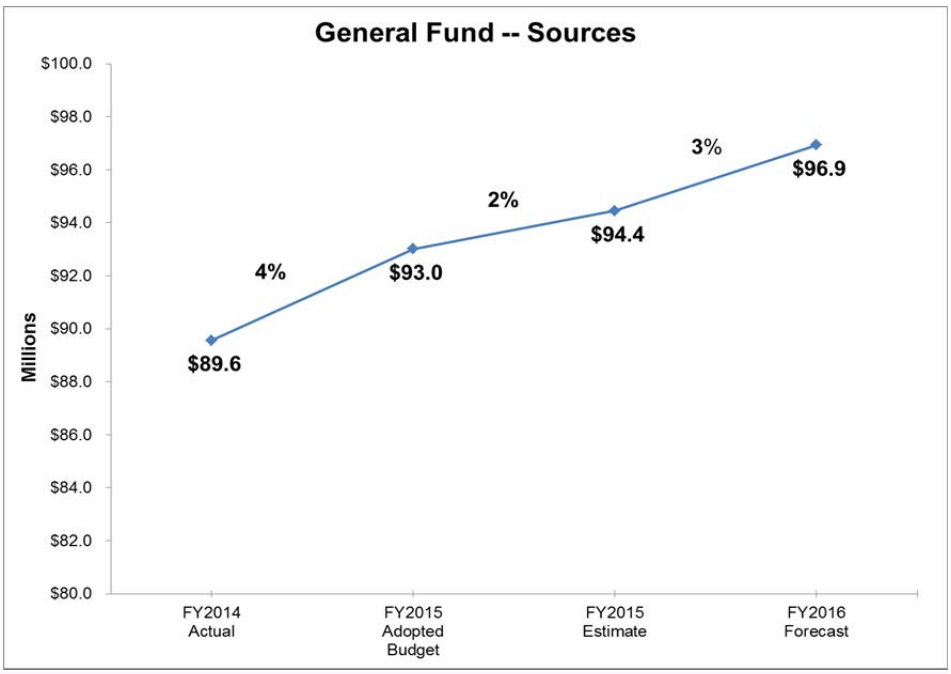
- Transportation
- Economic Development
- Community Lifestyle
- Sustainability
- Tourism
- Education
- Public Safety

General Fund

The General Fund provides core operating government services (e.g. police, fire, library, parks, etc.) and accounts for all financial resources not recorded in other funds.

Sources

The city's operating revenues are projected to increase by $2.5 million, or 3% in FY2016, mainly the result of increased local sales taxes and state shared revenues due to a strengthening economy. The projected revenue collections are highly influenced by the economy for which the city expects a steady recovery that will result in increased consumer spending. (See graph to right)



Sales Tax Revenues

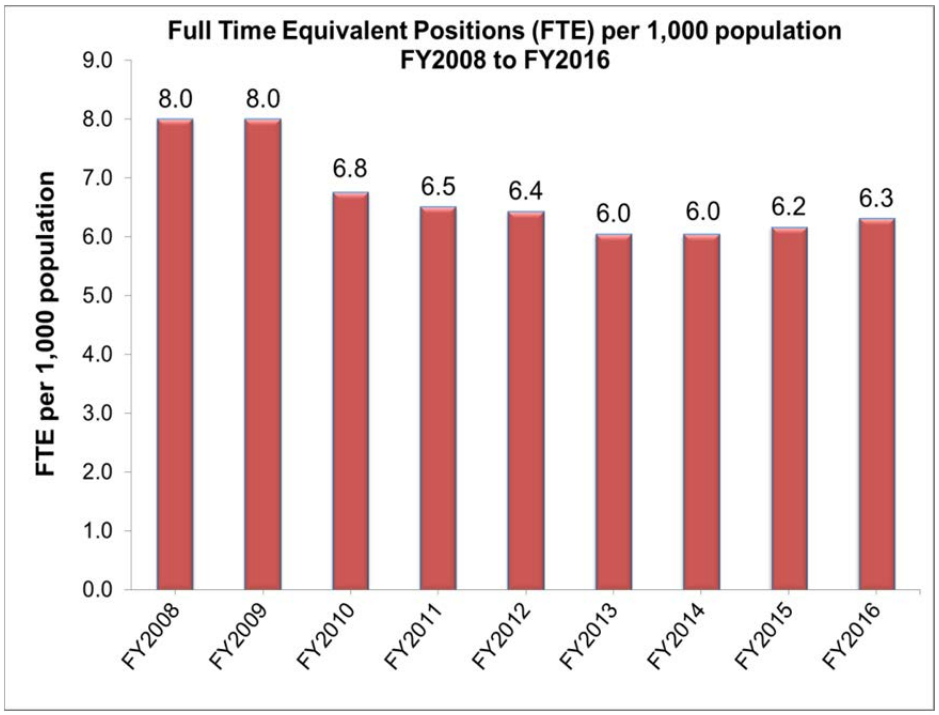
As consumer spending continues to improve with the economy, sales taxes are expected to increase by 5%.

State Shared Revenues
In FY2016, state shared revenues are projected to increase 3% which is lower than prior years due to the state corporate income tax rate being reduced. Currently, the city of Surprise is the tenth most populated city and receives approximately 2.3% of the shared revenue.

Primary Property Taxes
The FY2016 property tax rate is held constant to the previous fiscal year, generating $6.8 million. The levy is below the maximum allowable amount of $8.9 million.

Uses
The city's operating uses are expected to increase $7.9 million, or 8%, over the prior year. The city's expense increases are primarily due to personnel expenses and professional services. The expenses are necessary to maintain existing service levels and position the city for future growth.

Personnel
Under the adopted budget, non-represented employees will receive a merit increase of 3% effective July 1, 2015. Step Plans for represented public safety employees were implemented last fiscal year and those employees eligible will receive approximately a 5% increase. The city will hire six new public safety and six new general government employees in FY2016. These employees are necessary to maintain existing service levels after speaking with the departments about areas of need. Overall, the total city FTEs per 1,000 in population has remained relatively stable when comparing the chart to the right over the last five fiscal years (FY2011 – 6.5: FY2016 – 6.3).



Other Operating Expenses
Cost increases such as utilities, fuel, and contractual agreements to maintain existing levels of service are included in this budget. Other major increases were for developer reimbursements and library services. In 2016, the library service costs, previously shared with Maricopa County, will be fully funded by the city.

Contingency
An additional $1.8 million was programmed as a one-time contingency for those expenses not identified at the time of the budget adoption. A $1.0 million economic development contingency has been programmed to allow the city to incent economic development projects. In addition, the adopted budget has $100,000 for possible match funding to support grant applications.

Fund Balance
The FY2016 ending fund balance is projected to be $20.6 million which exceeds the city's operating reserve for the General Fund of $17.6 million. The remaining fund balance of $3.0 million is dedicated to the contingency amounts referred to above ($2.1 million), and approximately $0.9 million is unreserved. The reserve has been increased by approximately $1.4 million by including Highway User Revenue Fund (HURF) costs in the reserve calculation for the General Fund. This change extends reserve coverage to HURF operations.

All Funds Related to Asset Replacement and Capital Projects

Asset Replacement and Capital Improvements Plan (CIP)

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 adopted 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 resources, 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 $3.7 million. The continued maintenance of the city's assets is important to continue offering services at current levels, and to maintain a healthy, vibrant appearance for all residents and visitors.

In addition, the adopted budget includes funding for the capital improvement plan in the amount of $64.6 million. Among the projects are the completion of the Surprise Farms and Veramonte Parks, the north public works yard, and the clubhouse expansion project.

Enterprise Funds

Water, Wastewater, and Solid Waste

The city's water, wastewater, and solid waste utilities are funded primarily through fees collected from residents. A review of these departments is performed on an annual basis to ensure they are funded appropriately. In FY2015, a study of water, wastewater, and solid waste utility rates was undertaken, and a five-year rate plan was adopted; including a water rate increase in FY2016. The water increases are needed for important water related infrastructure and maintenance and operations. In addition, the utility funds added six new positions to assist with an increase in workload. Overall, the utility rates support important projects and ensure funds are available for maintenance and operations as the city continues to grow.

Conclusion and Acknowledgements

The city continues to build its financial strength and focuses on critical service and maintenance needs for the upcoming fiscal year. I would like to thank the Mayor and Council for the discussion and direction given throughout the budget process. Your guidance is key in allocating limited resources to the needs of our residents.

Sincerely,

Bob Wingenroth
City Manager

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General Information

- **Mayor and City Council Members**
- **City Council District Map**
- **City Council Strategic Plan**
- **City Map**
- **Special Planning Area Map**
- **History of Surprise**
- **Citywide Organization Chart**

MAYOR AND CITY COUNCIL MEMBERS

MAYOR SHARON WOLCOTT – Mayor@surpriseaz.gov

Mayor Sharon Wolcott was elected in 2011 on a platform of job creation, new education opportunities, and improved mobility through transportation. She also committed publicly to bringing fiscal accountability and transparency to municipal government and setting a course for progress in Surprise. Her Jobs, Education, and Transportation (J.E.T.) initiative has generated strong results and impressive reviews from residents, local businesses, and regional and national stakeholders.

Under her leadership, the city has adopted new financial policies, ordered sweeping reviews of financial records, and cut budgets to address serious shortfalls without raising taxes or impacting essential services. The current FY2016 annual budget is testament to the city's rapid financial turnaround in a very short time. In just two years, Surprise has turned a $500,000 general fund balance into a $28.9 million general fund balance and restored the city's two-month operating reserve. The completion of an exhaustive review of the city's financial activities has also added transparency to her promise of fiscal accountability.

Mayor Wolcott uses a team approach to job creation — working with Economic Development staff, the Greater Surprise Chamber of Commerce team and regional partners, such as the Greater Phoenix Economic Council, where she serves as a board member. Since taking office, more than 700 new permanent jobs and 300 construction positions have been created in Surprise as a result of $55 million in new capital investments. In addition, Mayor Wolcott continues to support "the arts" to help fuel community and economic development. Most recently, she was instrumental in bringing a new 2,500-square-foot art museum and performance space operated by the West Valley Arts Council to the Surprise Civic Center in July 2014.

She spearheaded the implementation of the *Rachel's Challenge* anti-bullying initiative in local schools, and is active with the innovative Arizona Charter Academy, where she recently delivered an inspirational speech to graduating students. She presided over a City Council vote to approve a new agreement between Surprise and the Dysart Unified School District to share facilities and reduce costs. The Mayor has also encouraged development of youth leadership initiatives to include involvement with the City Council and summer employment at the city. She is sharply focused on securing a four-year liberal arts university in Surprise.

Mayor Wolcott is a strong advocate for a broad transportation vision for Surprise and Arizona. She is a board member of the I-11 Coalition, promoting the development of a congressionally authorized freeway linking Phoenix and Las Vegas and recognizing its vast economic potential for the West Valley. She serves on the Transportation Policy Committee of the regional Maricopa Association of Governments, and is active on the Transportation, Infrastructure & Services Policy and Advocacy Committee of the National League of Cities. She also has taken on a leadership role with the Grand Avenue Coalition, an initiative to redevelop Grand Avenue by involving regional leaders from all communities along its length. Her leadership revived a decades-old plan to solve the congestion at the city's main gateway at Bell Road and Grand Avenue.

A life-long communicator and bridge builder, Mayor Wolcott is an effective advocate for Surprise at the State Legislature and with her colleagues around the Valley. She has led the way to improve communications between Council and residents through regularly held community meetings, a constantly updated web presence, and social media tools.

Mayor Wolcott has 25 years of experience in three states as an elected official, serving at both the state and local levels. As a mother of two and a grandmother of three, she brings a well-balanced perspective to her passion for public service and for making Surprise a great place to live and work.

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

John Williams was elected to the City Council from District 3 (Mesquite) in November 2007. 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 eight years after they took him into their home in 1999.

"I want to give my kids, our kids, the opportunity to be part of 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."

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 and elected Vice Mayor for one-year terms by the City Council in 2014 and 2011.

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 Subcommittees for Water Resource Planning, Development, Boards & Commissions, and General Plan & Zoning Code Revision. 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, California. He earned a BA degree in Marketing Management from the University of California.

He worked 35 years at Hughes Air Craft Company in Fullerton, California, and also owned and operated a photo studio in Fullerton and Placentia, California. He served on the State Board of Directors for Californians for Disability Rights (CDR).

Roland and his wife Carroll have been married 45 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 three years.

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

JIM BIUNDO – Jim.Biundo@surpriseaz.gov

Jim Biundo was appointed District 2 (Cottonwood) Councilmember on January 28, 2014, to fill a vacancy. He has been a resident of Surprise since 2003.

Jim was first appointed to the City Council's District 1 on June 14, 2011, to fill a vacancy and he served as Vice Mayor in 2013. His appointment to the District 1 seat expired December 31, 2013. Redistricting places Jim within the new District 2 boundaries.

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 Councilmember at-large and has been on boards of directors of chambers of commerce, convention and visitors bureaus, civic/service organizations, and was on the Board of Directors of Brucemore, Inc., 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.

Councilmember Biundo's current term expires December 31, 2016.

RACHEL VILLANUEVA – Rachel.Villanueva@surpriseaz.gov

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

Rachel's first order of business was to host open meetings to discuss constituent questions or concerns on the 3rd Wednesdays of each month from 6-8 p.m. at the Surprise Senior Center.

She has lived in the Original Town Site (OTS) neighborhood of Surprise for nearly 40 years and retired following a 30-year career with Honeywell. Rachel was instrumental in creating the Fiestas Patrias at Gaines Park, a long-running festival recognizing Mexican Independence Day formerly held in the OTS and currently chairs the I Heart Grand Festival City Council Working Group, which helped coordinate the October 4, 2014 Surprise Fiesta Grande Festival at Gaines Park and Hollyhock Street.

She also serves on the Youth Master Plan City Council Working Group.

Rachel served on the Dysart Unified School District Board of Directors for ten years and currently serves on the OTS Stakeholders Group.

She enjoys spending time with her children and grandchildren.

The term to which Villanueva has been selected expires December 31, 2016.

TODD TANDE – Todd.Tande@surpriseaz.gov

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

Council Member Todd Tande is a local Realtor, in the Coldwell Banker Residential Brokerage Sun City Grand Surprise Office; and he also serves on the Board as a co-founder of Education Connection Solutions, LLC. a management consulting firm with International clientele. He received his Bachelor of Science degree in Management and his MBA from California State Polytechnic University, Pomona. Todd spent half of his career in the private sector with many years in the theme park (Disney and Knott's) and defense (Rockwell International, Hughes Aircraft, Raytheon) industries including directly supporting top corporate management of a Fortune 27 company.

Todd also has experience in public service in California and Indiana. He served in a Budget and Policy Management role in the County Executive Office for Orange County, California where he was hired to help resolve the County multi-billion dollar bankruptcy. As part of the initial recovery efforts, Todd wrote the minute order (local law), unanimously adopted by the Board of Supervisors, to set up a Treasurer's Oversight Committee consisting of top financial experts from the private sector investment community. Todd also coordinated restructuring of major agency budgets, and prepared the recovery briefing charts with information presented to Wall Street and Sacramento during successful recovery efforts.

Todd later served as Chief Financial Officer for Indianapolis-Marion County DPS for six years where his ideas and efforts led to improvements and changes in federal and state policies. Todd then was asked to join the Indiana state government as the Deputy Director serving in the Chief Operating Officer role tasked with achieving a successful turnaround for the Indiana Department of Natural Resources, which included over 20 operating divisions and over 4,000 employees during peak seasons. Todd was then promoted and completed his Indiana public service in the State

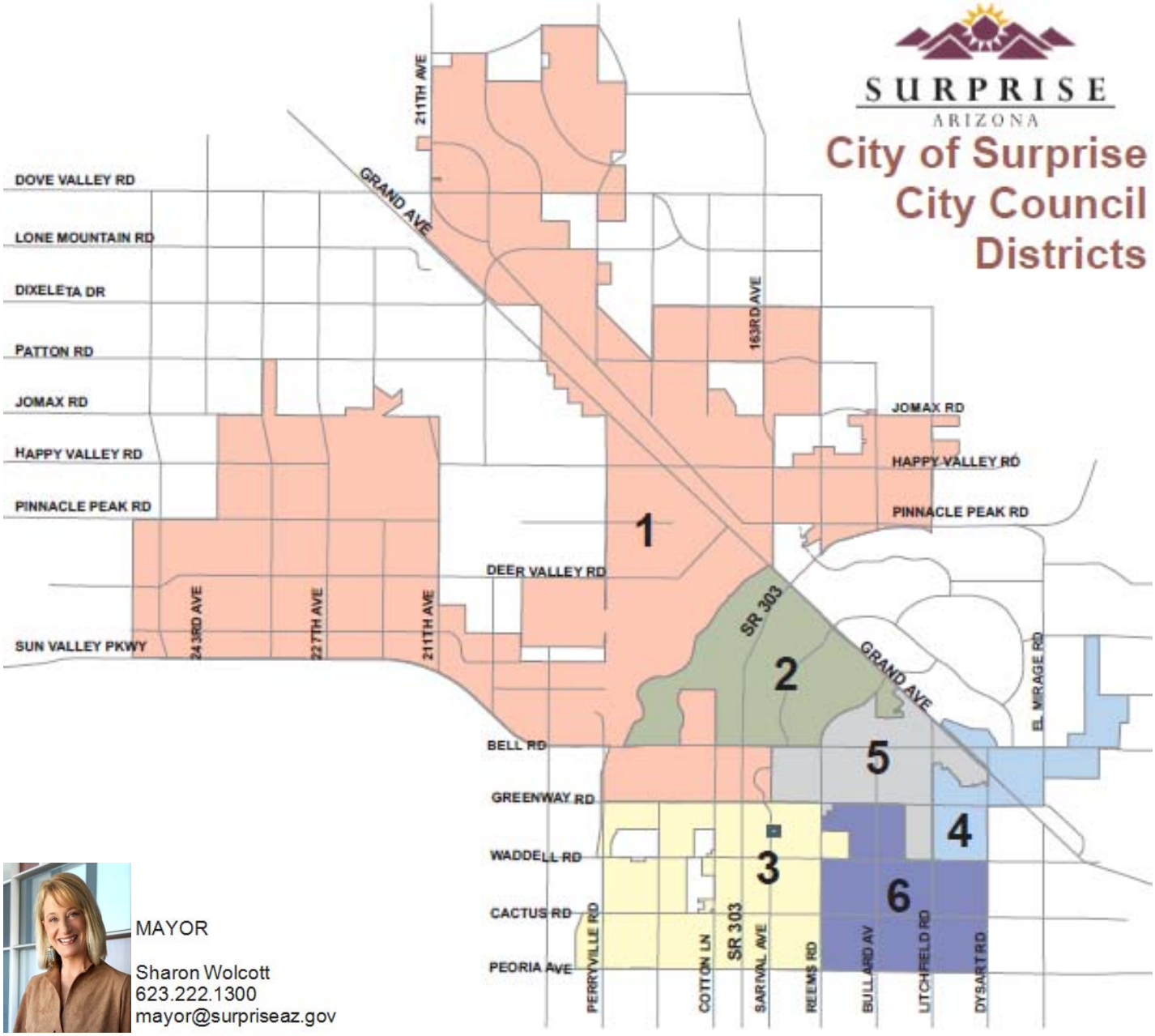
Capitol as Finance Director responsible for statewide finances at a time when the state achieved its first ever AAA credit rating.

Todd has served in many volunteer roles including as a Council Member and Treasurer of his churches in California and Arizona, and as a Board Member and current Vice Chairman of the Navajo Mission and School in Rock Point, Arizona. Todd also founded and led the local Surprise C3G group providing free services to job seekers. Todd has served his political party in Arizona, Indiana, and California, in roles such as Precinct Committeeman, State Delegate, Candidate Volunteer Team Member, and as an advisor for newly elected candidates on their transition teams. Todd also has served as a volunteer Docent Leader and Chair of the Ways and Means Committee at the Nixon Presidential Library and Birthplace Museum in Yorba Linda, California. Todd is an Eagle Scout from historic Troop 99 in Yorba Linda California, and he also received the title of “Honored Citizen” for Orange County, California from the Board of Supervisors.

Todd and his wife Blossom, who recently completed a term serving as a Governing Board Member for our local award winning “A” rated Dysart Unified School District, have been married since 1980 and they have two children and one grandchild. Todd’s parents, moved to Sun City Grand in 2003 – and now four generations of Tande’s live in Surprise, Arizona.

CITY OF SURPRISE, AZ
City Council District Map

SURPRISE
ARIZONA



MAYOR

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DISTRICT 2

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DISTRICT 5

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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.

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

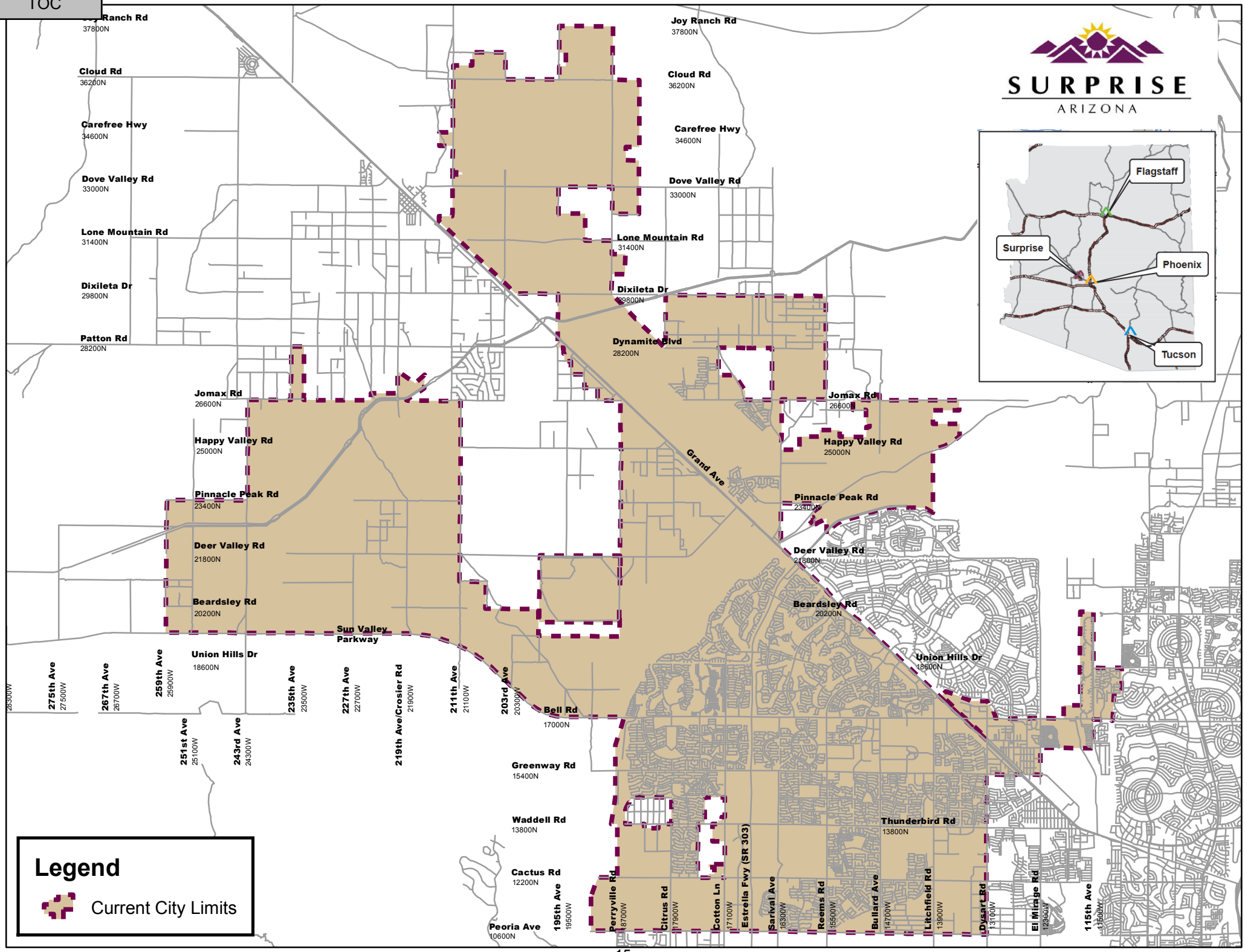
Strive to develop world class education in Surprise by seeking and enhancing educational opportunities that support initiatives, programs, projects, and lifelong learning opportunities throughout the community.

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.

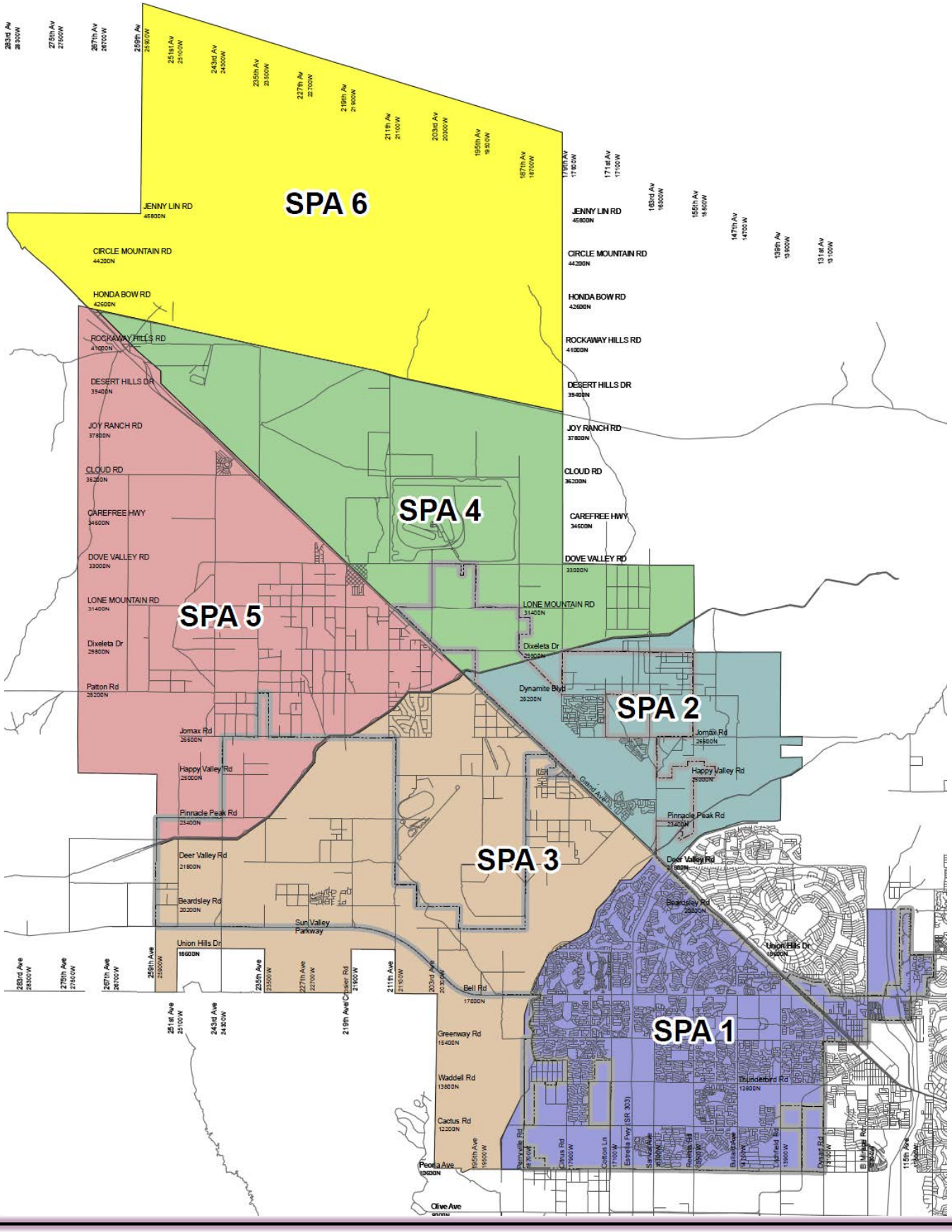
Public Safety

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.


SURPRISE
ARIZONA
Flagstaff
Surprise
Phoenix
Tucson
Joy Ranch Rd
37800N
Cloud Rd
36200N
Carefree Hwy
34600N
Dove Valley Rd
33000N
Lone Mountain Rd
31400N
Dixileta Dr
29800N
Patton Rd
28200N
Dynamite Blvd
28200N
Jomax Rd
26600N
Happy Valley Rd
25000N
Pinnacle Peak Rd
23400N
Deer Valley Rd
21800N
Beardsley Rd
20200N
Union Hills Dr
18600N
Sun Valley Parkway
Grand Ave
Bell Rd
17000N
Greenway Rd
15400N
Waddell Rd
13800N
Thunderbird Rd
13800N
Cactus Rd
12200N
Peoria Ave
10600N
275th Ave
27500W
267th Ave
26700W
259th Ave
25900W
251st Ave
25100W
243rd Ave
24300W
235th Ave
23500W
227th Ave
22700W
219th Ave/Crosier Rd
21900W
211th Ave
21100W
203rd Ave
20300W
195th Ave
19500W
Perryville Rd
18700W
Citrus Rd
17900W
Cotton Ln
17100W
Estrella Fwy (SR 303)
Sarival Ave
16300W
Reems Rd
15500W
Bullard Ave
14700W
Litchfield Rd
13900W
Dysart Rd
13100W
El Mirage Rd
12300W
115th Ave
11500W
Legend
Current City Limits

GENERAL INFORMATION
Special Planning Area Map



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%

Since the early 1960's, 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 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 of 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

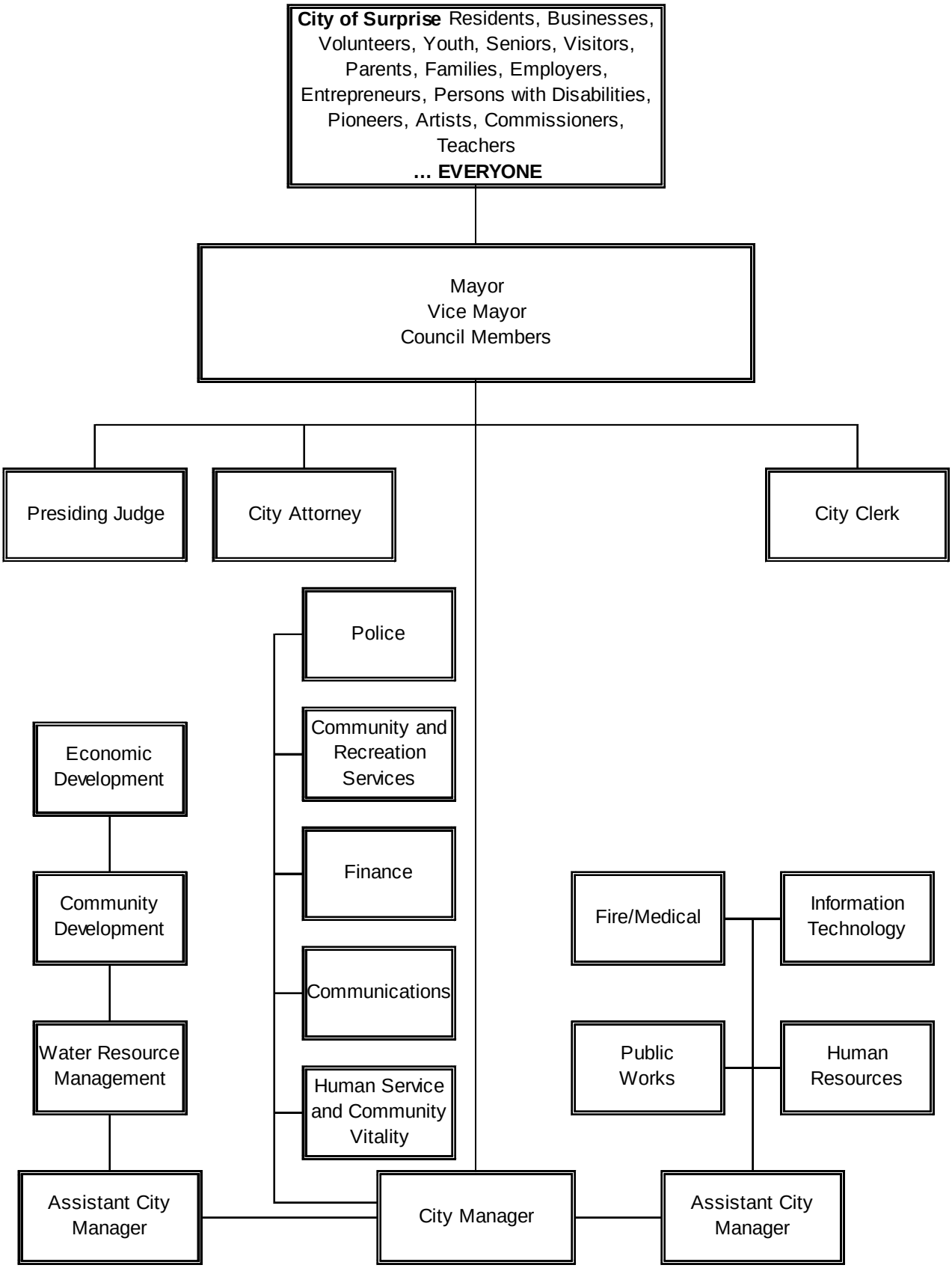
City of Surprise Incorporated Area – Date of Incorporation: December 1960

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

SURPRISE
ARIZONA

GENERAL INFORMATION
Citywide Organization Chart



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Budget Overview

- **Budget Summary**
- **Budget Calendar**
- **FY2016 Fund Balance Summary**
- **Budget Organization Chart**

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 adopted expenditure budget is $281,421,400. Including transfers of $23,250,400, the total uses for FY2016 are $304,671,800. 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.

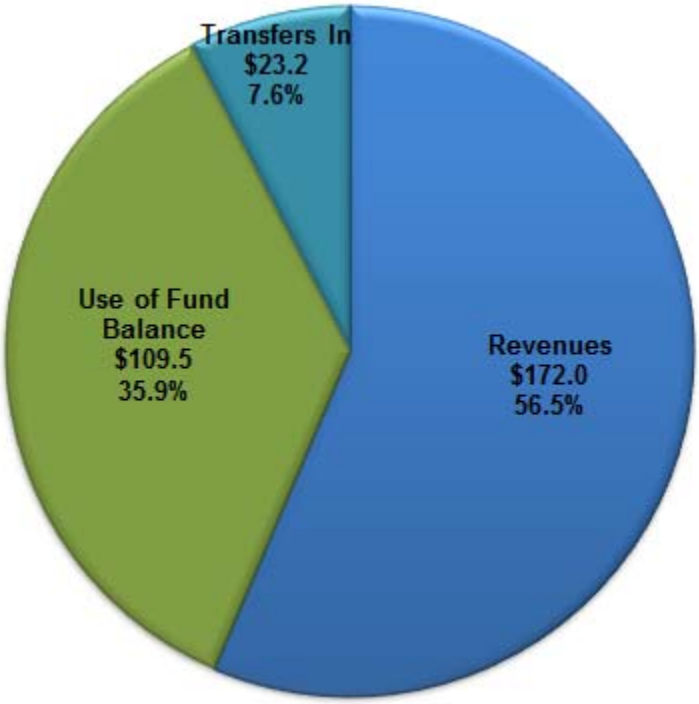
The budget basis used does have a few exceptions to the modified accrual basis of accounting. These exceptions include recording expenditures for prepayments entirely in the period the payment is made and recording expenditures for inventory purchases. A reconciliation of budgetary and GAAP fund balances 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 $304.7 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 consist of $172.0 million in revenue and $23.2 million in transfers in from other funds for a total of $195.2 million in FY2016. Revenue includes, but is not limited to, local sales tax, state shared revenue, charges for services, property taxes, franchise fees, and development fees.



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. In order to avoid potential service reductions when one time sources expire, the budget limits the use of one time sources to fund ongoing uses, such as permanent staffing costs. One time revenue and transfers in are projected to be $21.7 million, while ongoing sources are projected to be $173.5 million.

Fund Balances, for the purpose of the adopted 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 $140.7 million. The adopted budget includes the use of $109.5 million of this fund balance. This represents 35.9% of total sources. Of the use of fund balance amount, $51.3 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.

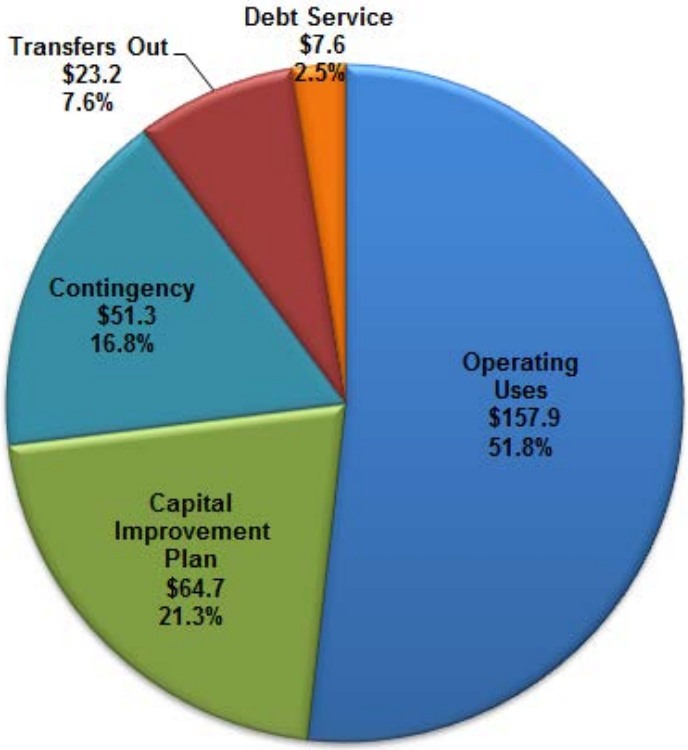
Although fund balances are available to be spent, these are not a recurring revenue source for the city. They can only be replenished by an excess of revenues over expenditures in a given year. To protect the city's operating fund balance and to ensure that the city has enough funds on hand to continue day-to-day operations, the city has established minimum fund balance policies. For FY2016, the amount reserved by minimum fund balance policies is $33.0 million. The General Fund reserve policy requires an annual minimum fund balance that is based on two times the average monthly personnel, supplies and service budget. For FY2016 the General Fund reserve equates to $17.6 million. The full list of financial policies can be found in the appendix.

The FY2016 General Fund beginning balance is estimated to be $28.9 million, of which $17.6 million is used as an operating reserve. The remaining $11.3 million is available for onetime uses ($8.4 million) and contingency ($2.9 million). The $8.4 million in onetime and carryforward items include: asset replacement ($1.8M) and vehicle replacement ($0.9M), a mid-decade census ($2.7M), transfer to capital projects ($1.0M), pavement preservation ($0.7M), an economic development incentive ($0.5M), AZ TechCelerator renovations ($0.5M), the Jerry Street drainage project ($0.2M), and various smaller items ($0.1M).

Two funds are expected to have negative fund balances at the end of FY2016. The Street Light Improvement Districts (SLID) Funds are expected to have a cumulative fund balance of ($7,300) due to a number of districts being capped at the statutory maximum levy for FY2016. The SLIDs with a negative balance typically consist of residential developments that have not been completely built out. The SLID funds with a negative balance are expected to self-correct as the developments within them are completed. In some instances the developer can be asked to reimburse

the city if the expenses within the SLID exceed the available sources; this is dependent on the language in the resolution that establishes each SLID. The Stadium Improvements Fund is expected to have a balance of ($1.6) million. The fund received a payment as a result of an agreement that was used to make improvements to Surprise Stadium. A portion of the payment will be recognized as revenue each year over the term of the agreement. When the agreement expires, all revenue will be recognized and the fund will return to a zero balance. 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 making defeasance payments on the 2007 MPC bonds, refinancing the 2003 MPC, and issuing an additional $18.9 million in bonds late 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 $304.7 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 $181.1 million and include $157.9 million in expenses and $23.2 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, $155.4 million are ongoing and $25.7 million are one time.

The **capital improvement plan (CIP)** budget is $64.7 million, 21.3% 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, 2.5**%** of the FY2016 total uses. The total outstanding principal is $76.0 million with payments scheduled through FY2032.

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 $51.3 million or 16.8% of total uses. Contingency amounts by fund are listed on the FY2016 Fund Balance Summary found later in this section.

Expenditure Limitation

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

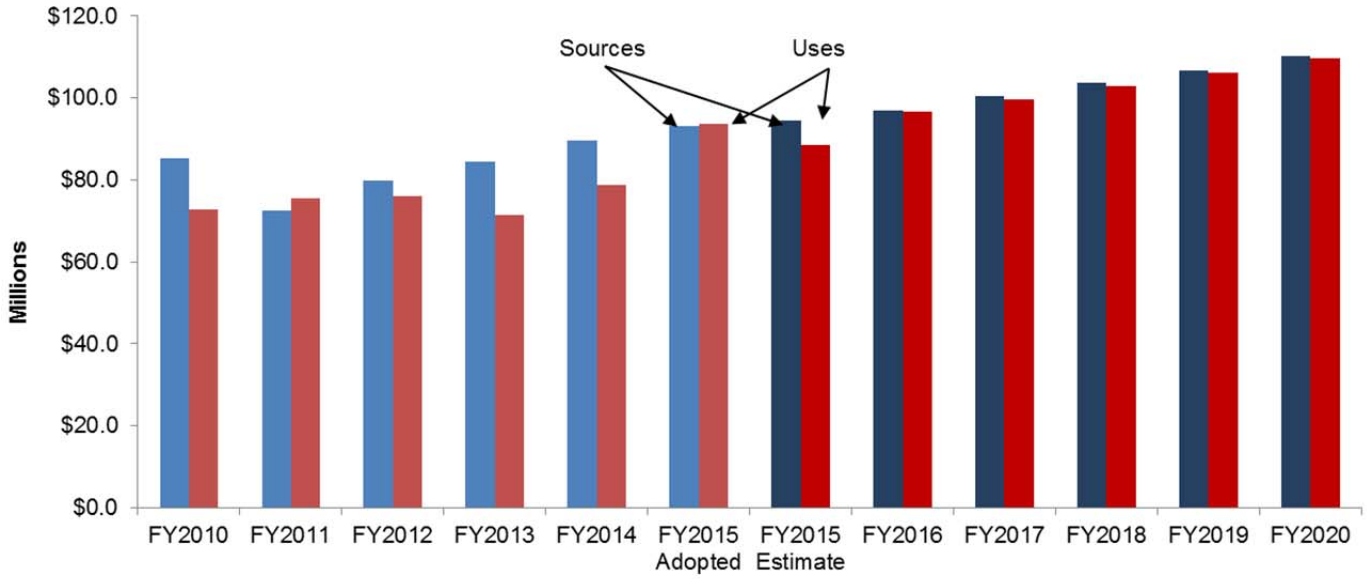
The voters of the city of Surprise in 1987, 1991, 1995, 1999, and 2003 approved an alternative expenditure limitation (Local Home Rule Limitation option). Under this option, the city may adopt its own alternative expenditure limitation (subject to specific procedures) if a majority of the qualified electors 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 $9,500,000 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 $246,674,500.

Sources and Uses Compared (General Fund)

The city's long range planning for the General Fund shows ongoing sources exceeding ongoing uses as they move along the same path in each of the projected fiscal years. For sources, the forecast for the remaining periods are based on a variety of data points such as sales tax collections, state shared revenue projections, charges for services, etc. The revenue information is summarized and detailed in the *Operating Sources* section of this report. For uses, the forecast utilized projected inflationary rates, potential staff adds, retirement increases, etc. This information is summarized in the *Operating Uses* section of this report.



Financial Policies

The Mayor and City Council unanimously reaffirmed 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, City Council adopted the following edits to the financial policies as recommended by finance staff:

- 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 sports 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 51 current financial policies is included in the appendix of this document.

FY2016 Budget Process

The budget is monitored year-round and various informal FY2016 budget meetings and work session presentations to Mayor and City Council members are held throughout 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 6, 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 delivered the recommended budget to the Mayor and City Council on April 21, 2015.

The City Manager's recommended budget was presented to the Mayor and City Council for review and discussion on April 21, 2015 with aspects of the recommended budget presented to Council in the weeks leading up to the presentation. During the work sessions, city staff presented the recommended budget and was available to address questions from the Mayor and City Council.

The tentative budget was presented to the Mayor and City Council for adoption at a regular City Council meeting on May 5, 2015. Following motions to consider increasing the property tax as well as increase contingency, an amended tentative budget was approved. The tentative budget and notice of a truth in taxation hearing were posted for two consecutive weeks in the local paper. On June 2, 2015, the Mayor and City Council adopted the final budget after a public hearing was held. Budget adoption adheres to all statutory hearings, publications, and requirements. A public hearing on a the proposed tax increase was also held on June 2, 2015, and the property tax was 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.

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, city staff 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, Councilmember 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. These 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	Budget software opened for department input
12/19/2014	Budget software closed
01/12/2015 – 02/06/2015	Finance meeting with departments on change requests and capital
02/07/2015 – 04/10/2015	Review with the City Manager's Office change requests and capital
04/21/2015	City Manager's Recommended Budget delivered to Mayor and Council
04/21/2015	Mayor and Council review of the City Manager's recommended budget at Work and Regular Session
05/05/2015	Public Hearing and Tentative Budget Adoption – City of Surprise
05/19/2015	Public Notice #1 – Truth in taxation & FY2016 budget estimates
05/19/2015	Mayor and Council review of the FY2016 Tentative Budget
05/26/2015	Public Notice #2 – Truth in taxation & FY2016 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

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	90,794,800	6,137,500	(94,131,300)	(2,534,300)	266,700	0	0	(734,600)	(4,347,000)
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	0	0	0	9,148,900	0	(869,000)	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	(954,600)	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	2,220,900	0	(2,220,900)	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	(11,667,600)	(645,000)	287,900	11,508,000	0	(4,181,400)	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	525,700	3,436,600	(1,056,600)	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	1,744,900	4,347,000	(7,869,200)	0

SURPRISE ARIZONA

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	(3,559,000)	0	(2,925,500)	(11,299,400)	28,932,200	17,632,800	20,558,300	17,632,800
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	(8,279,900)	0	0	0	8,279,900	0
HALO	0	0	0	0	(12,900)	12,900	0	0	0
Highway User Revenue	0	(792,500)	0	(347,300)	(1,536,200)	1,536,200	0	347,300	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	(100,500)	0	(12,100)	(167,300)	167,300	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	(120,300)	(585,300)	585,300	0	120,300	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	0	0	0	137,100	(1,778,900)	(1,641,800)	(1,641,800)	0
Tourism	0	(345,100)	0	(469,600)	(599,500)	604,500	5,000	474,600	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	(1,238,100)	0	(9,975,500)	(3,599,100)	2,553,000	(1,046,100)	8,929,400	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	(12,289,100)	0	0	(7,815,900)	8,815,900	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	(18,900,000)	0	(4,800)	(18,904,800)	18,904,800	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	(2,135,100)	0	(1,153,000)	(3,423,300)	3,423,300	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	(4,693,000)	0	(4,797,800)	(9,599,800)	9,599,800	0	4,797,800	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	(1,824,000)	0	(293,100)	(2,393,000)	2,893,000	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	(39,841,200)	0	(17,691,700)	(53,985,000)	55,485,000	1,500,000	19,191,700	1,500,000

BUDGET OVERVIEW
FY2016 Fund Balance Summary

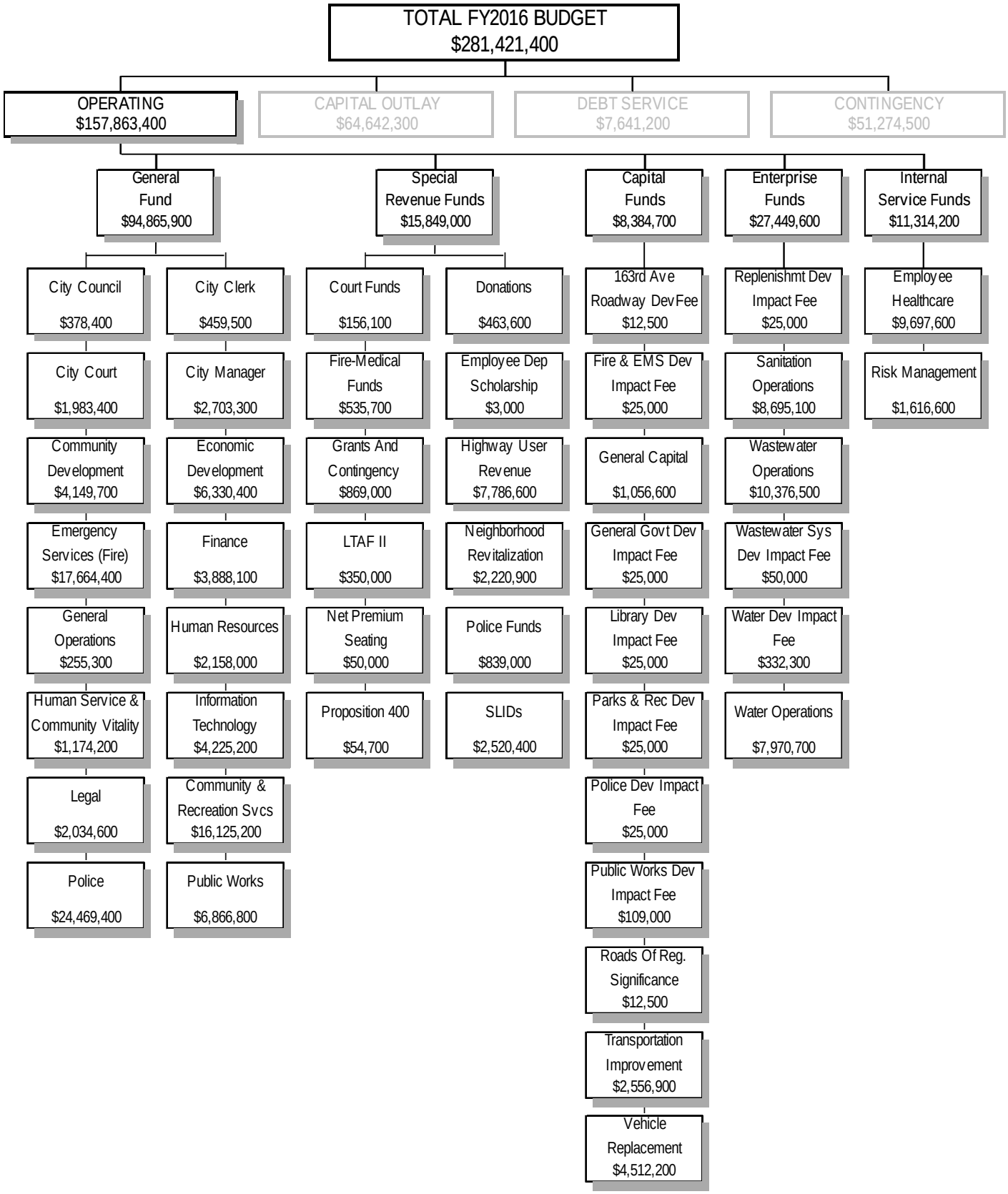
	Ongoing Sources		Ongoing Uses		Ongoing	One-Time Sources		One-Time Uses	
	Revenues	Transfer In	Expenses	Transfer Out	Surplus/ Shortfall	Revenues	Transfer In	Expenses	Transfer Out
Enterprise Fund									
Prop Debt Service 2007	0	3,711,800	0	0	3,711,800	0	0	0	0
Prop Debt Service 2015	0	809,100	0	0	809,100	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	158,634,400	14,852,100	(140,508,900)	(14,852,100)	18,125,500	13,357,900	8,398,300	(17,354,500)	(8,398,300)

SURPRISE
ARIZONA

BUDGET OVERVIEW
FY2016 Fund Balance Summary

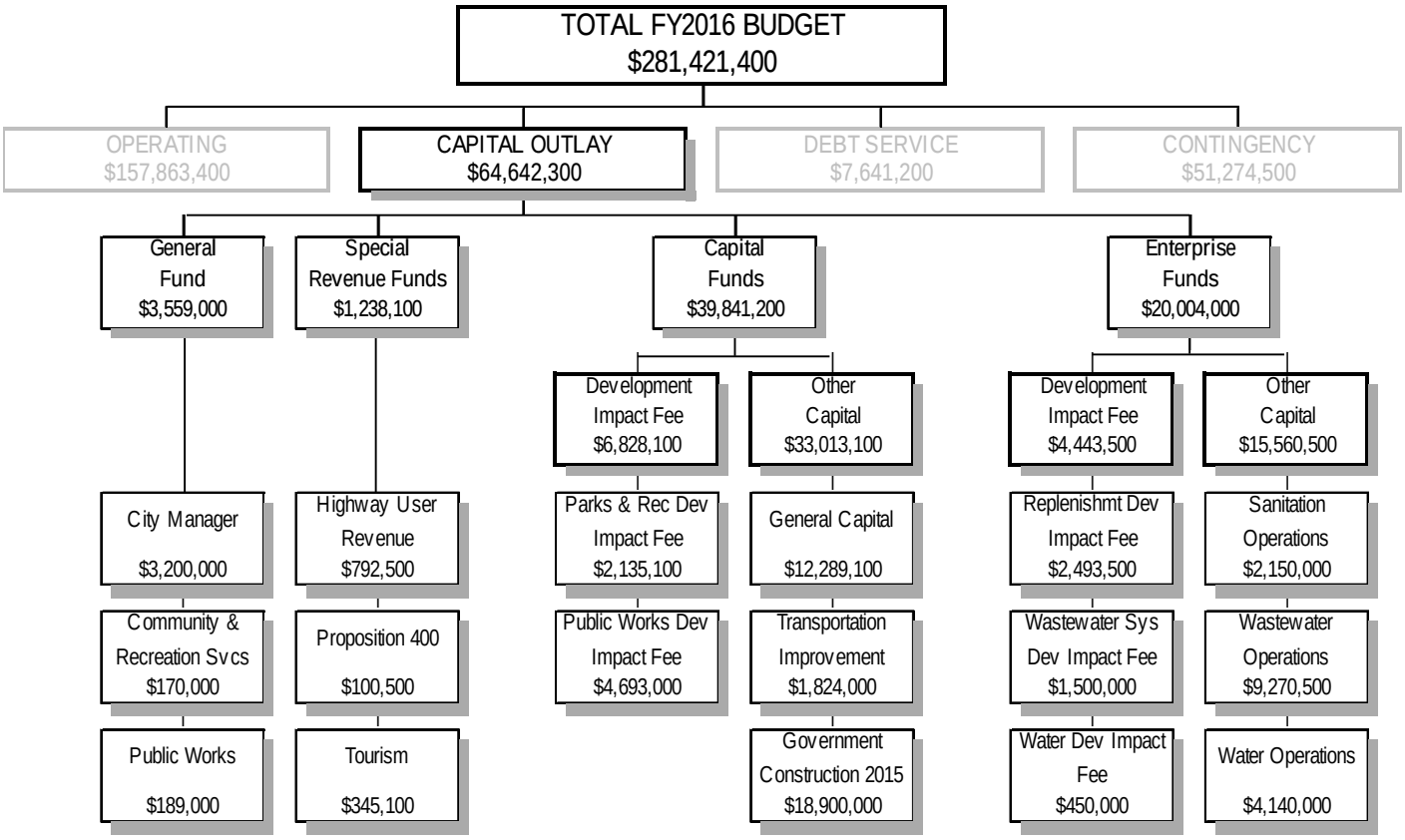
		Other Non-Operating Uses							
	Borrowing	Capital	Debt Service	Contingency	Total Fund Balance Inc/(Dec)	FY2016 Beginning Fund Bal	Ending Fund Balance With Contingency	Ending Fund Balance w/o Contingency	Fund Balance Reserve
Enterprise Fund									
Prop Debt Service 2007	0	0	(3,638,400)	(529,100)	(455,700)	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	(2,320,800)	(7,765,900)	8,831,700	1,065,800	3,386,600	1,065,800
Sewer Operations	0	(9,270,500)	0	(3,239,100)	(12,601,000)	19,905,500	7,304,500	10,543,600	7,304,500
Sewer System Dev Impact Fees	0	(1,500,000)	0	(699,500)	(1,416,200)	1,416,200	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	(4,140,000)	0	(2,513,500)	(4,387,200)	8,164,200	3,777,000	6,290,500	3,777,000
Total Enterprise Fund	0	(20,004,000)	(4,447,500)	(17,043,800)	(37,350,300)	49,497,600	12,147,300	29,191,100	12,147,300
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	(64,642,300)	(7,641,200)	(51,274,500)	(109,429,100)	140,748,200	31,319,100	82,593,600	32,968,200

BUDGET OVERVIEW
Budget Organization Chart

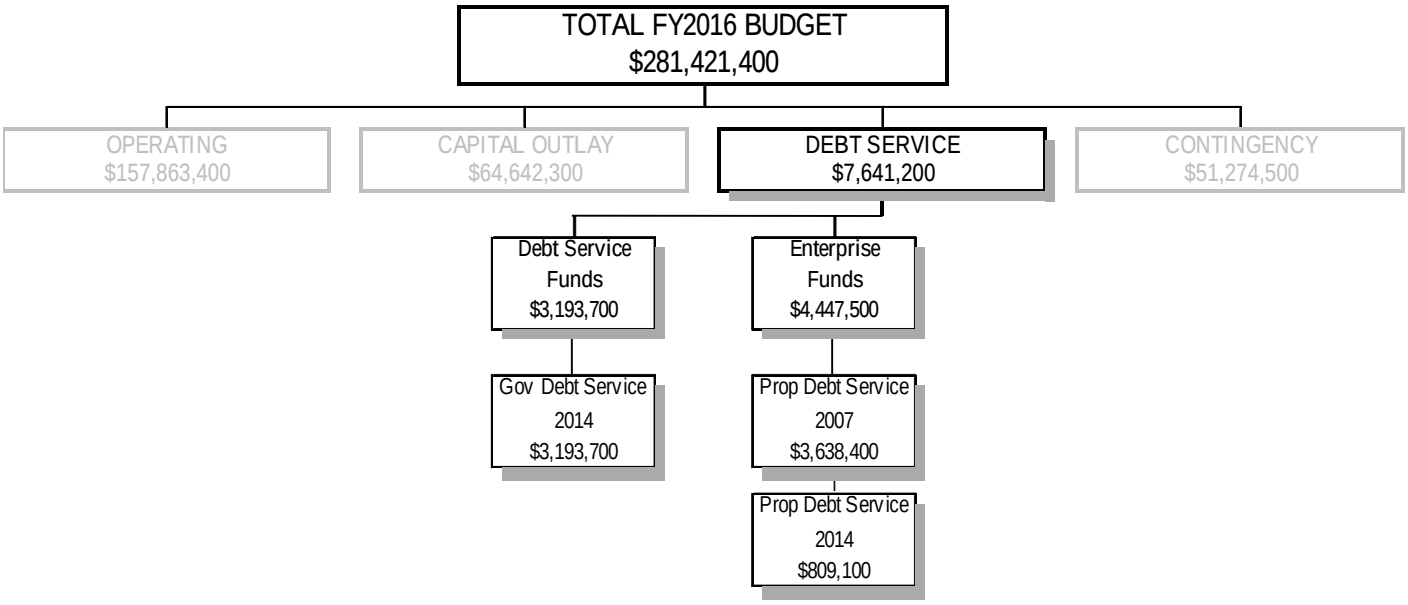


SURPRISE
ARIZONA

BUDGET OVERVIEW
Budget Organization Chart



BUDGET OVERVIEW
Budget Organization Chart



SURPRISE
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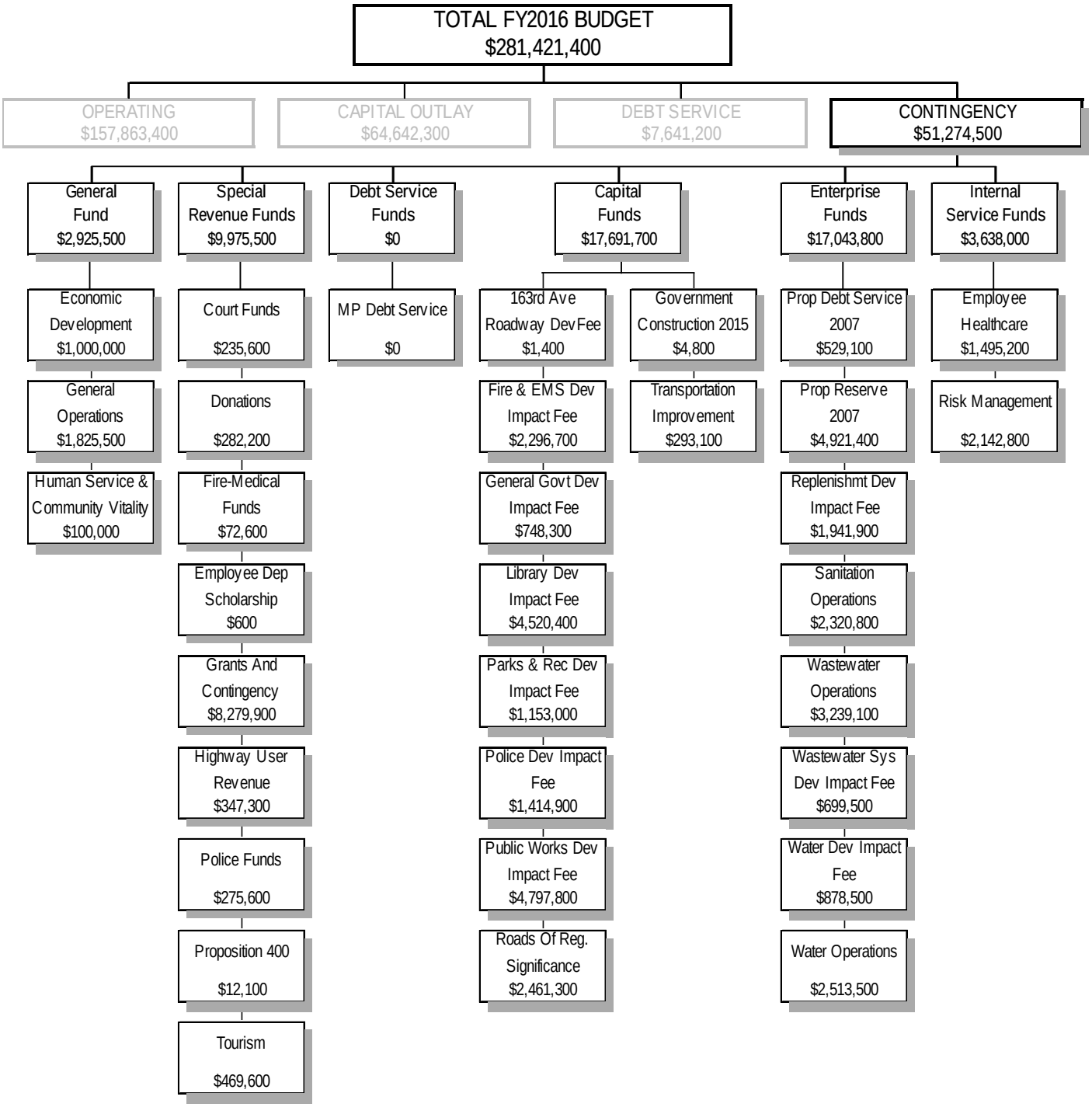
BUDGET OVERVIEW
Budget Organization Chart



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Operating Sources

- Citywide Sources Summary
- Revenue Forecast Summary
- Revenue Forecast Detail
- Operating Sources by Fund
- Operating Sources by Object

CITYWIDE OPERATING SOURCES SUMMARY

The operating sources forecast for fiscal year (FY) 2016 totals $195.2 million with $172.0 million in revenue and $23.2 million in transfers in.

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 at 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 the 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 on the following page depicts the citywide sources ($ in millions), percentage of the total sources, and the six categories.

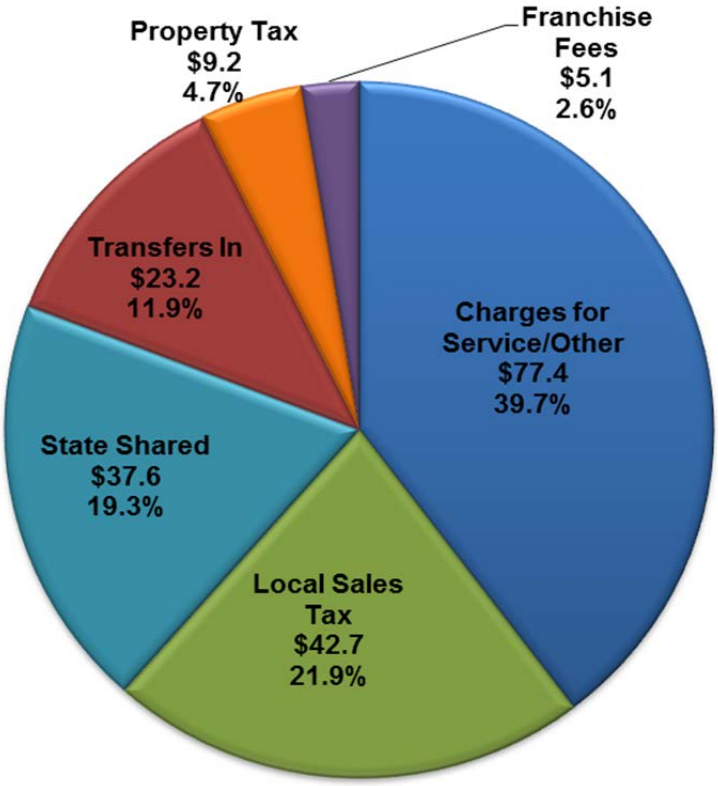
Charges for Services/Other
All fees for services charged by city departments are recorded in this category, which totaled $77.4 million, 39.7%. The three major components include the utilities of water, wastewater, and sanitation. Mainly the rates charged and the number of customers or participants drives these revenues.

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

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.

OPERATING SOURCES
Citywide Summary

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. 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 corporate 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 property tax and franchise fees, interfund transfers, and debt service related payments. The total of all transfers in for FY2016 is $23.2 million.

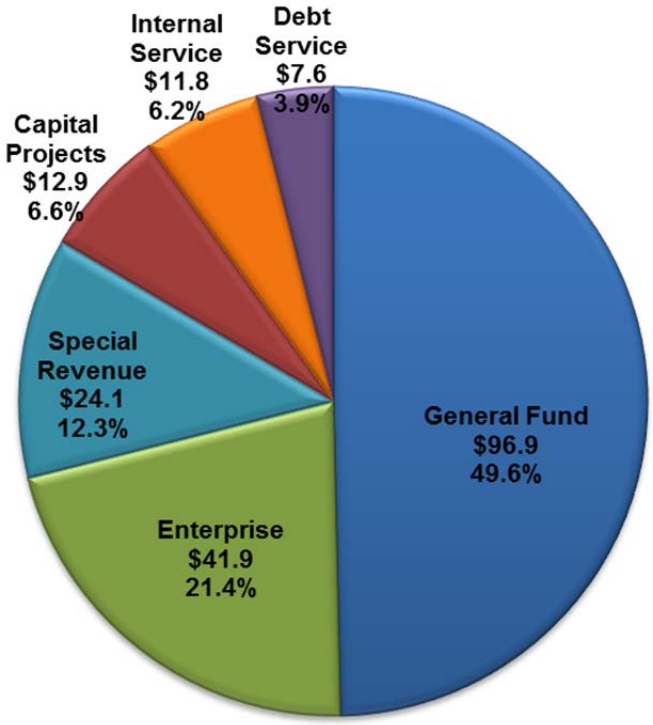
Property and Street Light Improvement District (SLID) Taxes
The property and SLID tax category capture the taxes levied on properties in the city and are set at $9.2 million for FY2016. State law allows the city to increase property tax revenues annually by 2% over the prior year's maximum allowable amount. The tax revenue is computed by multiplying the tax levy rate by the assessed value. For FY2016, the city will retain the primary property tax rate of $0.7591, which is expected to generate approximately $6.8 million in revenue. The primary property tax levy is 24% below the maximum allowable levy of $8.9 million. For SLIDs, the city cannot exceed $1.20 per assessed value of the property. These taxes pay for maintaining and illuminating lights within neighborhoods and commerce parks.

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 $96.9 million, or 49.6%, 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 $24.1 million, or 12.3%, 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), 2007, and 2015 (2003 refunding and new funding). The Debt Service Funds account for $7.6 million, or 3.9%, 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 $12.9 million, or 6.6%, of all operating sources.

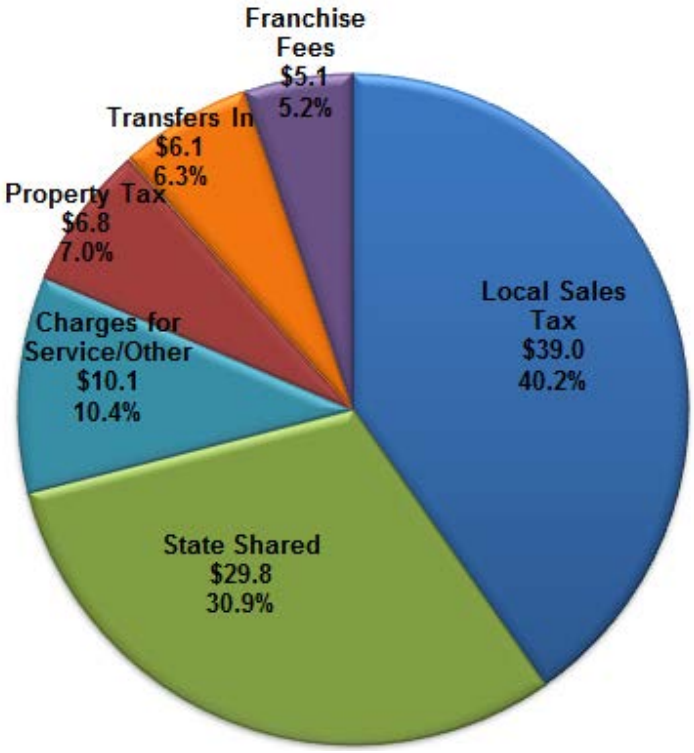
Enterprise Funds
These funds are used to account for the business-type activities of a government. These activities are financed and operated in a manner where the intent of the governing body is that the costs of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges. The Enterprise Funds account for $41.9 million, or 21.4%, 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

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.

The operating sources forecast for FY2016 is $96.9 million, an increase of $2.5 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

The following pages present historical actuals, forecasted operating sources, and forecast assumptions for all General Fund sources and other major sources for other funds at a summary and detail level. Subsequent schedules breakdown the citywide operating sources by fund and by object.

OPERATING SOURCES
Revenue Forecast Summary

	ACTUAL					Adopted	Estimate	Estimate to Adopted	
Major Revenue Accounts	**FY2010**	**FY2011**	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2015**	**Amount**	**%**
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%
All Other Operating Revenue	1,231,392	1,112,771	949,130	709,643	661,295	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%**

SURPRISE
ARIZONA

OPERATING SOURCES
Revenue Forecast Summary

	Forecast	Forecast to Prior Year Estimate		Forecast			
Major Revenue Accounts	**FY2016**	**Amount**	**%**	**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
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	6,750,200	236,600	4%	6,816,900	6,883,600	6,951,300	7,020,100
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	**96,932,300**	**2,484,600**	**3%**	**100,682,200**	**103,683,700**	**106,773,100**	**110,092,900**

OPERATING SOURCES
Revenue Forecast Summary

	ACTUAL					Adopted	Estimate	Estimate to Adopted	
Major Revenue Accounts	**FY2010**	**FY2011**	**FY2012**	**FY2013**	**FY2014**	**FY2015**	**FY2015**	**Amount**	**%**
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%)

SURPRISE
ARIZONA

OPERATING SOURCES
Revenue Forecast Summary

	Forecast	Forecast to Prior Year Estimate		Forecast			
Major Revenue Accounts	**FY2016**	**Amount**	**%**	**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

GENERAL FUND
LOCAL SALES TAX

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

Description

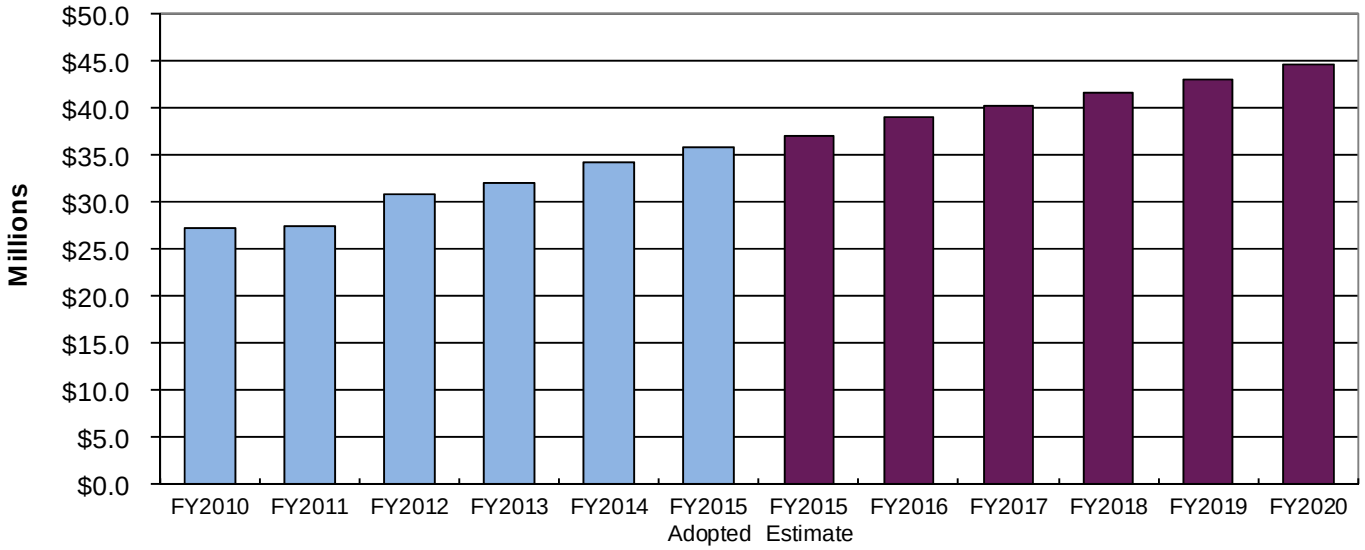
Local sales tax consists of three components including construction sales tax, bed tax and all other transaction or use taxes. The base transaction privilege and use tax rate is 2.2%. This is the recurring sales tax revenue that is collected by the city on an annual basis through the course of doing 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 its volatile nature, the first $1.25M of General Fund CST is used for ongoing purposes with the remainder dedicated to capital needs. 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 inflationary price increases on taxable goods and services.

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**



GENERAL FUND
STATE SHARED REVENUE

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

Description

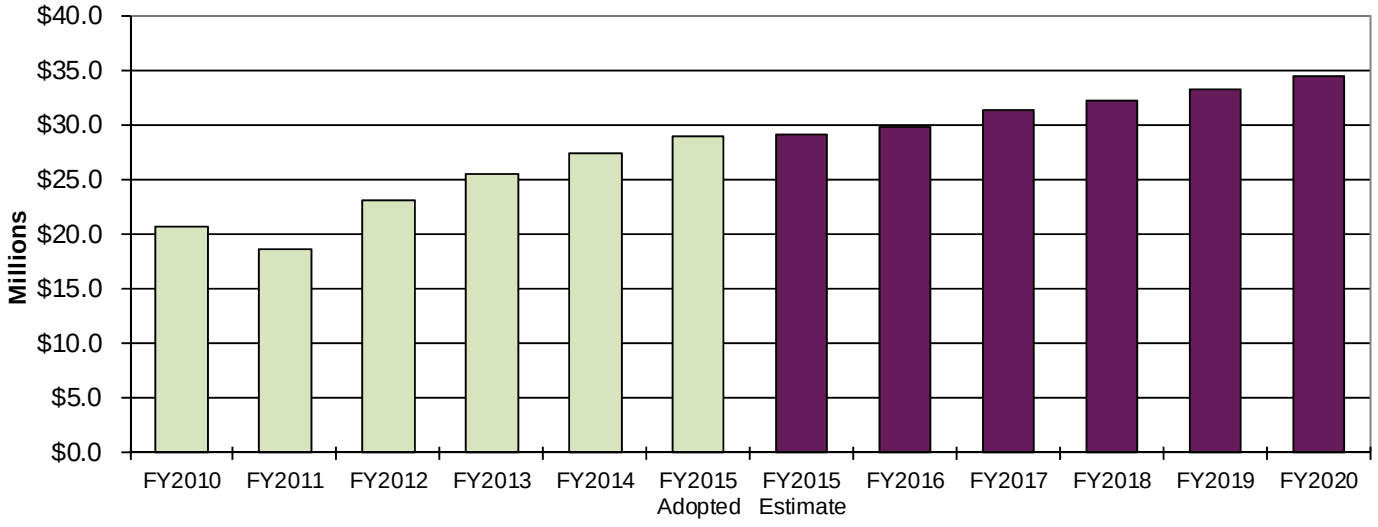
State shared revenues deposited into the General Fund are comprised of state shared income tax, state shared sales tax and vehicle license tax. State shared sales tax and vehicle license tax distributions are based on a proportionate share of population numbers from the last census or special census. State shared income tax 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, resulting in a slightly smaller distribution percentage from that used for the sales and vehicle license tax distributions.

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 corporate 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 at the state level and increases in money spent on taxable goods and services.

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**



OPERATING SOURCES
Revenue Forecast Detail

GENERAL FUND
CHARGES FOR SERVICES/OTHER

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

Description

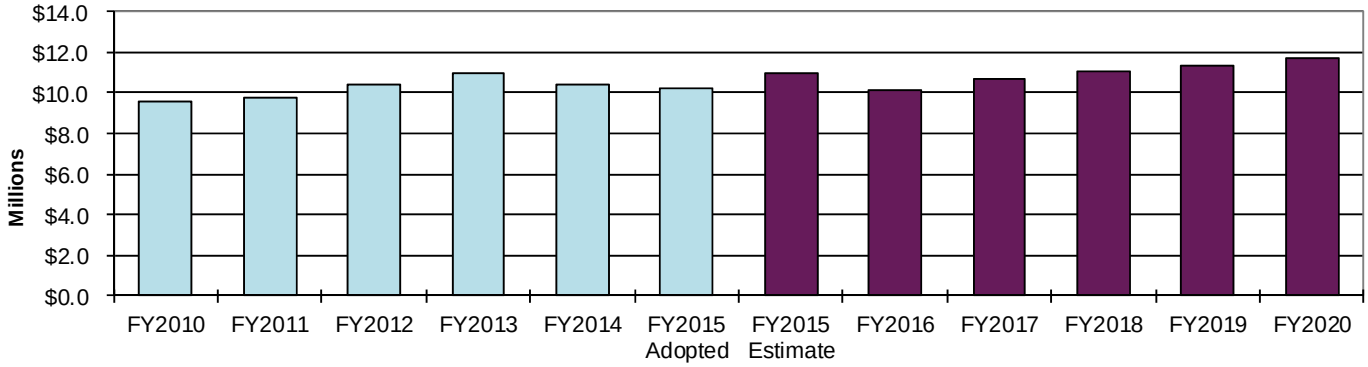
Charges for services include revenues generated by fees city departments charge for services provided to residents, businesses, and visitors of Surprise. This category also includes interest, grant, and intergovernmental agreement revenue. Revenue sources include but are not limited to rent/lease of 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.

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
All Other Operating Revenue	1,231,392	1,112,771	949,130	709,643	661,295	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 parks and recreation program fee decrease in revenue from FY2014 to FY2015 reflects the exclusion of a national tennis tournament programmed in prior years, a shift in the sale of novelties during Spring Training to a vendor, and Spring Training surcharge revenue moving to a separate fund. Estimated and projected community development fee 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	6,750,200	236,600	4%

Description

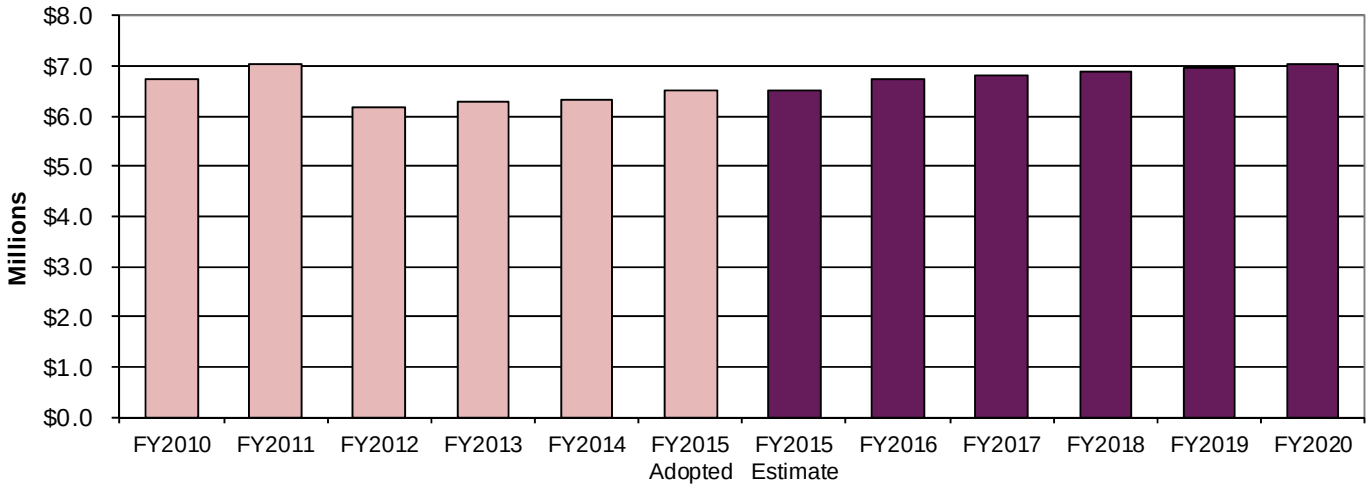
This source reflects the primary property tax levied for general government operations. State statute restricts the total levy to a maximum 2% annual increase over the prior year allowable levy plus an increase for any new construction and/or annexation. The levy amount is set annually by City Council 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 FY2016 levy amount is based on assessed valuation data provided by the Maricopa County Assessor's Office. In order to hold the primary property tax rate at $0.7591 per $100 of assessed value, a Truth-in-Taxation hearing was held June 2, 2015. Holding the rate flat will bring in additional revenue due to increased assessed values in addition to increased revenue due to new construction. The current forecast for FY2017 onward assumes the tax levy will be held flat on existing property and only increase with the addition of new construction.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Primary Property Tax	6,513,600	6,750,200	6,816,900	6,883,600	6,951,300	7,020,100



OPERATING SOURCES
Revenue Forecast Detail

GENERAL FUND
FRANCHISE FEES

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

Description

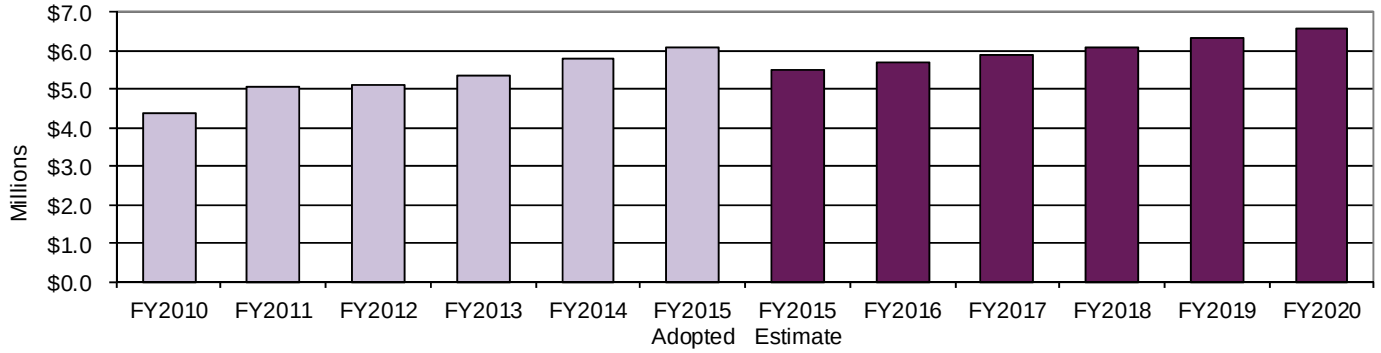
Franchise fees are charged in exchange for use of public right-of-way. These fees equate to 2% of revenue earned by Arizona Public Service (APS) electric utility company, Southwest Gas, EPCOR Water, as well as city of Surprise water and wastewater utilities. Additionally, cable franchise fees are set 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 they are the fees charged to permit business operations within the city. In lieu franchise fees are included in this category but are 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
Cable Franchise Fees	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
Cable Franchise Fees	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

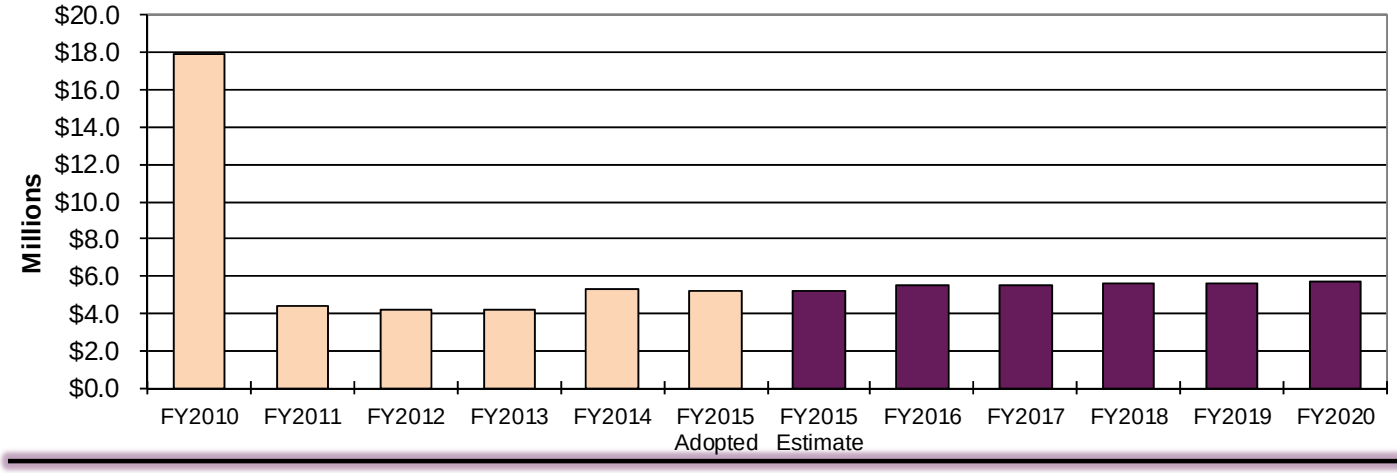
Expenses incurred by the General Fund on behalf of the Enterprise Funds (water, wastewater, and sanitation) are recovered through the indirect cost assessment and are recorded in the General Fund as a transfer in. Examples of expenses incurred in the General Fund include but are not limited to city administration, human resources, and facilities costs. 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 Assessment	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 PILOT	-	76,295	122,480	139,895	163,384	161,200
Wastewater PILOT	-	296,755	293,470	364,654	398,382	389,200
Sanitation PILOT	-	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

The FY2010 transfer in of $17.9 million was primarily due to funding within the Vehicle Replacement and General Capital Funds being moved into the General Fund in order to meet reserve policies during the down economy. An offsetting transfer was made in FY2011 to replace the funds in the Vehicle Replacement Fund. Indirect cost assessments have been allocated based on the FY2016 budget, rather than actuals from two years prior as was the past practice. The assessments will be calculated throughout the year based on FY2016 actual expenses. For FY2016 the update resulted in a 6% increase to the total indirect cost assessment. PILOT revenue is estimated to come in lower than budgeted due to the half-percent assessment ratio reduction on commercial property as well as a property tax rate reduction. Future PILOT revenue assumes a similar percentage increase in valuation and property tax rate 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 Assessment	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 PILOT	157,200	159,800	161,000	166,100	167,900	167,100
Wastewater PILOT	379,600	385,900	388,600	401,200	405,400	403,300
Sanitation PILOT	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**



VARIOUS FUNDS
CONSTRUCTION SALES TAX

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

Description

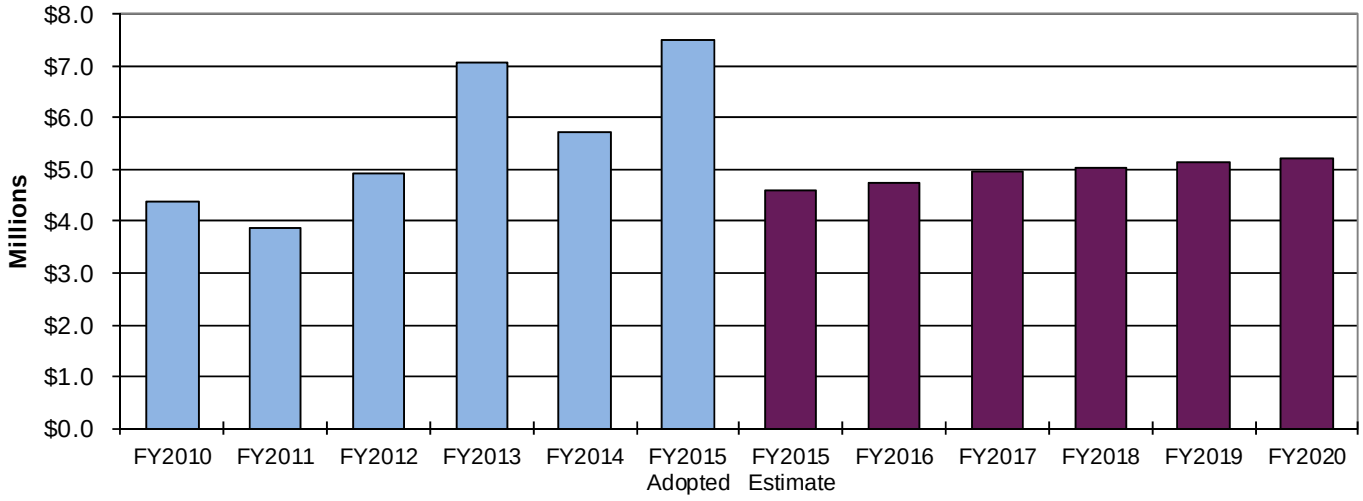
This represents the one time construction sales tax (CST) that is assessed on new construction by the city of Surprise. The city's total CST rate is 3.7%. A dedicated CST rate of 1.5% is deposited in the Transportation Improvement Fund. Of the remaining 2.2%, the first $1.25 million is recorded in the General Fund and amounts in excess of that are recorded in the General Capital Fund per financial policy #10 adopted by Council.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
General Fund CST	642,593	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
General Capital Fund CST	1,953,879	1,050,837	1,685,089	2,950,369	2,140,766	3,210,200
Transportation Imp Fund CST	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 CST 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 CST	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
General Capital Fund CST	1,487,000	1,567,500	1,696,200	1,748,100	1,801,100	1,854,900
Transportation Imp Fund CST	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

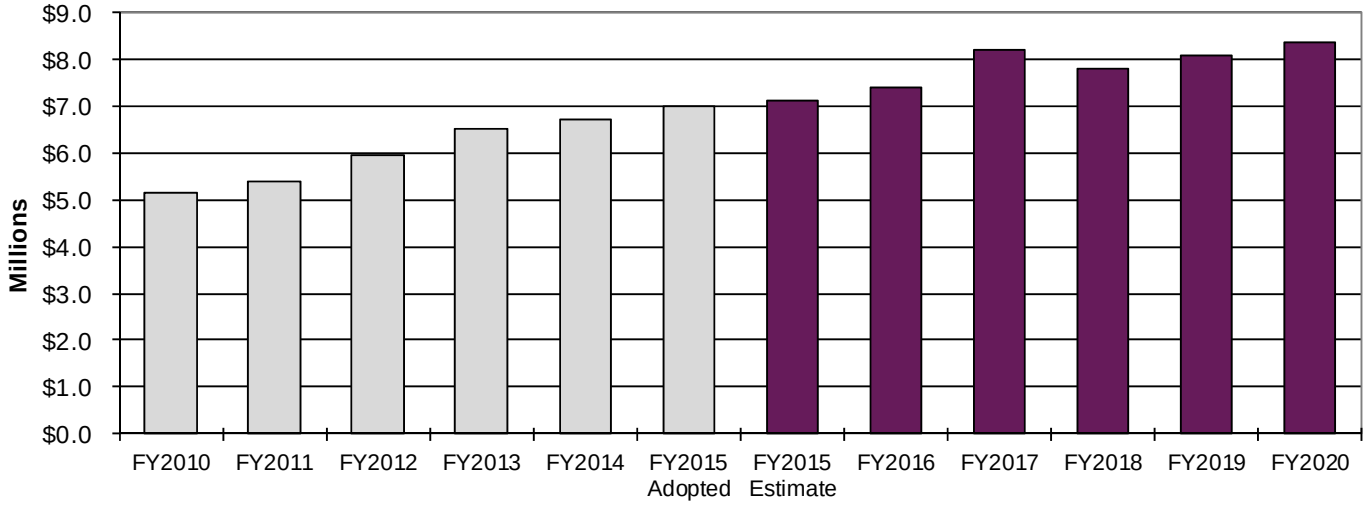
The largest revenue source for the HURF fund is the 27.5% distribution of state shared HURF revenue. State shared HURF revenues consist of state taxes collected on gasoline, vehicle registration, vehicle license tax, and a number of other additional transportation related fees. The first half of the 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 the Arizona Department of Transportation statewide 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 $30.0 million in FY2016 and $60.0 milion 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 expected 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**



WATER OPERATIONS FUND

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

Description

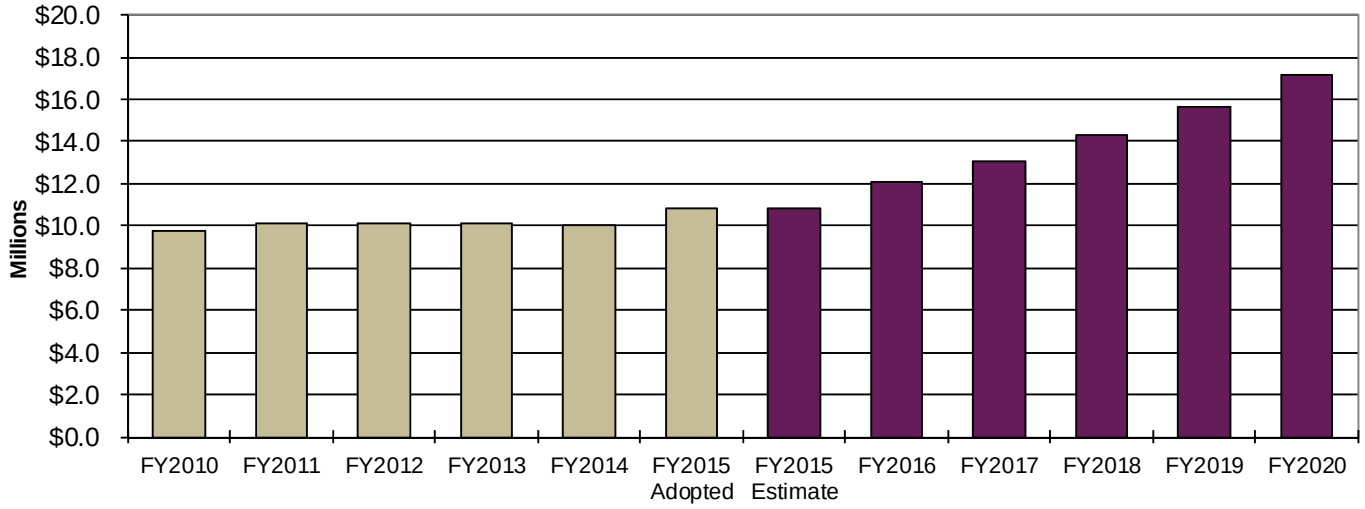
The largest component of the Water Operations Fund is service/collections fees collected from users of the city of Surprise water service. The fees consist of both base charges related to the water meter size and volumetric charges based on water usage. The city services approximately one-third of all 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 Internet site.

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

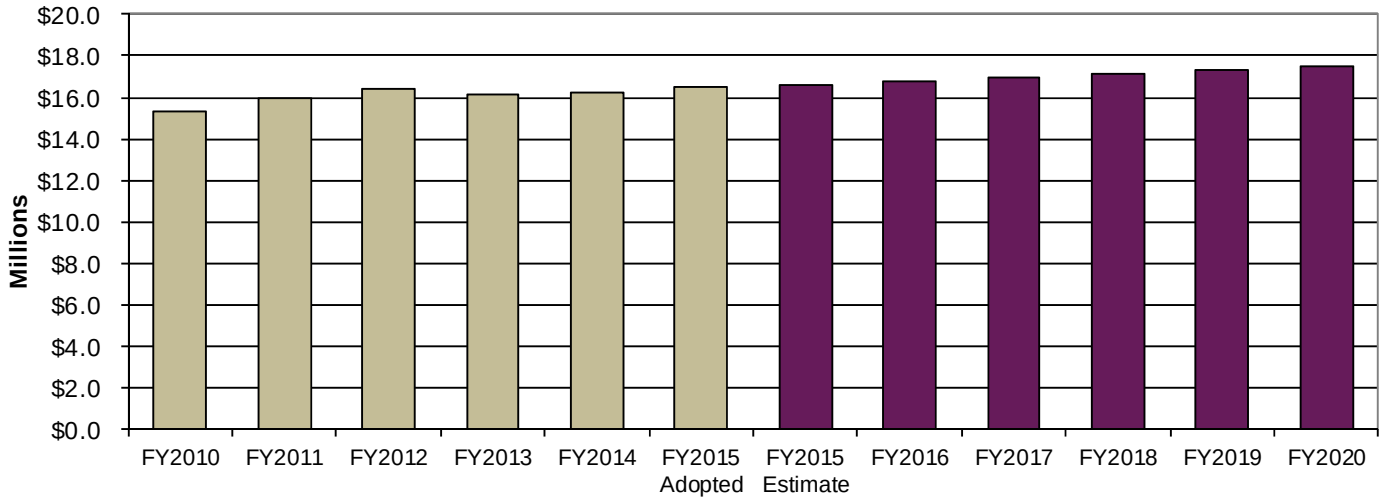
The largest Wastewater Operations Fund revenue source is service/collections fees collected from users of the city of Surprise wastewater service. Wastewater service fees are collected from users of the city of Surprise wastewater service and are a flat rate for residential customers and volumetric with 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 Operations Total	**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 equivalent percentage increase in the number of customers to the percentage increase in total population.

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 Operations Total	**16,619,800**	**16,767,000**	**16,950,700**	**17,142,500**	**17,337,400**	**17,534,700**



SANITATION OPERATIONS FUND

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

Description

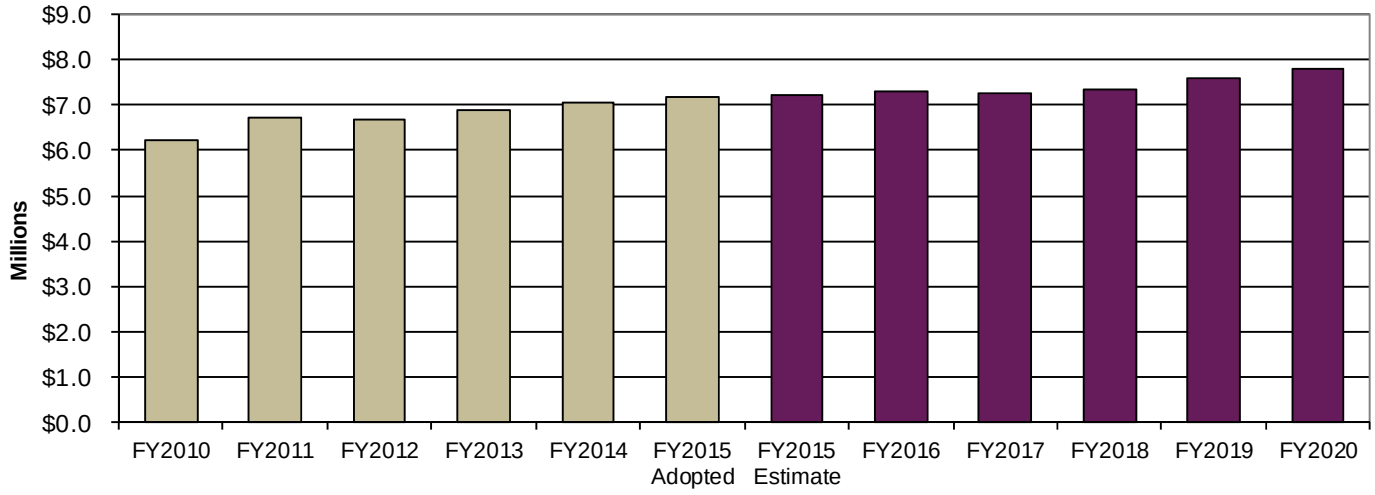
The main revenue source for the Sanitation Operations Fund is service/collection fees charged to users of the city of Surprise utility. The monthly service fee is charged on a per solid waste can basis. Other revenue is comprised of roll-off fees for commercial customers, sale of recycled materials,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



VARIOUS CAPITAL PROJECTS FUNDS
DEVELOPMENT IMPACT FEES

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

Description

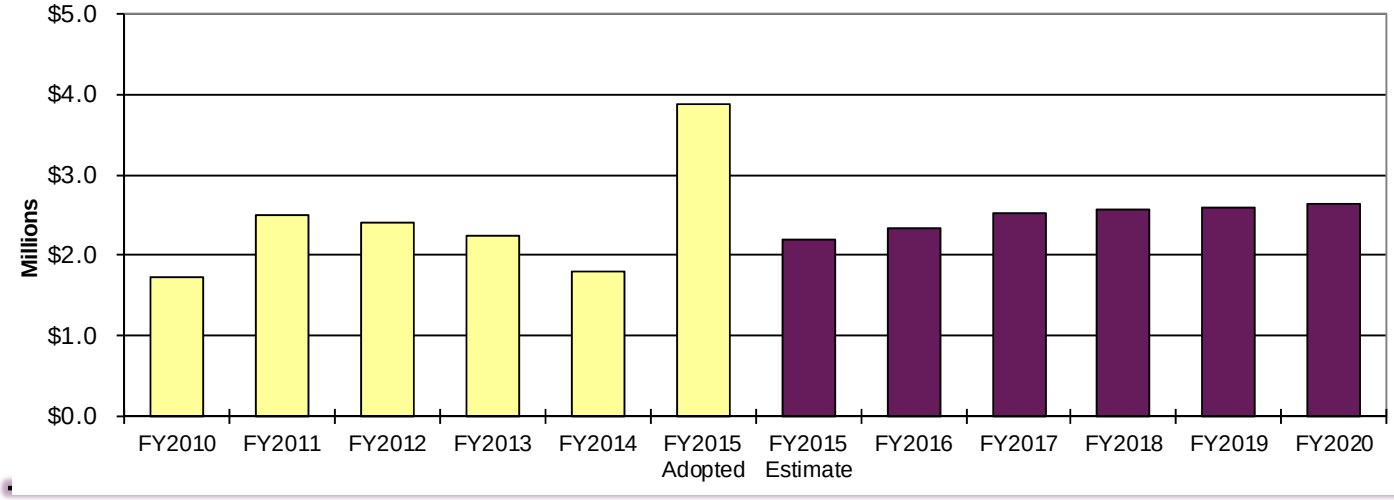
Development impact fees (DIF) are one time fees charged to developers to cover the cost of infrastructure needs due to new growth. Development impact fees are authorized under A.R.S. §9-463.05 and City Ordinance §109-48.

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
Caoital Project 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 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 of FY2015 the city will no longer collect fees for the public works, library, or roads of regional significance categories 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
Caoital Project DIF Revenue	**2,204,600**	**2,332,500**	**2,531,000**	**2,565,900**	**2,596,700**	**2,644,600**



VARIOUS ENTERPRISE FUNDS
DEVELOPMENT IMPACT FEES

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

Description

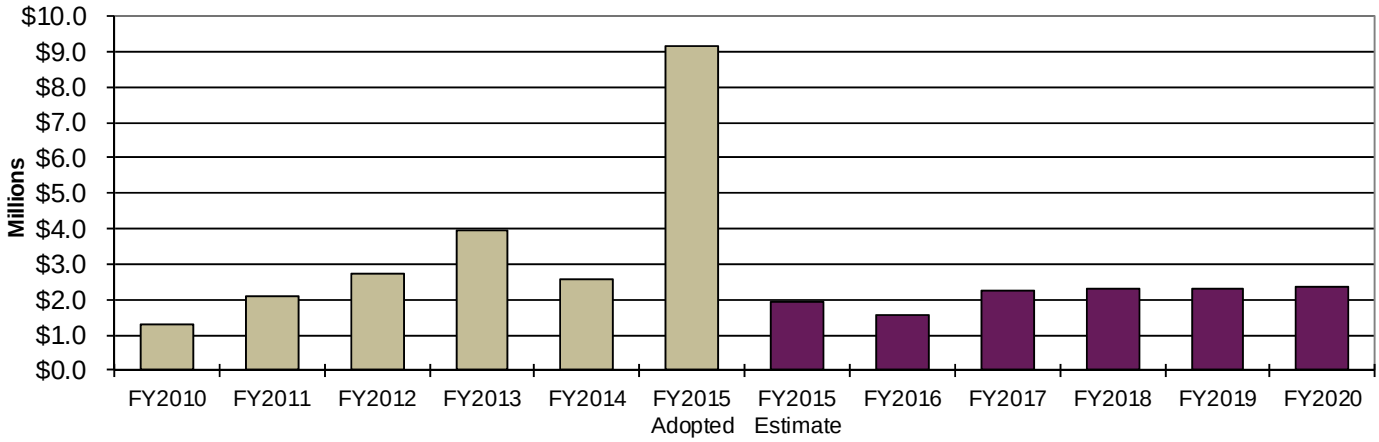
This source reflects one time development impact fees (DIF) charged to developers to recover costs associated with providing water and wastewater related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. These fees are specific 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 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**



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	90,794,800	3,611,400	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	329,100	9,148,900	3,552,400	63%
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	2,220,900	137,700	7%
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	2,093,200	(1,503,400)	(42%)
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	-

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**	**156,336,600**	**171,992,300**	**(2,224,700)**	**(1%)**
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	3,436,600	1,436,600	72%
General Government Dev Fees	101,296	0	727,600	0	0	-
Gov Construction	0	0	19,102,600	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**	**68,218,700**	**23,250,400**	**227,600**	**1%**
Grand Total	**170,634,969**	**197,239,800**	**224,555,300**	**195,242,700**	**(1,997,100)**	**(1%)**

SURPRISE ARIZONA

OPERATING SOURCES
Sources by Object

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	50,000	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	303,700	9,500	3%
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%

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	27,400	24,900	(18,100)	(42%)
Federal Grant Revenue	1,856,747	2,020,700	855,400	3,209,100	1,188,400	59%
Other Grant Revenue	23,637	5,281,000	0	8,634,900	3,353,900	64%
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	498,900	3,000	1%
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%)

SURPRISE ARIZONA

OPERATING SOURCES
Sources by Object

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**	**61,126,600**	**73,525,500**	**5,466,900**	**8%**
PROPERTY TAX						
Property Tax	8,500,498	8,898,300	8,844,900	9,166,800	268,500	3%
Property Tax Prior Years	69,734	0	48,900	0	0	-
Sub-Total Property Tax	**8,570,232**	**8,898,300**	**8,893,800**	**9,166,800**	**268,500**	**3%**
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%)**

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	50,293,500	9,471,700	6,398,300	208%
Sub-Total Transfers In	**19,793,092**	**23,022,800**	**68,218,700**	**23,250,400**	**227,600**	**1%**
Grand Total	**170,634,969**	**197,239,800**	**224,555,300**	**195,242,700**	**(1,997,100)**	**(1%)**

Operating Uses

- **Citywide Uses Summary**
- **Uses Forecast Detail**
- **Uses by Department**
- **Uses by Fund**
- **Uses by Object**

CITYWIDE OPERATING USES SUMMARY

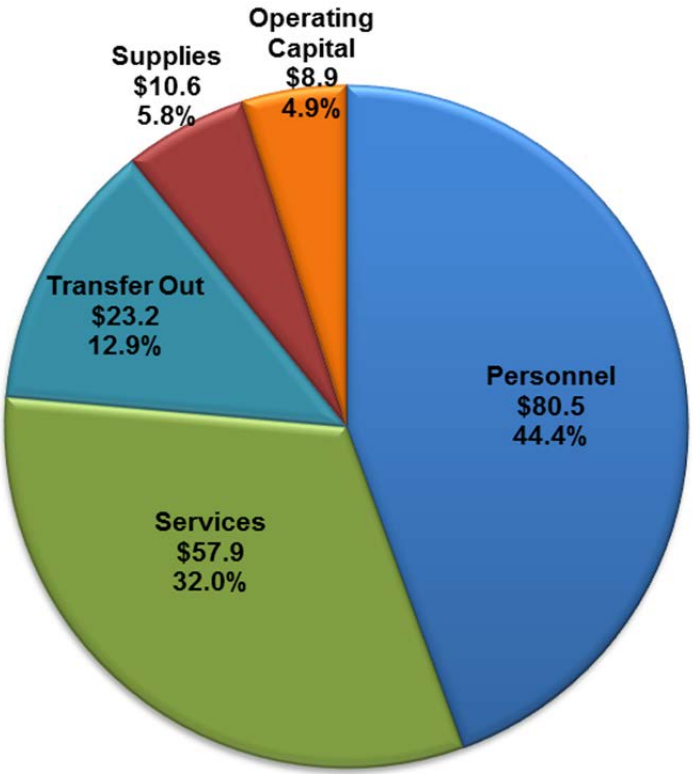
The operating uses forecast for fiscal year (FY) 2016 totals $181.1 million with $157.9 million in expenses and $23.2 million in transfers out. The operating uses are categorized into five major groups:

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

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

Personnel
For FY2016 personnel expenses are $80.5 million, or 44.4% of total uses. The increase over the 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 non-sworn 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 $57.9 million, or 32.0% 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.



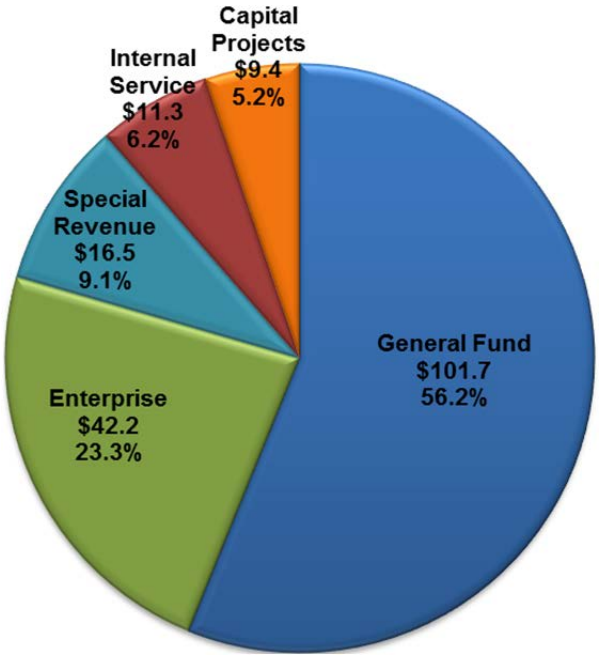
Supplies
For FY2016, the city is anticipating this line item to be unchanged for a total of $10.6 million, or 5.8% of total uses.

Operating Capital
The smallest category is operating capital, which is budgeted at $8.9 million or 4.9% of total operating uses. Operating capital includes items that are budgeted using a capital object code but may not meet the definition of a capital project. A capital project must cost at least $100,000 and have a useful life of at least three years. Capital improvement projects are not considered operating but are instead, presented in *Capital Improvement Plan* section of this budget document

Transfers Out
Scheduled transfers out for FY2016 total $23.2 million, or 12.9% of total uses. Interfund transfers are not appropriated, as these items represent movement of cash between various city funds. City Council, does however, approve the budgeted cash transfers when they approve the annual budget as is required by financial policy #22. Additional cash transfers that may be needed during the fiscal year must be approved by City Council before being completed.

OPERATING USES
Citywide Summary

Citywide Uses by Fund



General Fund
The primary operating fund of the city and any activity not accounted for in another fund is placed in the General Fund. This fund accounts for $101.7 million, or 56.2%, 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. These funds account for $42.1 million, or 23.2%, 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 $16.5 million, or 9.1%, of operating uses.

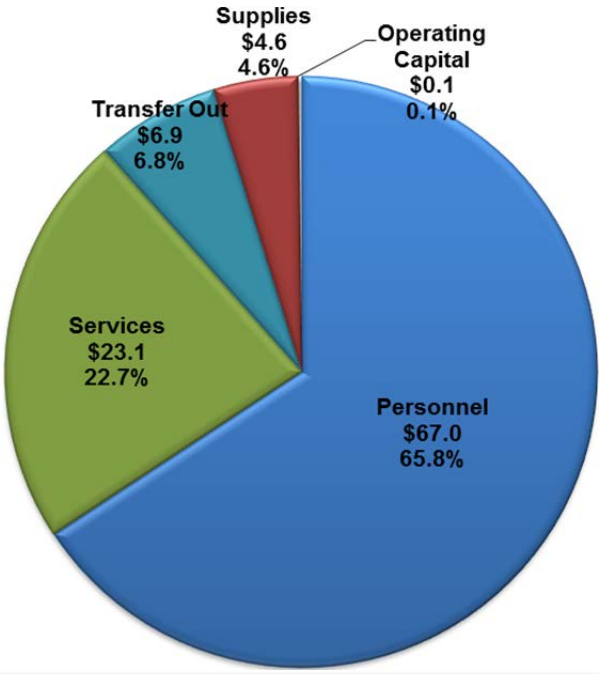
Internal Service Funds
These funds are used to report any activity that provides goods or services to other funds, departments, or divisions of the city, or to other governments, on a cost-reimbursement basis. The goal of an internal service fund is to measure the full cost of providing goods or services for fully recovering cost through fees or charges. The city has two internal service funds, Employee Healthcare and Risk Management. The Internal Service Funds account for $11.3 million, or 6.2%, of operating uses.

Capital Project Funds
These funds are used primarily to track the activities related to the collection and expenditure of funds dedicated to capital acquisition. These items in the category are operating expenses that are not included in a capital project, which are presented in the *Capital Improvement Plan* section. The Capital Project Funds account for $9.4 million, or 5.2%, of operating uses. Items include vehicle replacement and pavement preservation.

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.

The General Fund operating uses budget for fiscal year FY2016 is $101.7 million, an increase of $7.9 million or 8.4% over the FY2015 adopted budget. Increases in personnel, services, and transfers out accounted for $7.7 million of the total increase. Personnel increases were the result of adding a net 11 FTE as well as step plan, retirement contributions, and a 3% merit for existing staff.



Forecast of General Fund Operating Uses

The following pages present historical actuals, forecasted operating uses, and forecast assumptions for the General Fund account categories. Subsequent schedules breakdown the citywide operating uses by department, by fund, and then by object.

GENERAL FUND OPERATING USES

FY2015 Ongoing Estimate	FY2016 Ongoing Forecast	$ Ongoing Inc/(Dec)	% Ongoing Inc/(Dec)
88,487,100	96,665,600	8,178,500	9%

Description

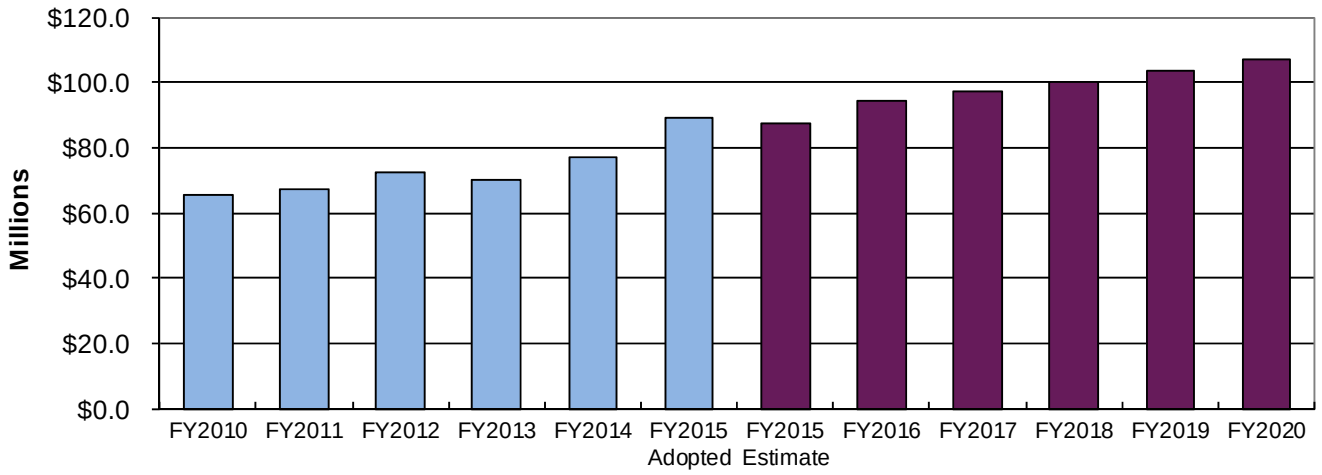
Operating expenditures are those used to provide core government services (e.g. police, fire, library, parks, etc.) and recorded in the General Fund. The General Fund is the primary operating fund of the city and is used to account for all financial uses not accounted for in the other funds.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Personnel	49,722,268	50,865,612	52,032,095	50,275,579	55,087,119	63,341,600
Supplies	3,414,372	3,917,036	4,190,671	3,864,579	4,087,846	4,527,500
Services	12,151,587	12,235,256	16,479,663	15,772,656	17,688,324	21,203,500
Operating Capital	501,160	142,944	54,597	48,008	158,787	40,800
Subtotal Operating Expenses	**65,789,387**	**67,160,849**	**72,757,026**	**69,960,823**	**77,022,076**	**89,113,400**
Transfers Out	5,145,291	6,645,717	1,716,048	-	-	1,000,000
Subtotal Ongoing Uses	**70,934,678**	**73,806,566**	**74,473,075**	**69,960,823**	**77,022,076**	**90,113,400**
Subtotal One Time Uses	**3,473,741**	**1,996,056**	**1,746,137**	**1,813,734**	**2,198,707**	**3,752,400**
Total Operating Uses	**74,408,419**	**75,802,622**	**76,219,212**	**71,774,556**	**79,220,783**	**93,865,800**

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
Personnel	62,001,900	67,029,600	69,325,800	71,889,500	74,494,500	77,218,700
Supplies	4,541,000	4,602,500	4,717,600	4,835,500	4,956,400	5,080,300
Services	20,903,400	22,470,900	23,032,700	23,608,500	24,198,700	24,803,700
Operating Capital	40,800	28,300	41,800	42,800	43,900	45,000
Subtotal Operating Expenses	**87,487,100**	**94,131,300**	**97,117,900**	**100,376,300**	**103,693,500**	**107,147,700**
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**	**96,665,600**	**99,652,200**	**102,910,600**	**106,227,800**	**109,682,000**
Total One Time Uses	**3,650,300**	**5,081,600**	**5,208,600**	**5,338,800**	**5,472,300**	**5,609,100**
Total Operating Uses	**92,137,400**	**101,747,200**	**104,860,800**	**108,249,400**	**111,700,100**	**115,291,100**



OPERATING USES
Uses Forecast Detail

SURPRISE ARIZONA

GENERAL FUND
PERSONNEL SERVICES

FY2015 Ongoing Estimate	FY2016 Ongoing Forecast	$ Ongoing Inc/(Dec)	% Ongoing Inc/(Dec)
62,001,900	67,029,600	5,027,700	8%

Description

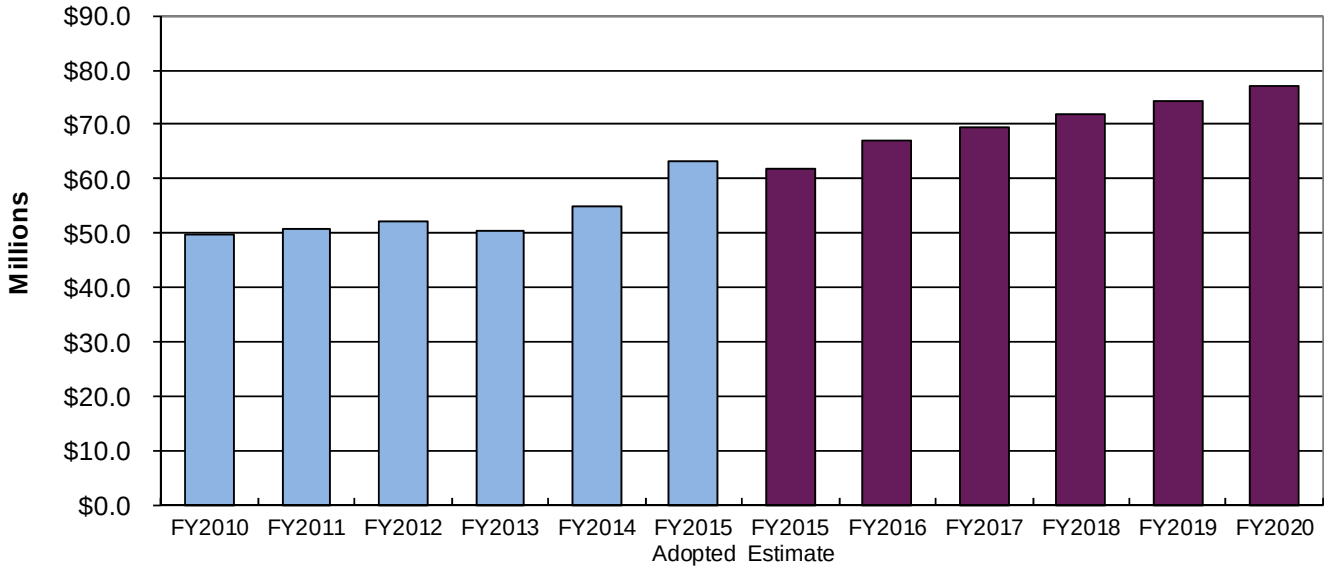
Personnel is used to record all personnel related expenditures including full time, part time, and overtime costs. Overtime expenses are applicable to hourly employees that work beyond their scheduled times. Benefits/Other consists of social security and Medicaid taxes, retirement, medical/dental/vision,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

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
FTEs	606.50	608.10	616.49	589.15	612.80	642.80
Full Time	36,335,763	35,628,361	36,610,802	35,039,302	37,583,175	43,376,600
Part Time	1,081,780	1,466,702	1,560,753	1,428,287	1,478,061	1,721,100
Overtime	971,971	1,495,477	1,327,063	1,015,774	1,567,505	1,332,100
Benefits/Other	11,332,754	12,275,072	12,533,477	12,792,217	14,458,378	16,911,800
One Time Personnel	121,037	9,960	11,086	11,086	15,153	(22,400)
Total Personnel Services	**49,843,305**	**50,875,572**	**52,043,181**	**50,286,665**	**55,102,272**	**63,319,200**

Forecast Assumptions

The personnel services forecast uses specific assumptions for the number of staff adds, salary increases, and an overall benefit rate. The rates are applied to the specific category and carried through for future years. One time personnel is typically associated with grants awarded to the city either in the form of a grant match with in the General Fund or a labor distribution that moves acceptable personnel related expense into the Grant and Contingency Fund.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
FTEs	642.80	653.30	654.30	654.30	654.30	654.30
Full Time	42,579,300	45,459,200	46,894,300	48,301,100	49,750,100	51,242,600
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	18,414,400	19,180,800	20,240,200	21,295,700	22,424,000
One Time Personnel	0	(49,000)	0	0	0	0
Total Personnel Services	**62,001,900**	**66,980,600**	**69,325,800**	**71,889,500**	**74,494,500**	**77,218,700**



GENERAL FUND
SUPPLIES

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

Description

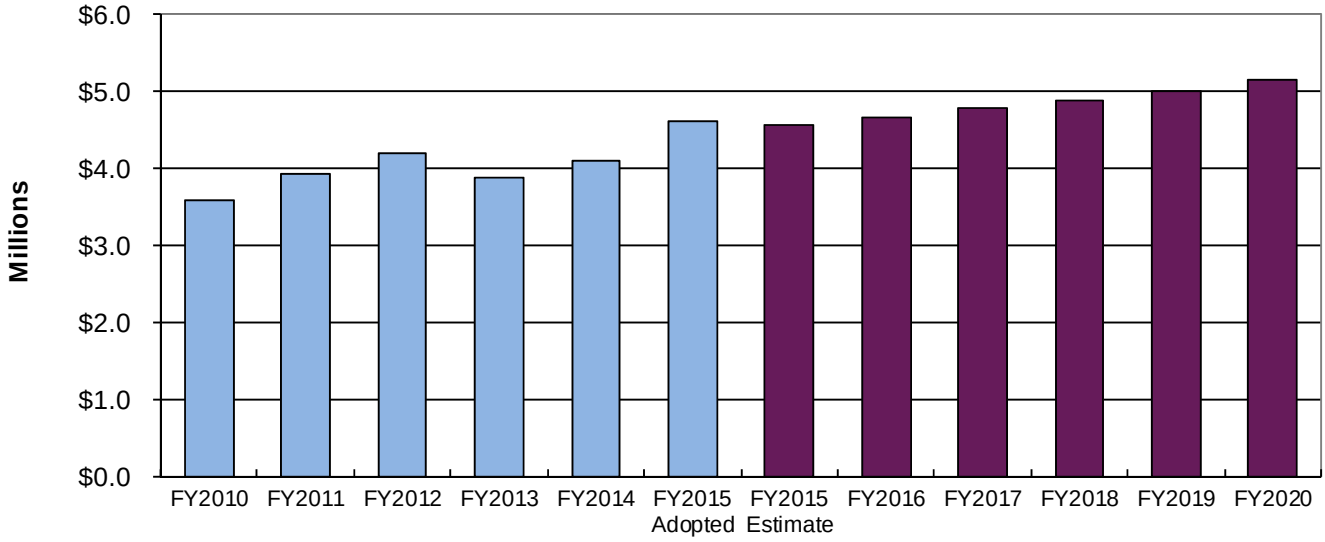
Supplies include expenditures for continuing the operations of the city. Examples of expenditures under this category include office and computer supplies, fuel, and postage.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Ongoing Supplies	3,414,372	3,917,036	4,190,671	3,864,579	4,087,846	4,527,500
One time Supplies	180,960	1,049	-	7,119	16,101	73,900
Total Supplies	**3,595,332**	**3,918,085**	**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% based in the Phoenix-Mesa area consumer price index 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**



OPERATING USES
Uses Forecast Detail

GENERAL FUND SERVICES	FY2015 Ongoing Estimate	FY2016 Ongoing Forecast	$ Ongoing Inc/(Dec)	% Ongoing Inc/(Dec)
	20,903,400	22,470,900	1,567,500	7%

Description

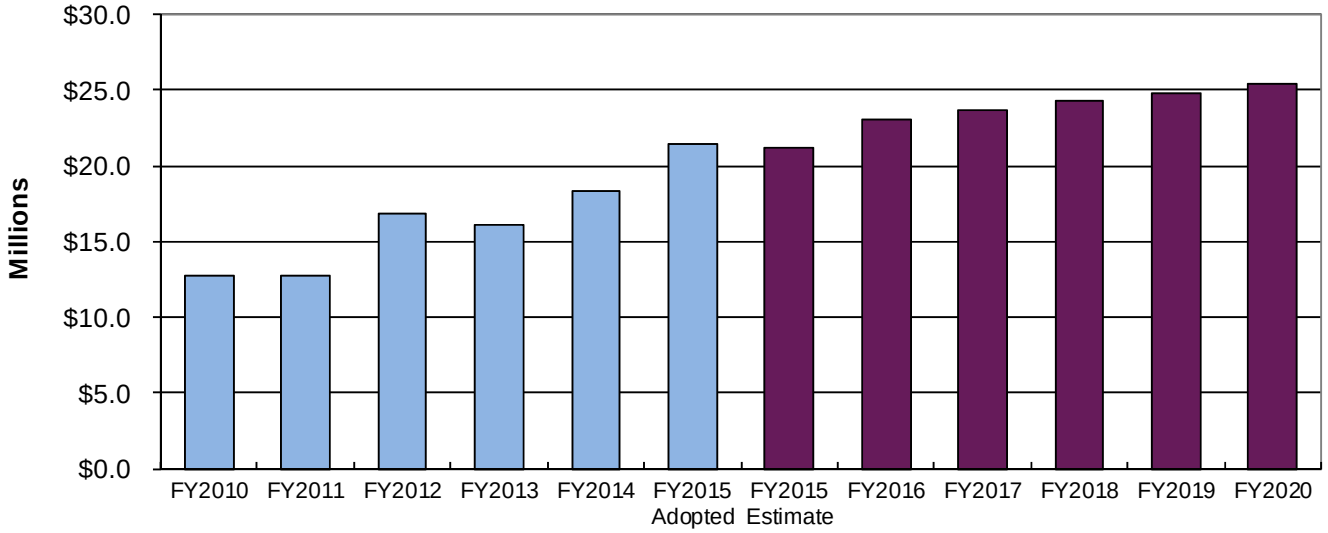
Utilities, service agreements, building maintenance, and general consulting services all fall under the services side of this category. In addition, developer agreements include contractual payments for various residential or commercial projects.

Actuals	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Adopted
Ongoing Services	12,151,587	12,235,256	16,479,663	15,772,656	17,688,324	21,203,500
One Time Services	529,606	451,878	99,797	259,735	587,767	186,900
Total Services	**12,681,193**	**12,701,127**	**16,828,859**	**16,059,937**	**18,337,269**	**21,390,400**

Forecast Assumptions

The forecast assumption for services includes applying an inflationary rate of 2.5% based on the Phoenix-Mesa area consumer price index for FY2017 - FY2020.

Forecast	FY2015 Estimate	FY2016	FY2017	FY2018	FY2019	FY2020
Ongoing Services	20,903,400	22,470,900	23,032,700	23,608,500	24,198,700	24,803,700
One Time Services	273,500	602,800	617,900	633,300	649,100	665,300
Total Services	**21,176,900**	**23,073,700**	**23,650,600**	**24,241,800**	**24,847,800**	**25,469,000**



GENERAL FUND TRANSFERS OUT

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

Description

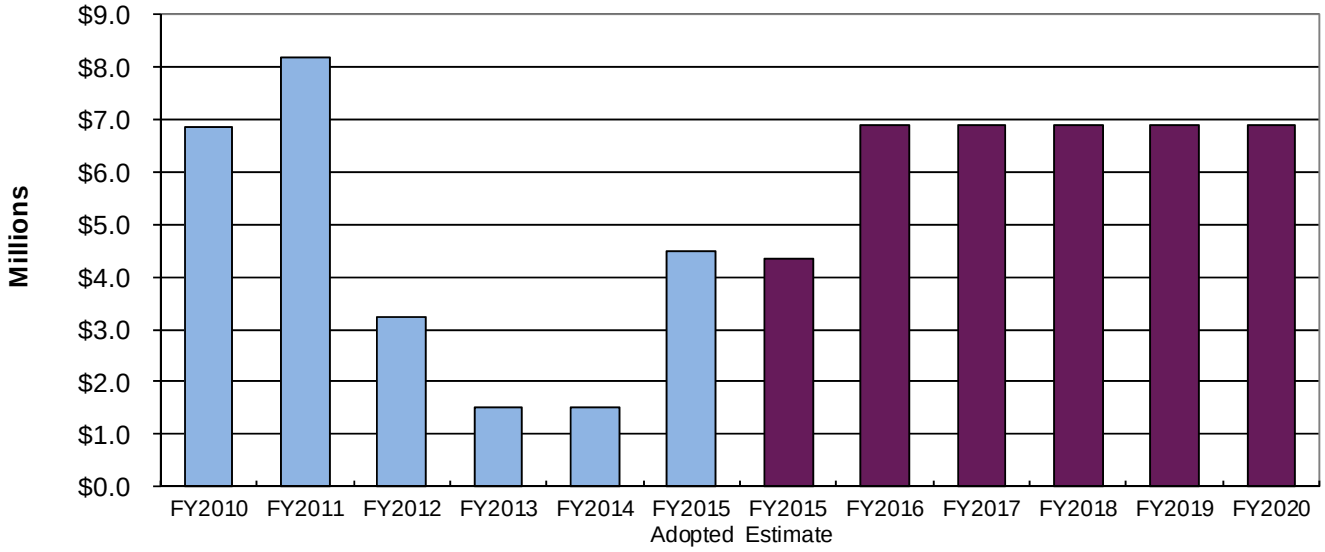
Interfund transfers represent a reallocation of resources between funds. This category includes transfers to the Vehicle Replacement Fund and the General Capital Fund to support as needed replacement of vehicles and maintenance, construction, or purchase of city assets. This category also includes transfers to cover a portion of MPC debt service payments.

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 General Fund subsidized a number of funds in FY2010 including the Campus Operations Fund; activity formerly tracked in this fund is now tracked withn the General Fund. The FY2011 transers included a transer to repay the Vehicle Replacement Fund for funds moved to the General Fund in FY2010 in order to meet the reserve policy. Transfers out of the General Fund in FY2013 and FY2014 were limited to the General Funds portion of the MPC debt service payments. An improving financial setting allowed for the return of transfers to the Vehicle Replacement Fund and General Capital Fund in FY2015 as well as increased amounts in FY2016. Additional items in FY2016 include a portion to subsidize pavement preservation and a slight increase to the MPC debt service payment due to the new issuance for clubhouse improvements. The forecast years FY2017 - FY2020 assume the FY2016 transfers will remain consistent.

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	4,347,000	4,347,000	4,347,000	4,347,000	4,347,000
Total Transfers Out	**4,350,500**	**6,881,300**	**6,881,300**	**6,881,300**	**6,881,300**	**6,881,300**



OPERATING USES
Uses by Department

Department	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
Operating						
Mayor & Council	388,180	404,300	371,600	378,400	(25,900)	(6%)
City Manager	2,091,609	8,216,200	8,698,400	2,707,700	(5,508,500)	(67%)
Legal	1,753,892	2,572,700	2,089,700	2,497,600	(75,100)	(3%)
City Clerk	572,790	504,600	446,200	459,500	(45,100)	(9%)
Finance	3,087,531	4,224,500	3,248,100	4,138,100	(86,400)	(2%)
Human Resources	12,083,987	13,296,800	13,668,500	13,472,200	175,400	1%
Information Services	4,018,682	4,870,900	4,095,400	4,225,200	(645,700)	(13%)
General Operations	1,230,351	3,982,700	2,567,100	4,770,500	787,800	20%
Economic Development	0	0	0	7,609,400	7,609,400	-
Community Development	8,657,602	6,178,100	5,103,800	4,149,700	(2,028,400)	(33%)
City Court	2,023,637	2,087,300	2,030,300	2,139,500	52,200	3%
Police	20,532,570	25,225,000	23,689,300	25,539,000	314,000	1%
Fire-Emergency Services	15,614,925	17,986,300	17,358,200	18,355,600	369,300	2%
Human Service and Community Vitality	0	0	0	3,425,000	3,425,000	-
Community and Recreation Services	14,897,291	16,803,000	16,334,400	16,642,300	(160,700)	(1%)
Public Works	16,545,497	21,362,400	18,467,400	20,971,100	(391,300)	(2%)
Water Services	6,526,475	7,686,900	7,275,600	7,793,300	106,400	1%
Wastewater Services	7,715,063	10,155,900	9,710,400	9,894,600	(261,300)	(3%)
Sanitation	6,259,941	7,223,900	5,993,100	8,694,700	1,470,800	20%
Sub-Total Operating	**124,000,023**	**152,781,500**	**141,147,500**	**157,863,400**	**5,081,900**	**3%**
Transfers Out						
Finance	(6)	0	0	0	0	-
General Operations	1,718,520	4,573,400	44,282,400	6,954,700	2,381,300	52%
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**	**68,218,700**	**23,250,400**	**227,600**	**1%**
Grand Total	**143,793,115**	**175,804,300**	**209,366,200**	**181,113,800**	**5,309,500**	**3%**

SURPRISE ARIZONA

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	87,786,900	94,865,900	5,500,100	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	329,100	869,000	304,000	54%
HALO	120,183	158,000	133,700	168,900	10,900	7%
HURF	5,382,771	8,596,800	8,364,200	7,786,600	(810,200)	(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	2,220,900	137,700	7%
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	218,000	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	1,056,600	(493,400)	(32%)
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	6,260,193	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	7,972,232	10,483,800	10,125,200	10,376,500	(107,300)	(1%)
Water Dev Fee	162,610	705,000	205,000	357,300	(347,700)	(49%)
Water Operations	6,391,597	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%)

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	**124,000,023**	**152,781,500**	**141,147,500**	**157,863,400**	**5,081,900**	**3%**
Transfers Out						
General	1,533,297	4,500,000	4,350,500	6,881,300	2,381,300	53%
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	34,279,700	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**	**68,218,700**	**23,250,400**	**227,600**	**1%**
Grand Total	**143,793,115**	**175,804,300**	**209,366,200**	**181,113,800**	**5,309,500**	**3%**

SURPRISE ARIZONA

OPERATING USES
Uses by Object

Category/Object	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change in Budget	% Change
PERSONNEL						
Full-Time Salaries	37,807,059	48,877,000	44,376,800	51,685,300	2,808,300	6%
Part-Time Employees (Reg)	1,533,764	1,777,200	1,762,600	1,791,600	14,400	1%
Overtime Compensation	1,815,209	2,059,700	1,959,400	2,085,700	26,000	1%
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	3,286,100	3,790,800	333,900	10%
Medical	6,770,618	7,967,800	7,475,300	8,137,700	169,900	2%
Dental	415,807	472,700	451,200	492,000	19,300	4%
Vision	64,554	69,500	66,900	69,300	(200)	0%
Life	183,410	215,200	212,000	228,200	13,000	6%
Deferred	16,007	34,100	13,900	17,100	(17,000)	(50%)
AZ State Retirement	3,117,806	3,764,300	3,476,400	4,024,000	259,700	7%
AZ Public Safety Retirement	2,734,592	3,515,900	3,279,600	4,178,900	663,000	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	177,700	177,700	-
Workers Compensations	1,053,658	1,066,800	1,097,700	1,167,500	100,700	9%
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**	**73,308,900**	**80,493,100**	**4,560,800**	**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	87,200	141,100	23,900	20%
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%

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	1,032,300	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	1,496,400	1,815,300	(642,300)	(26%)
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	78,300	80,800	9,500	13%
Special Event Hosting	226,436	249,200	255,300	269,600	20,400	8%
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	169,500	235,600	66,800	40%
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	59,800	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**	**10,150,000**	**10,590,000**	**(752,300)**	**(7%)**
SERVICES						
Dist. 1-Travel & Training Fund	636	0	0	0	0	-
Dist. 2-Travel & Training Fund	135	0	0	0	0	-

SURPRISE ARIZONA

OPERATING USES
Uses by Object

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	3,979,000	4,129,300	252,700	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	3,145,700	5,642,000	443,500	9%
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%

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	3,879,100	(592,300)	(13%)
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	475,300	485,000	4,800	1%
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	8,840,700	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	466,400	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	114,700	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%)

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**	**52,593,400**	**57,878,500**	**43,800**	**0%**
OPERATING CAPITAL						
Land	(244,143)	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	2,692,260	6,448,200	4,003,800	7,635,700	1,187,500	18%
Improvements To Vehicles	0	0	0	67,500	67,500	-
Mach. & Equipment	239,694	214,200	244,600	692,500	478,300	223%
Mineral/Water	(204,980)	0	0	0	0	-
Capital Interest	(227,743)	0	0	0	0	-
Sub-Total Operating Capital	**3,308,800**	**7,672,200**	**5,095,200**	**8,901,800**	**1,229,600**	**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	50,293,500	9,471,700	6,398,300	208%
Sub-Total Transfers Out	**19,793,092**	**23,022,800**	**68,218,700**	**23,250,400**	**227,600**	**1%**
Grand Total	**143,793,115**	**175,804,300**	**209,366,200**	**181,113,800**	**5,309,500**	**3%**

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Department Overview – General Government

- **Mayor and City Council**
- **City Manager's Office**
- **City Attorney**
- **City Clerk**
- **Finance**
- **Human Resources**
- **Information Technology**
- **General Operations**

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 a rate variance between the budgeted and actual elected official retirement contribution rate. For FY2015 the actual rate was 23.5% in accordance with state statute. However, due to outstanding litigation, a contibution rate of 39.5% was budgeted.
- Supplies increased due to staffs recommendation for Council's discretionary spending to returned to the amount specified by city policy.

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	86,024	77,800	63,700	77,800	0	0%
Sub-Total Operating Expenses	**388,180**	**404,300**	**371,600**	**378,400**	**(25,900)**	**(6%)**
One-Time Uses Included Above	0	0	0	0		

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**	**-**

Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	388,180	404,300	371,600	378,400	(25,900)	(6%)
Total Uses	**388,180**	**404,300**	**371,600**	**378,400**	**(25,900)**	**(6%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
General Operations	7.0	7.0	7.0	7.0	0.0
Total Personnel	**7.0**	**7.0**	**7.0**	**7.0**	**0.0**

Elements of the City Council Strategic Plan

- 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.
- 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.

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	388,180	404,300	371,600	378,400	(25,900)	(6%)
Total Uses	**388,180**	**404,300**	**371,600**	**378,400**	**(25,900)**	**(6%)**

Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	265	0	0	0	0	-
Total Sources	**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. In FY2016, the Economic Development division will move from the City Manager's Office to it's own department.

Major Budget Changes

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

- Personnel decreased 9% primarily due to:
  - The Economic Development and Human Service and Community Vitality Departments were established transferring all related expenses out of the City's Manager's Department.
  - The decrease is partially offset by a new communication specialist position which was added to support growing day-to-day updates to city websites.
  - Merit increases which will be granted to general pay plan employees who meet expectations also partially offset the decrease in the personnel budget.
- Supplies decreased 50% primarily due to:
  - The Economic Development and Human Service and Community Vitality Departments were established transferring all related expenses out of the City's Manager's Department.
- Services decreased 91% primarily due to:
  - The creation of Economic Development, which had a $5.1 million services budget, as a separate department.
- Operating capital decreased by 100% primarily due to:
  - The budget for operating capital decreased due to one time funding primarily for audio/video equipment and storage within the Communications Division and a start up room in the TechCelerator in FY2015 which was not carried over to FY2016.
- Operating sources decreased by 45% primarily due to:
  - Sales tax audits being conducted at the state level rather than the local level as part of the transaction privilege tax simplification process.
  - Revenue associated with the TechCelerator continuing to be recognized under Economic Development which will be a separate department starting in FY2016.

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	2,162,200	(222,700)	(9%)
Supplies	48,893	100,200	95,000	50,500	(49,700)	(50%)
Services	396,116	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	**2,091,609**	**8,216,200**	**8,698,400**	**2,707,700**	**(5,508,500)**	**(67%)**
One-Time Uses Included Above	73,223	115,600	50,000	17,600		

DEPARTMENT OVERVIEW
City Manager's Office

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 — This division is 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. The audit function provides independent, reliable, accurate, and timely information to city management for the purpose of identifying opportunities to minimize risks, and strengthen internal controls as well as public accountability. The youth services function provides extensive professional assistance, project management, and recommendations on youth-related issues, programs, initiatives and services. The division also provides oversight of the plans and activities of the Surprise Youth Council and works to establish partnerships for serving youth with citizens, city departments, schools, and nonprofit agencies.

Intergovernmental Relations — This division develops, supports, and advances local and regional strategic priorities through high value partnerships with community, regional, and government organizations.

Communications — This division engages and informs Surprise residents of activities and issues; achieves a positive image of Surprise as a responsive, open government, and a community of connection and opportunity; promotes the advancement of the city of Surprise Strategic Plan; assists and advises city departments and management in their communication needs; and supervises internal employee communications.

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	322,600	(154,700)	(32%)
Economic Development	0	5,683,700	5,902,100	0	(5,683,700)	(100%)
Internal Audit	76	0	0	0	0	-
Communications	916,753	1,012,400	972,200	1,044,500	32,100	3%
Total Uses	**2,091,609**	**8,216,200**	**8,698,400**	**2,707,700**	**(5,508,500)**	**(67%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**13.2**	**15.2**	**21.1**	**18.2**	**(2.9)**

Accomplishments, Enhancements, and Efficiencies

- Resident communication was enhanced with a redesigned Progress Magazine (more modern look, added youth/arts pages).
- Resident involvement in state, regional, and federal issues was enhanced and expanded.
- Council's constituent outreach was supported with new/detailed web sites for Council Members and new Mayor/Council columns in Progress Magazine.

- Web support was increased to better manage demand and begin a process to redesign and streamline the city web site.
- The Communications Standard Operating Policies and Procedures was revised and enhanced.
- Economic Development initiatives were supported with the creation of a unified look/design for brochures/collateral.
- The accountability of the strategic plan was enhanced with specific goals and strategies.
- A budget which prioritized programs, services, capital projects, and asset replacement was developed.
- Intergovernmental Relations was successfully transitioned to Deputy City Manager of Government and Community Partnerships, increasing the scope of support for partner initiatives and community and regional priorities.
- A Citywide Risk Assessment was developed for use in generating future annual audit plans.
- The Surprise Youth Council was established consisting of 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 will improve with the direct implementation and reporting of the National Citizen Survey (last conducted in 2012).
- Surpriseaz.gov will be redesigned and modernized for mobile functionality and streamlined for ease of use.
- The level of activity and engagement among youth and all Surprise residents will continue to improve.
- The Economic Development Reimbursement Authority proposal will be successfully promoted at the local and state level.
- Existing strategic partnerships in the community and at the state/federal levels will be enhanced and new partnerships will be developed.

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	2,041,609	7,044,400	7,917,100	2,703,300	(4,341,100)	(62%)
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	**2,091,609**	**8,216,200**	**8,698,400**	**2,707,700**	**(5,508,500)**	**(67%)**

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 Sources	**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 department 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 3% from the FY2015 budget.

- Personnel increased 1% primarily due to:
  - Merit increases will be granted to general pay plan employees who meet expectations.
  - A legal analyst position was added in FY2015 as a result of salary savings available within the department's budget.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies increased 38% primarily due to:
  - The budget for furniture, fixtures, and equipment was increased to purchase rolling file cabinets.
  - The budget for meeting supplies was increased for 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:
  - The budget for postage and mailings was decreased based on trends and estimated needs.
  - The budget for office equipment maintenance was decreased as this expense has not occurred historically.
  - Decreases are partially offset by an increase in annual bar dues for one city attorney, an increase in shredding service due to improvements in file maintenance, and an increase in printing service based on trends and estimated needs.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	1,611,113	1,873,200	1,809,500	1,893,100	19,900	1%
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**	**2,089,700**	**2,497,600**	**(75,100)**	**(3%)**
One-Time Uses Included Above	36,698	567,100	166,500	434,000		

Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	32,914	67,100	51,500	78,000	10,900	16%
Sub-Total Operating Revenue	**32,914**	**67,100**	**51,500**	**78,000**	**10,900**	**16%**

Divisions

General Operations (Civil) — This 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 — This 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.

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	861,600	880,600	(34,300)	(4%)
Total Uses	**1,753,892**	**2,572,700**	**2,089,700**	**2,497,600**	**(75,100)**	**(3%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
General Operations	7.0	7.0	7.0	8.0	1.0
Criminal	7.0	7.0	8.0	8.0	0.0
Total Personnel	**14.0**	**14.0**	**15.0**	**16.0**	**1.0**

Accomplishments, Enhancements, and Efficiencies

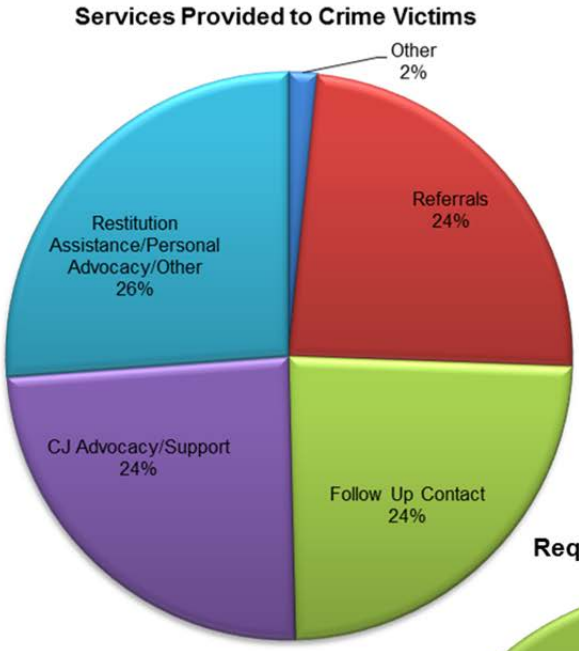
- Clients at all levels within the organization were provided with timely and effective legal services.
- A total of 477 formal requests for service from March 2014 through February 2015 were provided. Some of the services provided were 215 contracts and seven code amendments, including boards and commissions.
- The victim services program aimed at improving services to victims of crime in the city was continued throughout the year. Services were provided to 544 victims from March 2014 through February 2015. Direct services were provided to 1,169 crime victims.
- Effective prosecutorial services were provided 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".

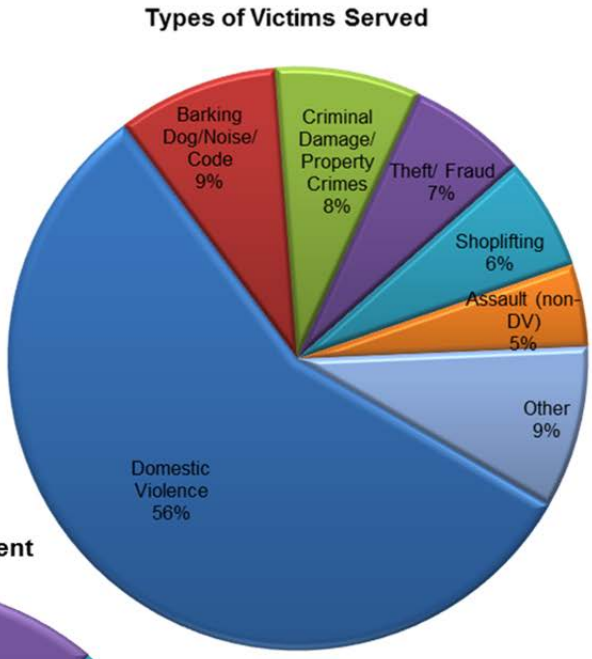
Major Initiatives and Policy Issues

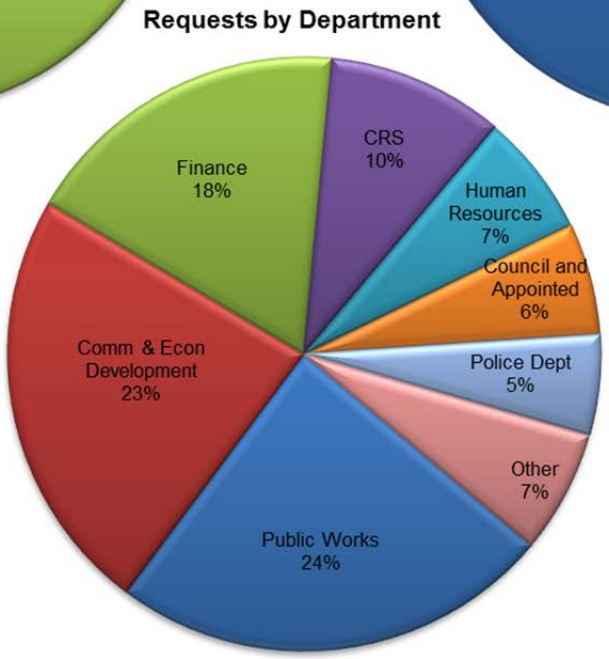
- The department seeks to provide effective, timely, and professional legal representation to the city and its Mayor, Council, appointed officials, and employees acting within the scope of their employment.
- The Victim Services Program (VSP) provides education, resources, notification, and direct support 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.

DEPARTMENT OVERVIEW
City Attorney

Goals, Objectives, and Performance Measures







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	2,034,600	29,000	1%
General Capital	0	500,000	115,000	385,000	(115,000)	(23%)
Grants And Contingency	32,914	67,100	51,500	78,000	10,900	16%
Total Uses	**1,753,892**	**2,572,700**	**2,089,700**	**2,497,600**	**(75,100)**	**(3%)**

Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Grants And Contingency	32,914	67,100	51,500	78,000	10,900	16%
Total Sources	**32,914**	**67,100**	**51,500**	**78,000**	**10,900**	**16%**

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% primarily due to:
  - Merit increases will be granted to general pay plan employees who meet expectations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies decreased by 25% primarily due to:
  - The budget for meeting supplies decreased to better align the budget with historical expenses.
  - The budget for furniture, fixtures, and equipment decreased due to one-time funding in FY2015 which was not carried over to FY2016.
- Services decreased by 63% primarily due to:
  - The budget for election process advertising decreased to coincide with a non-election year.
  - The budget for publicity pamphlet printing decreased to coincide with a non-election year.
  - Decreases are partially offset by a $5,000 annual microfilming service.

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%)**
One-Time Uses Included Above	986	0	2,000	0		

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%**

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%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
General Operations	4.0	4.0	4.0	4.0	0.0
Total Personnel	**4.0**	**4.0**	**4.0**	**4.0**	**0.0**

DEPARTMENT OVERVIEW
City Clerk

Accomplishments, Enhancements, and Efficiencies

- The Surprise Women's Heritage Trail plaques are complete and all 15 were installed by mid 2014.
- The Nick Bacon Memorial Plaque and event was completed on Veteran's Day 2014.
- Session was held 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 High School student and is being used on all election literature.
- The Essential Records Project mandated by the Arizona State Library and Archives Division was completed ahead of deadline in November 2014. This project affected all city departments.

Major Initiatives and Policy Issues

- Work continues on archiving historical documents collected from research for the history book.
- Changes to records retention through the Arizona State Library and Archives remain current.
- A working group to analyze records retention and document management needs citywide will be established.
- A spreadsheet will be created and maintained for boards/commissions vacancies and a web-based program is in process to notify the public of vacancies and other updates.
- A procedures manual was created and implemented in June 2014.
- An ongoing major records retention and destruction project remains in effect.

Goals, Objectives, and Performance Measures

Department Goal	The department will provide timely public access to city information.				
Objective	The objective is to provide efficient communication of city related information and data and effective management of the 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 all Mayor and Council, boards and commissions	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 requests completed in 3-5 days	90%	92%	95%	95%	95%
Agreements (new in FY2014)		212	150	112	120
Resolutions (new in FY2014)		88	80	77	80
Ordinances (new in FY2014)		11	9	9	10
Liquor licenses (new in FY2014)		10	10	8	10
Records retention/boxes destroyed (new in FY2014)		10	10	2	2

Department Goal	The department will ensure citizen access to the elective process.				
Objective	The objective is to increase registered voters, ballots cast, and the 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-wide election	30%	30%	No Election Scheduled	No Election Scheduled	40%

Department Goal	The department will continue to memorialize and archive the city's history.				
Objective	The objective is to 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

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%)**

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

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, budget development, and fiscal management of grants. The department's stakeholders include, but are not limited to, residents, City Council, other departments, and outside entities.

Mission Statement

The 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 Payroll Division was moved to the Human Resources Department transferring all related expenses out of the Finance Department.
  - The decrease is partially offset by merit increases which will be granted to general pay plan employees who meet expectations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies increased 15% primarily due to trends and anticipated needs.

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	2,857,000	(95,500)	(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**	**4,138,100**	**(86,400)**	**(2%)**
Transfers Out	(6)	0	0	0	0	-
Total Uses	**3,087,525**	**4,224,500**	**3,248,100**	**4,138,100**	**(86,400)**	**(2%)**
One-Time Uses Included Above	10,826	250,000	0	257,000		

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 — This division is primarily responsible for department oversight, strategic planning, and policy development.

Accounting	This 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.
Revenue (Tax and License)	This division is responsible for issuing business licenses, managing the cashiering and accounts receivable functions of the city, tracking and auditing transaction privilege tax, and providing investment oversight and reporting.
Budget and Management	This 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.
Purchasing and Materials Management	This division is responsible for managing the contract and procurement services of the city.

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	1,129,600	1,129,600	-
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	650,700	650,700	-
Purch. & Mats. Manangement	0	0	0	517,100	517,100	-
Total Uses	**3,087,525**	**4,224,500**	**3,248,100**	**4,138,100**	**(86,400)**	**(2%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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	9.0
Revenue (Tax & License)	4.0	4.0	6.0	6.0	0.0
Budget & Management	0.0	0.0	0.0	5.0	5.0
Purch. & Mats. Manangement	0.0	0.0	0.0	4.0	4.0
Total Personnel	**26.0**	**26.5**	**30.2**	**27.3**	**(2.9)**

DEPARTMENT OVERVIEW
Finance

Accomplishments, Enhancements, and Efficiencies

- The city's rating increase from Fitch Rating Inc. was upgraded to A- from A for the $50.7 million wastewater development fee bonds, series 2007.
- A bond defeasance was performed saving the city $800,000 over the life of the bond.
- Internal controls were improved for cash procedures and cash handling training was implemented.
- More solicitations were processed in the first six months of the fiscal year than all of last year and the 457 defined contribution plan administration and record keeping contract was rebid, saving participants $164,000 annually in reduced fees.

Major Initiatives and Policy Issues

- The replacement of the city's current financial software system will begin.
- Current citywide financial related policies and procedures will be identified, updated, and enhanced to ensure financial accountability and sound practices.
- A plan for funding of long term capital projects will be developed.

Goals, Objectives, and Performance Measures

Department Goal	The department will effectively administer the stewardship of public resources through responsible fiscal management and planning.				
Objective	The objective is to 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%

Department Goal	The department will effectively administer the stewardship of public resources through responsible fiscal management and planning.				
Objective	The objective is to 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%

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	3,888,100	(86,400)	(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**	**4,138,100**	**(86,400)**	**(2%)**

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 Sources	**899,704**	**931,800**	**855,100**	**514,900**	**(416,900)**	**(45%)**

HUMAN RESOURCES

Department Description

The Human Resources Department (HR) 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 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 focuses activities and provides guidance to management, supervisors, and employees in these target areas to achieve operational consistency, excellence, and legal compliance.

Mission Statement

The mission of the 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 30% primarily due to:
  - The Payroll Division was moved from the Finance Department transferring three positions and all related expenses to the Human Resources Department.
  - Merit increases will be granted to general pay plan employees that meet expectations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies increased 2% primarily due to trends and anticipated needs.
- Services decreased 2% primarily due to:
  - There were less expenditures than anticipated related to the Affordable Care Act (ACA) in the Employee Healthcare Fund.

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	1,827,500	418,400	30%
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**	**13,472,200**	**175,400**	**1%**
One-Time Uses Included Above	4,540	0	0	0		

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%**

Divisions

Administration — 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.

Administrative Services (Healthcare) — This division is budgeted primarily within the Employee Healthcare Fund which is an internal service fund established to provide health insurance claims, plan administration, stop loss premiums, and fund reserves citywide. The costs of these services are charged directly back to the appropriate funds. The employee health insurance fund is managed by the Health Benefits Trust Board.

Payroll — The payroll division is responsible for processing all city employee's payroll.

Risk Management — This division provides general liability and workers compensation insurance coverage as well as risk management, loss control, and safety programs citywide. The Risk Management division is budgeted within the Risk Management Fund and operates as an internal service fund of the city. The costs of these services are charged directly back to appropriate funds.

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	1,876,500	124,600	7%
Administrative Services	9,179,266	9,949,100	10,280,300	9,697,600	(251,500)	(3%)
Payroll	0	0	0	281,500	281,500	-
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**	**13,472,200**	**175,400**	**1%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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	3.0
Risk Management	2.0	2.0	2.0	2.0	0.0
Total Personnel	**13.0**	**13.0**	**14.0**	**18.0**	**4.0**

Accomplishments, Enhancements, and Efficiencies

- Oversight of leave management and Americans with Disability Act (ADA) was consolidated.
- Payroll was integrated within the department. As part of this effort, procedures and control measures were improved to increase control for audit purposes.
- Implementation and administration of classification and compensation system was completed.
- In coordination with the Public Works Department, the management partners study including department re-organization, staff recruitments, position reclassifications, equity adjustments, etc. was successfully managed and implemented.
- Executive recruitment for multiple positions and executive organizational restructure was managed.

Major Initiatives and Policy Issues

- Research and analysis will be conducted to assess funding, staff and information technology requirements to implement self-insurance for worker's compensation, general liability, and property liability.
- A culture of safety will be promoted by creating awareness and recognizing employee groups who demonstrate safe work practices.

- Continue collaboration with the Information Technology Department and Finance Department to determine enhancements to existing human resource information system and other support software to improve operational efficiencies.
- Workforce planning will be implemented 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) will be completed.

Goals, Objectives, and Performance Measures

Department Goal	The department will achieve excellence in customer service.				
Objective	The objective is to 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	3,650	3,550
Customer overall satisfaction rating with HR excellent or good	98%	98%	95%	98%	95%

Department Goal	The department will provide employee and organizational training and development opportunities.				
Objective	The objective is to 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	97/1,824	66/1,855	30/1,600	51/1,200	36/1,000
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	The department will contribute to cost containment measures by continuing wellness program initiatives.				
Objective	The objective is to 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	The department will ensure the city's healthcare plan remains compliant with federal healthcare reform through 2018.				
Objective	The objective is to adhere to applicable compliance laws and 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

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	2,158,000	406,100	23%
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**	**13,472,200**	**175,400**	**1%**

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 Sources	**11,269,347**	**11,694,000**	**11,933,500**	**11,756,900**	**62,900**	**1%**

INFORMATION TECHNOLOGY

Department Description

The Information Technology Department is the city's centralized department responsible for providing strategic technology direction. Staff is highly skilled in operations, networking, application development, information security, and geographic information systems (GIS). The 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

The department 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; and
• Maintain the highest level of protection of information technology assets and reduce overall threats.

Major Budget Changes

The overall FY2016 operating budget decreased by 13% from the FY2015 budget.

- Personnel decreased 12% primarily due to:
  - The Surveying program and two FTEs was moved to the Public Works Department and the Land Acquisition program and three FTEs were moved to the Community Development Department transferring all related expenses out of the Information Technology Department.
  - The decrease is partially offset by the addition of one new GIS Manager position to replace staffing that was moved to Community Development during FY2015 and merit increases for general pay plan employees who meet expectations.
  - Two positions were added to the Information Technology Division for FY2016. An Operations Manager position and a Sr. Financial Management Analyst position are funded through the Capital Improvement Plan and do not have a direct effect on the operating budget. These two positions were added to facilitate the implementation of the enterprise resource planning system (ERP).
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- 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 was not carried over to FY2016.
  - The Surveying program was moved to the Public Works Department and the Land Acquisition program was moved to the Community Development Department transferring all related expenses out of the Information Technology Department.
  - Funding in the amount of $5,100 was moved from furniture, fixtures, and equipment to areas of need within the services category.
  - The decrease is partially offset by a one-time phone and computer purchase for the new GIS Manager position.
- Services decreased 3% primarily due to:
  - The Surveying program was moved to the Public Works Department and the Land Acquisition program was moved to the Community Development Department transferring all related expenses out of the Information Technology Department.
  - The budget for services decreased due to one-time funding in the amount of $30,000 for software licensing in FY2015 which was not carried over to FY2016.
  - The decrease is partially offset by a shift of the supplies budget to areas of need within the services category.

- Operating capital decreased 41% due to:
  - One-time funding in FY2015 for furniture, fixtures, and equipment was not carried over to FY2016.

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	2,281,000	(305,700)	(12%)
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**	**4,225,200**	**(645,700)**	**(13%)**
One-Time Uses Included Above	0	286,100	266,500	3,900		

Divisions

Information Technology — This division provides centralized information technology services required by all city departments. This includes technical support for desktops, phones, hardware requests, network infrastructure, and data center operations; mitigates risk for loss of information, investigations, security education, cyber security, physical security and audits. Provides application services to include: enterprise resource planning, application/database support (design, development, implementation, integration, and maintenance), e-services for the public and project management.

Geographical Information Systems (GIS) — This division provides a centrally located enterprise GIS for all city departments. GIS establishes and maintains in a digital geospatial format all water, sewer, storm, reclamation, streets, parcels, city fiber optics, and signage infrastructure/assets. GIS also establishes and maintains all addresses and street names for Surprise providing an automated address lookup for many of Surprises' applications.

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	3,532,700	(171,900)	(5%)
Total Uses	**4,018,682**	**4,870,900**	**4,095,400**	**4,225,200**	**(645,700)**	**(13%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**24.0**	**24.0**	**25.0**	**23.0**	**(2.0)**

Accomplishments, Enhancements, and Efficiencies

- The ERP Vendor Selection and Phase 1 project plan has been completed.
- The Payment Card Industry (PCI) gap assessment and PCI/Health Insurance Privacy and Portability Act (HIPPA) security compliance policies have been completed.
- The Network and Telephony upgrades have been completed.
- Physical and cyber security throughout the city has been enhanced.
- Data integration and data warehousing of existing systems to provide improved business analytics has been completed.

DEPARTMENT OVERVIEW
Information Technology

SURPRISE ARIZONA

Major Initiatives and Policy Issues

- ERP Phase 1 Implementation will begin.
- Remote access for telecommuting will be enhanced.
- Asset replacement and technology refresh will continue.
- Data security and compliance will continue to be analyzed and identified.
- An enterprise document management solution will continue to be analyzed and identified.

Goals, Objectives, and Performance Measures

Department Goal	The department will provide effective and efficient information technology support and improve city services by maintaining reliable up to date technology and ensuring those technologies are highly available, recoverable, and the integrity of data is maintained.				
Objective	The objective is to integrate new technologies, replace obsolete equipment/services/systems, and limit risks and negative impacts to existing systems.				
Council Strategic Plan Element	Economic Development				
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	The department will update the GIS service.				
Objective	The objective is to develop and implement an accurate, comprehensive, and up-to-date geographic information system in order to improve department efficiency and decision processes.				
Council Strategic Plan Element	Economic Development				
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

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	4,225,200	(395,700)	(9%)
General Capital	0	250,000	250,000	0	(250,000)	(100%)
Total Uses	**4,018,682**	**4,870,900**	**4,095,400**	**4,225,200**	**(645,700)**	**(13%)**

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.

Major Budget Changes

The overall FY2016 operating budget increased by 37% over the FY2015 budget.

- Services increased by 8,510% primarily due to:
  - An administration fee payable to the Arizona Department of Revenue related to Transaction Privilege Tax (TPT) simplification was established. 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% primarily due to:
  - Vehicle replacement increased, including $820,000 in FY2015 funding that will be carried forward to FY2016.
- Transfers out of the General Fund increased by 52% primarily due to:
  - A one time transfer of $910,400 was added to the ongoing Vehicle Replacement Fund transfer to help cover the cost of vehicle replacement needs.
  - The transfer to the General Capital Fund increased to help cover the cost of essential asset replacement in the Communications, Information Technology, Community and Recreation Services, Public Works and Police Departments. An additional one time transfer of $671,600 was added to reinforce Council's commitment to pavement preservation.

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	44,282,400	6,954,700	2,381,300	52%
Total Uses	**2,948,871**	**8,556,100**	**46,849,500**	**11,725,200**	**3,169,100**	**37%**
One-Time Uses Included Above	1,548,327	3,924,800	45,587,800	8,859,200		

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	9,514,800	3,438,800	57%
Property Tax	6,340,641	6,513,600	6,513,600	6,750,200	236,600	4%
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**	**93,478,800**	**4,110,100**	**5%**
Transfers In	17,938,624	22,022,800	56,319,900	18,199,100	(3,823,700)	(17%)
Total Sources	**96,115,582**	**111,391,500**	**138,782,800**	**111,677,900**	**286,400**	**0%**

DEPARTMENT OVERVIEW
General Operations

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	7,136,600	2,636,600	59%
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	34,279,700	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	-
Community Facilities Districts	56,505	0	0	0	0	-
Total Uses	**2,948,871**	**8,556,100**	**46,849,500**	**11,725,200**	**3,169,100**	**37%**

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	86,720,500	4,417,800	5%
General Capital	2,152,491	5,210,200	5,138,200	5,004,100	(206,100)	(4%)
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	8,279,900	3,279,900	66%
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	19,102,600	0	0	-
Community Facilities Districts	53,199	0	0	0	0	-
Total Sources	**96,115,582**	**111,391,500**	**138,782,800**	**111,677,900**	**286,400**	**0%**

Department Overview – Community Development

- **Community Development**
- **Economic Development**

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 8% primarily due to:
  - Five total positions and related expenses were moved out of the Community Development Department. The Neighborhood Services Division and its four FTEs were moved to the Human Service and Community Vitality Department. Additionally, a position that functioned as both Assistant City Manager and Community Development Director was moved to the City Manager's Office and now solely functions as Assistant City Manager.
  - The decrease was partially offset by the addition of one position and the shifting of four other positions into the Community Development Department during FY2015. A new Community Development Director was added in September. The department received three positions from the Land Acquisition program within Information Technology and a Senior Services Supervisor from Community and Recreation Services was reclassified into a Current Planning Manager during FY2015.
  - The vacant Current Planning Manager position mentioned above being eliminated late in the budget process as part of the department's reorganization plan.
  - The decrease is also partially offset by merit increases which will be granted to general pay plan employees who meet expectations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies decreased 44% primarily due to:
  - The Neighborhood Services Division was moved to the Human Service and Community Vitality Department transferring all related expenses out of the Community Development Department.
- Services decreased 85% primarily due to:
  - The Neighborhood Services Division was moved to the Human Service and Community Vitality Department transferring all related expenses out of the Community Development Department.
  - The decrease was partially offset by carryforward related to the General Plan update and the transfer of expenses from the Land Acquisition program in FY2015.

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	3,807,800	(329,600)	(8%)
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**	**4,149,700**	**(2,028,400)**	**(33%)**
One-Time Uses Included Above	1,636,525	2,062,300	1,002,100	45,000		

DEPARTMENT OVERVIEW
Community Development

Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	2,990,708	4,372,900	2,600,600	2,057,400	(2,315,500)	(53%)
Sub-Total Operating Revenue	**2,990,708**	**4,372,900**	**2,600,600**	**2,057,400**	**(2,315,500)**	**(53%)**

Divisions

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

Planning and Zoning — This 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. The real planning function procures; approves and negotiates the acquisition of real property and any rights thereon; and provides the city with property management duties as well as title, appraisal verification, and relocation.

Building Safety — This division reviews, approves, and inspects new developments, tenant improvements, and restorations.

Development Services — This 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.

Code Enforcement — This 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.

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	1,199,500	336,900	39%
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**	**4,149,700**	**(2,028,400)**	**(33%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**35.5**	**40.0**	**43.3**	**40.0**	**(3.3)**

Accomplishments, Enhancements, and Efficiencies

- The General Plan Summit was conducted and a report completed.
- The Village 5 Scope was modified to update the Land Use, Economic Development, Housing, Implementation, Circulation, Growth Areas, and Recreation & Open Space sections of the General Plan.
- The Original Town Site Heritage District Overlay implementation and the Public Arts Master Plan process have been undertaken.
- The Public Arts Master Plan process has been undertaken.
- The 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 the Arizona Department of Transportation (ADOT) and the Maricopa Association of Governments (MAG).
- The Industrial Zoning Height, Assisted Living, and Donation Bin Text Amendments have been approved.
- The Safe Routes to Schools Grant has been accepted and the project is underway.

Major Initiatives and Policy Issues

- A 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 will be completed.
- The OTS Heritage District Overlay and the Public Arts Master Plan will be finalized and approved.
- A special taxing district policy will be created and the current community facilities district policy and annexation policy will be amended.
- The Surprise development code and fee schedule will be updated and adopted.
- The implementation of the second phase of a self certification permit process to include civil permits will be explored with Public Works.
- The 2016 General Plan Summit and report will be conducted.
- The City of Surprise Planning and Engineering Design Standards Manuals will be created in coordination with Public Works.

Goals, Objectives, and Performance Measures

Department Goal	The department will provide accurate planning and development information to customers so they can make knowledgeable development decisions and receive timely delivery of property based services.				
Objective	The objective is to 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 OVERVIEW
Community Development

Department Goal	The department will ensure 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 demonstrates the output 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 department will review, approve, and inspect 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

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	4,149,700	54,800	1%
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**	**4,149,700**	**(2,028,400)**	**(33%)**

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%)
Donations	7,500	0	0	0	0	-
Neighborhood Revitalization	1,259,130	2,083,200	654,300	0	(2,083,200)	(100%)
Total Sources	**2,990,708**	**4,372,900**	**2,600,600**	**2,057,400**	**(2,315,500)**	**(53%)**

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. In FY2016, the Economic Development Department was moved from the City Manager's Office and into a separate department.

Mission Statement

The city of Surprise Economic Development Department's mission is to create a sustainable, world-class community with global connectivity. The department strives to facilitate an improved quality of life and an advanced level of services for the community through the promotion of entrepreneurship, employment, and enhanced opportunities for investors and residents.

Major Budget Changes

This is a new department for FY2016.

- Personnel increased from FY2015 primarily due to:
  - The Economic Development Division budget that was previously under the City Manager's Office has been moved to this new department. The detailed changes below reference the changes in the FY2016 Economic Development Department budget and the FY2015 Economic Development Division that was budgeted under the City Manager's Office.
  - Two new Economic Development Coordinator positions were added in September of 2014 bringing the division's staffing from four to six regular staff.
  - Merit increases will be granted to general pay plan employees who meet expectations.
- Supplies increased slightly over the FY2015 budget primarily due to:
  - Funding was moved from operating capital to areas of need within the supplies category.
- Services increased over the FY2015 budget primarily due to:
  - Development agreement reimbursements increased due to new development and increases in sales tax revenue.
- Operating capital decreased from FY2015 primarily due to:
  - Funding was moved from operating capital to areas of need within the supplies category.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	0	0	0	739,500	739,500	-
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**	**7,609,400**	**7,609,400**	**-**
One-Time Uses Included Above	0	0	0	950,000		

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**	**-**

DEPARTMENT OVERVIEW
Economic Development

Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Economic Development	0	0	0	7,609,400	7,609,400	-
Total Uses	**0**	**0**	**0**	**7,609,400**	**7,609,400**	**-**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
Economic Development	0.0	0.0	0.0	8.3	8.3
Total Personnel	**0.0**	**0.0**	**0.0**	**8.3**	**8.3**

Accomplishments, Enhancements, and Efficiencies

- The AZ TechCelerator has been budgeted for $500,000 in facility renovations and program expansion for Beehive co-working space, tenant services, and Soft Landings. Two new business successes from the program occurred including the graduation of MD24 Housecall into a 10,000 sq ft facility in Surprise while hiring 130 employees to their company. Another AZ TechCelerator tenant, Athena Wireless, was purchased by Google. Small business/entrepreneur boot camps were also provided at the AZ TechCelerator.
- Four new positions have been added/hired which includes a director, two coordinators, and one analyst.
- IRIS USA was announced as an incoming new large business project to include a 300,000 sq ft facility with at least 100 jobs. Cobalt Medical Building is under construction at Bell Road and Dysart Road. Surprise Ford and Toyota Scion have been added to the Prasada Automall.
- Business expansions are underway including Janus International which comprises of a 30,000 sq ft expansion, 25 jobs and a $2 million investment. Intrepid Tool's project comprises of a 20,000 sq ft expansion, 25 jobs and a $1 million investment. Saigon Kitchen on Bell Road will be expanding the restaurant's square footage for additional seating and kitchen prep space.
- Community engagement opportunities have been vetted and implemented including the launch of a successful retail survey with more than 3,000 responses from the community, a local job fair engaging five major local employers and nearly 100 Surprise residents, and the development of a public consumption report that provides economic development department updates for the city's website and social media pages.
- Targeted sales missions were implemented which included a Canada strategy utilizing city to business outreach. Membership with the Canada Arizona Business Council (CABC), a Canada marketing strategy consisting of six trips to Toronto and five reciprocal business visits to Surprise by Canadian business representatives were completed. Travel increased over the FY2015 budget due to the Canada marketing strategy but also included a prospect trip and sales mission trips to Kansas, Chicago, New York, and Las Vegas. Education and outreach-related visits to Denver and Washington, D.C. were also conducted.

Major Initiatives and Policy Issues

- The Canada marketing strategy including Canadian American Business Council (CABC) membership, Canadian visits, and delegations to Surprise will continue.
- A four-year residential college campus for higher education will continue to be pursued.
- Manufacturing including IRIS USA, Janus International, and Intrepid Tools will continue development.
- Specialty medical companies Cobalt and MD24 Housecall will continue expansion and development.
- Internal training will be conducted via the Arizona Association for Economic Development (AAED), International Economic Development Council (IEDC), International Council of Shopping Centers (ICSC), National Business Incubation Association (NBIA), and AZ Tech Council courses and conferences.
- Economic Development Reimbursement Authority (EDRA) policy issue assistance will be provided.
- The WESTMARC Economic Development Committee focusing on workforce development will continue.

Goals, Objectives, and Performance Measures

Department Goal	The department will assist small companies, increase large employment and retail opportunities, and aid AZ TechCelerator program tenants.				
Objective	The objective is to help at least 10 new small businesses, 4 large businesses, and 10 program tenants.				
Council Strategic Plan Element	Economic Development				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Small business start-up successes	33	29	32	26	28
Large business and retail successes	3	4	5	4	4
AZ TechCelerator Program tenants	13	12	14	12	20
AZ TechCelerator events/programs	8	11	12	10	16

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	0	0	0	6,330,400	6,330,400	-
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**	**7,609,400**	**7,609,400**	**-**

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 Sources	**0**	**0**	**0**	**239,500**	**239,500**	**-**

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Department Overview – Community and Recreation Services

- **Community and Recreations Services**
- **Human Service and Community Vitality**

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, 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 the annual Surprise party event and performances in the park.

Mission Statement

The mission of the 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.

- The Senior Center was moved to the Human Service and Community Vitality Department transferring one FTE and all related expenses out of the Community and Recreation Services Department.
  - This decrease is offset by merit increases which will be granted to general pay plan employees that meet expectations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies decreased 4% primarily due to:
  - The Senior Center was moved to the Human Service and Community Vitality Department transferring all related expenses out of the Community and Recreation Services Department.
- Services decreased 1% primarily due to:
  - The budget for services decreased based on estimated needs.
  - The decrease is partially offset by a $397,400 increase in the library service contract. The library service contract increased due to FY2016 being the last year of a four year incremental increase from Maricopa County Library who the city contracts with to operate its libraries.
- Operating sources decreased by 10% primarily due to:
  - the growth estimates in the FY2012 development impact fee study being too optimistic. Those estimates have been revised for the FY2015 Estimate and FY2016 Budget.

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	7,031,800	(17,300)	0%
Supplies	1,894,061	2,282,900	2,307,100	2,199,900	(83,000)	(4%)
Services	6,345,612	7,471,000	7,396,800	7,410,600	(60,400)	(1%)
Operating Capital	607,091	0	0	0	0	-
Sub-Total Operating Expenses	**14,897,291**	**16,803,000**	**16,334,400**	**16,642,300**	**(160,700)**	**(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**	**17,728,000**	**(512,500)**	**(3%)**
One-Time Uses Included Above	929,071	1,594,300	749,500	38,300		

DEPARTMENT OVERVIEW
Community and Recreation Services

Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	5,895,915	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	**6,230,952**	**6,160,300**	**5,532,400**	**5,524,300**	**(636,000)**	**(10%)**
Transfers In	0	0	855,200	0	0	-
Total Sources	**6,230,952**	**6,160,300**	**6,387,600**	**5,524,300**	**(636,000)**	**(10%)**

Divisions

Administration — The Administration Division provides leadership and overall department oversight for Community and Recreation Services and three boards and commissions.

Tennis — The Tennis Division manages racquet sports that include tennis classes and programs, drop-in programs, tennis and racquet rental, pickle ball programs, tournaments, pro shop as well as facility operations for the Surprise Tennis and Racquet facility.

Sports Tourism and Campus Operations — The Sports Tourism and Campus Operations Division are responsible for facilitating sports tourism events as well as the overall operation and facility maintenance of the Surprise Recreation Campus. To maximize tourism marketing, this division establishes planning strategies towards the success of special events, community partnerships and sponsorship/donations for the Surprise Recreation Campus. 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 for the Texas Rangers and Kansas City Royals, year round Major League Baseball (MLB) training operations, Major League Baseball (MLB) Arizona Fall League, 12-15 year-round competitive organizational tournaments, National United States Tennis Association (USTA) events, as well as 3rd party events such as Surprise Fine Art and Wine Festival, and Korean Baseball.

Aquatics — The Aquatics Division manages the Surprise Aquatic Center and the Hollyhock Community Pool. Aquatic programs offered at the pools include water safety, special interest classes, lessons, open swim, special events, competitive and recreational swim teams, dive team, and pool rentals are offered at the pools.

Special Events — The Special Events Division is responsible for marketing, planning, and implementing events. Annual events include Surprise Party, Performances in the Park, Movie Nights, Pet Event, Surprise Fiesta Grande, Spring Eggstravaganza, and the annual 4th of July celebration.

Recreation — The Recreation Division manages programming that includes youth and adult sports, adaptive recreation, special interest classes, tournaments, summer camp, and teens. This division also includes support services staff which provide 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.

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 Centers — Sierra Montana and Countryside Recreation Centers offer quality, cost-effective, safe, and enjoyable recreational programs and facilities to participants 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, summer camp, preschool programs, and teen dances. Countryside Elementary uses the gym for physical education classes and sports programs as well.

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%
Senior Services	0	38,300	0	0	(38,300)	(100%)
Tennis	976,235	527,500	515,700	537,900	10,400	2%
Sports Tourism & Campus Operations	5,979,890	6,532,400	5,773,900	5,911,500	(620,900)	(10%)
Aquatics	681,541	945,500	890,400	918,800	(26,700)	(3%)
Special Events	530,174	718,800	701,700	689,200	(29,600)	(4%)
Recreation	3,316,270	3,859,400	3,746,200	3,611,500	(247,900)	(6%)
Park Maintenance	2,235,743	2,986,200	2,913,900	3,038,200	52,000	2%
Library	969,727	1,484,600	1,396,800	1,807,000	322,400	22%
Recreation Centers	443,894	549,400	489,800	547,700	(1,700)	0%
Total Uses	**15,691,406**	**18,240,500**	**17,033,900**	**17,728,000**	**(512,500)**	**(3%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
Administration	40.8	49.0	57.1	53.9	(3.2)
Tennis	2.0	2.0	2.0	2.0	0.0
Sports Tourism & Campus Operations	18.1	22.0	21.0	21.0	0.0
Aquatics	0.0	1.0	2.0	2.0	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
Total Personnel	**96.8**	**110.0**	**122.1**	**117.9**	**(4.2)**

Accomplishments, Enhancements, and Efficiencies

- The department delivered over 1,700 recreation and special events programs, servicing over 480,000 participants.
- The department 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.
- Surprise hosted a record number of sports tournaments at the Surprise Recreation Campus in FY2015. A total of eight state three regional and three national baseball tournaments featured a total of 116 teams that traveled to Surprise this past summer, generating close to 2,400 room nights.
- The department introduced Competitive Sports programming in FY2015 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 competitive soccer program has a total of eight teams and over 110 participants.
- 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 attention to the Grand Avenue corridor. The event took place from Noon - 9:00 P.M. and had an attendance of 16,000.

Major Initiatives and Policy Issues

- The Capital Improvement Plan for the department will be completed through January 2030.
- An amendment to the current team agreements will be successfully negotiated and includes a contract extension with the Rangers and Royals to extend spring training an additional seven years through June 2030. The amendment also includes renovation to the clubhouses.

- The parks and recreation open space and facility master plan update and implementation will be completed along with a general plan update.
- New city-wide cash handling policies and training for the department's part-time and full-time staff will be implemented.
- Groundbreaking ceremonies were held and construction began on new park projects for Surprise Farms Park and Veramonte Park. Projects will be completed in the fall of 2015.

Goals, Objectives, and Performance Measures

Department Goal	The department will provide quality recreation programs to residents and visitors of Surprise.				
Objective	The objective is to provide recreation programs at a revenue recovery rate of 50% of direct costs or greater.				
Council Strategic Plan Element	Community Lifestyle				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of programs offered	1,700	1,734	1,700	1,700	1,700
Number of participants	191,648	192,300	190,000	193,000	193,000
Revenue	$1,868,900	$1,907,528	$1,785,800	$2,100,300	$2,100,300
Revenue recovery (net revenue less expenses)	70%	70%	65%	65%	65%

Department Goal	The department will provide Cactus League Spring Training Major League Baseball in the city of Surprise.				
Objective	The objective is for the Surprise Stadium to have annual attendance of at least 180,000 and generate gross revenue of $4.4m.				
Council Strategic Plan Element	Tourism				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Gross revenue of the city and spring training partners	$5,076,540	$5,784,298	$4,400,000	$4,400,000	$4,400,000
Attendance	190,991	184,338	182,000	182,000	182,000
Number of games	35	28	29	29	29

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	16,125,200	190,500	1%
Donations	132,323	443,300	446,900	428,800	(14,500)	(3%)
Tourism	31,000	0	0	0	0	-
Grants And Contingency	47,745	50,000	50,000	38,300	(11,700)	(23%)
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**	**17,728,000**	**(512,500)**	**(3%)**

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%)
General Capital	499,998	0	0	0	0	-
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 Sources	**6,230,952**	**6,160,300**	**6,387,600**	**5,524,300**	**(636,000)**	**(10%)**

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 and Community Vitality Department will implement programs, projects, and partnerships to meet those goals in coordination with the City Manager's Annual Action Plan.

The department strategizes its neighborhood services, senior services, community services, and grant administration by:
• Supporting the City Council 's approved Strategic Plan;
• Aligning programs and projects with the City Manager'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.

- Pre-existing budget authority from the City Manager's Office, Economic Development Department, and the Community Development Department have been combined to establish the budget for the new Human Service and Community Vitality Department.
    - Merit increases will be granted to general pay plan employees that meet expectations.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	0	0	0	996,000	996,000	-
Supplies	0	0	0	128,500	128,500	-
Services	0	0	0	2,300,500	2,300,500	-
Sub-Total Operating Expenses	**0**	**0**	**0**	**3,425,000**	**3,425,000**	**-**
One-Time Uses Included Above	0	0	0	2,260,500		

Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	0	0	38,300	2,308,400	2,308,400	-
Sub-Total Operating Revenue	**0**	**0**	**38,300**	**2,308,400**	**2,308,400**	**-**

Divisions

Human Services — This 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.

Senior Services — This division facilitates activities, programs, and events that meet the health and wellness needs of the community in the Old Town Site (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.

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.

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	363,400	363,400	-
Neighborhood Services	0	0	0	2,644,800	2,644,800	-
Total Uses	**0**	**0**	**0**	**3,425,000**	**3,425,000**	**-**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
Human Services	0.0	0.0	0.0	2.0	2.0
Senior Services	0.0	0.0	0.0	1.5	1.5
Neighborhood Services	0.0	0.0	0.0	5.8	5.8
Total Personnel	**0.0**	**0.0**	**0.0**	**9.3**	**9.3**

Accomplishments, Enhancements, and Efficiencies

- A new department was established.
- The current fabric of three divisions was assessed.
- A business plan was drafted.
- A revised budget was developed.
- Partnerships were developed to establish funding leverage.

Major Initiatives and Policy Issues

- A comprehensive business plan will be developed.
- Efforts will continue to create an age friendly community.
- Resources will be leveraged with partnerships, grants, sponsorships, and donations.
- A consolidated plan will be implemented.
- Customer satisfaction for human services will improve.

DEPARTMENT OVERVIEW
Human Service and Community Vitality

Goals, Objectives, and Performance Measures

Department Goal	The department will seek grant opportunities that enhance transportation services for city of Surprise residents.				
Objective	The objective is to develop funding strategies with neighboring jurisdictions, Maricopa Association of Governments (MAG), and Maricopa County.				
Council Strategic Plan Element	Transportation				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of Safe Routes to Schools Grants	0	3	4	4	5
Number of grants for enhanced mobility of seniors and individuals with disabilities and grants for public transit services from the Maricopa Association of Governments (MAG) .	0	1	0	2	3
Number of grants for job access and reverse commute programs from the Maricopa Association of Governments (MAG) .	0	0	0	1	2

Department Goal	A hands-on approach will continue with small business start-ups and retention/expansion opportunities.				
Objective	The objective is to outline potential city support.				
Council Strategic Plan Element	Economic Development				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of grants to support non-profits	0	2	3	4	6
Number of community outreach grants	0	10	0	10	12
Number of joint grant partnerships	0	2	0	3	5
Number of business support activities	0	0	0	1	2

Department Goal	The department will seek grant opportunities that create a sustainable city for Surprise residents.				
Objective	The objective is to seek grants that will provide for more sustainable choices at city facilities.				
Council Strategic Plan Element	Sustainability				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Number of Community Development Block Grant (CDBG) Old Town Site (OTS) Projects (Water Study)	0	3	0	4	5
Number of grants that support air quality improvement and hazard mitigation through the Congestion Mitigation and Air Quality program (CMAQ), the Federal Emergency Management Agency (FEMA), and adherence to Particulate Matter standards (PM-10).	0	4	0	5	6

Department Goal	The department will enhance the beauty of neighborhoods throughout our community.				
Objective	The objective is to emphasize neighborhood preservation and rehabilitation, continue clean up programs, and expand revitalization and reinvestment programs.				
Council Strategic Plan Element	Community Lifestyle				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Grant funding for revitalization	0	0	0	$600,000	$800,000
Block parties attended/organized	0	0	0	40	45
Senior center membership	0	390	450	500	525
Clean up event volunteers	0	0	1	1	2
Community Trainings (Fair Housing, etc.)	0	0	0	0	1

DEPARTMENT OVERVIEW
Human Service and Community Vitality

Department Goal	The department will take a strong and visible role in local and regional educational initiatives by expanding partnerships.
Objective	The objective is to enhance and expand the city internship program at Surprise to allow students an opportunity to learn about and foster interest in a career in local government.
Council Strategic Plan Element	Education

Performance Measure	FY2013 Actual	FY2014 Actual	FY2015 Target	FY2015 Estimate	FY2016 Target
Joint grants with other schools	0	4	4	4	6
Number of students served through the Student Youth Employment Program (SYEP)	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

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	18,200	18,200	-
Neighborhood Revitalization	0	0	0	2,220,900	2,220,900	-
Grants And Contingency	0	0	0	11,700	11,700	-
Total Uses	**0**	**0**	**0**	**3,425,000**	**3,425,000**	**-**

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	2,220,900	2,220,900	-
Grants And Contingency	0	0	38,300	50,000	50,000	-
Total Sources	**0**	**0**	**38,300**	**2,308,400**	**2,308,400**	**-**

Department Overview – Public Safety

- **Surprise Fire – Medical**
- **Police**
- **City Court**

SURPRISE FIRE - MEDICAL DEPARTMENT

Department Description

The Surprise Fire-Medical Department (SFMD) 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 department's 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:
  - Merit increases will be granted to general pay plan employees that meet expectations and step increases for sworn staff.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
  - A new financial specialist position was added to provide support to SFMD administration.
- Supplies increased 3% primarily due to:
  - The budget for operating equipment, tools, and parts increased due to anticipated needs.
  - The increase is partially offset by a decrease in auto parts and lubricants for wildland fire equipment due to trends.
- Services decreased 4% primarily due to:
  - The budget for employee certifications and licensing decreased.
  - The budget for training and education supplies decreased.
  - The decrease is partially offset by an increase in travel and training to send five sworn members to the Arizona Fire Chiefs Association annual conference.
- Operating capital decreased 94% primarily due to:
  - The decrease is due to one-time funding for the cardiac monitor replacement in FY2015 which was not carried over to FY2016.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	13,613,541	15,481,800	15,085,100	16,068,300	586,500	4%
Supplies	463,325	558,100	512,900	576,900	18,800	3%
Services	1,527,772	1,771,400	1,723,200	1,700,400	(71,000)	(4%)
Operating Capital	10,287	175,000	37,000	10,000	(165,000)	(94%)
Sub-Total Operating Expenses	**15,614,925**	**17,986,300**	**17,358,200**	**18,355,600**	**369,300**	**2%**
Transfers Out	329,692	121,200	107,000	67,400	(53,800)	(44%)
Total Uses	**15,944,617**	**18,107,500**	**17,465,200**	**18,423,000**	**315,500**	**2%**
One-Time Uses Included Above	235,571	477,500	235,800	171,700		

DEPARTMENT OVERVIEW
Surprise Fire - Medical Department

Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	956,432	1,297,400	1,143,400	1,539,800	242,400	19%
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**	**2,214,300**	**2,792,000**	**(242,300)**	**(8%)**
Transfers In	208,262	0	130,800	0	0	-
Total Sources	**1,577,718**	**3,034,300**	**2,345,100**	**2,792,000**	**(242,300)**	**(8%)**

Divisions

Administration — This division provides leadership, fiscal management, long-range planning, interdepartmental coordination, budget development, grant management, payroll, and administrative support to all divisions.

Training — This division coordinates training programs, inter-agency and multi-company drills, and develops training academy curriculum while maintaining compliance with safety mandates.

Fire Operations — This division is responsible for maintaining an all hazards response to the city, its residents, and all regional aid partners while ensuring the safety of operational staff at all times.

Emergency Medical Services (EMS) — This division 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 for personnel and equipment resources.

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

Support Services — This division 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.

Community Life Safety Education — This division identifies, develops, and provides a variety of needed public education and life safety programs to the residents of Surprise.

Prevention — This division supports programs designed to reduce the loss of life and property through education, prevention, and code enforcement.

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	250,500	271,000	19,600	8%
Fire Operations	12,302,240	14,275,900	13,976,500	14,690,000	414,100	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	184,300	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**	**17,465,200**	**18,423,000**	**315,500**	**2%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**118.0**	**118.0**	**120.0**	**121.0**	**1.0**

Accomplishments, Enhancements, and Efficiencies

- A pilot fire company inspection program was developed and implemented. 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.
- An Urban Areas Security Initiative (UASI) grant totaling $54,000 was received 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.
- A Certificate of Necessity (CON) with the Arizona Department of Health Services to provide ground ambulance transportation services within the city of Surprise was granted.
- One new pumper truck, new advanced life support equipment, and all equipment needed for fire suppression activities were deployed in May 2015. SFMD has initiated the purchase of an additional pumper, a new Ladder Tender truck (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 Logistics 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

- A comprehensive plan to implement a ground ambulance transportation program will continue to be researched and developed.
- Geographical information system software will be enhanced to optimize response standards, resource allocation, and deployment strategies within the department.
- Grant funding will be continually sought to implement Phase II of department's citywide risk assessment project for the development of a tactical premise program.
- The feasibility of developing a community paramedicine program will be researched.
- Additional grant funding to enhance and expand fire services such as operations, safety, equipment, and community life safety education programs will be sought and applied for.

DEPARTMENT OVERVIEW
Surprise Fire - Medical Department

SURPRISE ARIZONA

Goals, Objectives, and Performance Measures

Department Goal	Existing training curriculums, programs, facilities, interagency agreements, and new training opportunities will be annually reviewed to ensure the department continues to utilize the most effective training delivery plan.				
Objective	The objective is to maintain compliance with applicable National Fire Protection Association (NFPA) standards.				
Council Strategic Plan Element	Education				
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	The department will ensure the city of Surprise remains a viable location for new business.				
Objective	The objective is to reduce the Insurance Services Office (ISO) rating from a three to a two by FY2016.				
Council Strategic Plan Element	Economic Development				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
ISO rating	3	2	2	2	2

Department Goal	The department will conduct efficient and timely inspections and plan reviews for Surprise businesses and residents. (*As of FY2015, inspections other than plan reviews and new construction will be reported separately to improve transparency.)				
Objective	The objective is to inspect all commercial structures annually, conduct plan reviews within 20 days for new plans and 10 days for tenant improvements, and inspect new construction in a timely, efficient manner.				
Council Strategic Plan Element	Sustainability				
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	The department will improve emergency response times to better serve the needs of the residents and citizens living and working in Surprise.				
Objective	The objective is to review incident response data monthly to identify the nature of delays in incident responses and appropriate remedies for improvement.				
Council Strategic Plan Element	Public Safety				
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%	39%	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

Department Goal	The department will maintain efficient and timely inspections to Surprise businesses and residents. (*As of FY2015, inspections other than plan reviews and new construction will be reported separately to improve transparency.)				
Objective	The objective is to inspect all commercial structures annually and provide other inspections as deemed appropriate by fire code, state agency, or safety need.				
Council Strategic Plan Element	Sustainability				
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

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	47,800	151,300	104,600	224%
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**	**17,465,200**	**18,423,000**	**315,500**	**2%**

DEPARTMENT OVERVIEW
Surprise Fire - Medical Department

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	47,800	151,300	104,600	224%
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 Sources	**1,577,718**	**3,034,300**	**2,345,100**	**2,792,000**	**(242,300)**	**(8%)**

POLICE

Department Description

The Surprise Police Department (SPD), 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, businesses, and schools. The department also provides victim support services and sex offender notices to the community.

Mission Statement

The 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:
  - Merit increases will be granted to general pay plan employees that meet expectations and step increases for sworn staff.
  - One police records technician, one crime scene technician, and two field operation officers were added to support growing day-to-day operations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies decreased 35% primarily due to:
  - A duplication of the uniform budget within the Patrol and Administration divisions in FY2015 was corrected.
  - The budget for books and subscriptions decreased due to the usage of online materials.
  - The expenditure of Racketeer Influenced and Corrupt Organizations (RICO) funds has decreased based on the amount of funds generated by law enforcement activities that result in asset forfeiture proceedings.
  - The decrease is partially offset by an increase in operating equipment and tools to accommodate the addition of two field operation officers.
- Services decreased 6% primarily due to:
  - The budget for taxes and service fees decreased for credit card usage.
  - The budget for jail service fees decreased due to updated rates released by the Maricopa County Sheriff's Office.
  - The decrease is partially offset by increased costs for pre-employment services due to the Maricopa County Sheriff's Office no longer offering free polygraph testing and increased costs for radio equipment maintenance due to cost increases and federal conversion requirements per the city of Phoenix.
- Operating capital increased 235% primarily due to:
  - The budget for vehicles increased due to the need for one vehicle plus the necessary vehicle equipment and maintenance to accommodate two new field operation officers.

DEPARTMENT OVERVIEW
Police

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	18,006,538	20,905,800	20,644,500	22,100,200	1,194,400	6%
Supplies	764,459	2,319,500	1,307,400	1,519,200	(800,300)	(35%)
Services	1,474,363	1,980,000	1,717,700	1,853,600	(126,400)	(6%)
Operating Capital	287,210	19,700	19,700	66,000	46,300	235%
Sub-Total Operating Expenses	**20,532,570**	**25,225,000**	**23,689,300**	**25,539,000**	**314,000**	**1%**
Transfers Out	541,304	245,200	216,500	136,400	(108,800)	(44%)
Total Uses	**21,073,874**	**25,470,200**	**23,905,800**	**25,675,400**	**205,200**	**1%**
One-Time Uses Included Above	825,143	1,565,300	813,900	406,600		

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	1,009,800	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**	**1,235,400**	**1,557,300**	**(487,500)**	**(24%)**
Transfers In	295,553	0	264,700	0	0	-
Total Sources	**1,758,397**	**2,044,800**	**1,500,100**	**1,557,300**	**(487,500)**	**(24%)**

Divisions

Administration — 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.

General Operations — 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.

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.

Patrol — 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.

Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Administration	5,488,356	6,746,500	6,071,300	6,384,200	(362,300)	(5%)
General Operations	245,751	245,200	200,200	99,800	(145,400)	(59%)
Investigations	2,890,686	3,730,600	3,118,300	4,794,800	1,064,200	29%
Patrol	12,449,064	14,747,900	14,516,000	14,396,600	(351,300)	(2%)
Information Technology	17	0	0	0	0	-
Total Uses	**21,073,874**	**25,470,200**	**23,905,800**	**25,675,400**	**205,200**	**1%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
Administration	46.0	46.0	48.0	49.0	1.0
Investigations	26.0	25.0	24.0	33.0	9.0
Patrol	109.0	111.0	112.0	106.0	(6.0)
Total Personnel	**181.0**	**182.0**	**184.0**	**188.0**	**4.0**

Accomplishments, Enhancements, and Efficiencies

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

Major Initiatives and Policy Issues

- The mobile electronic ticket writer project will be completed for all patrol vehicles.
- A crisis intervention training (C.I.T.) will be developed and implemented to enhance the response to incidents involving individuals suffering from mental illness.
- Department policies and procedures regarding application, documentation, and analysis of Use of Force incidents will be reviewed.

Goals, Objectives, and Performance Measures

Department Goal	The department will achieve agency reaccreditation for the international law enforcement standards developed and maintained by CALEA.				
Objective	The objective is to 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, and maintain the high standard of excellence through annual analysis of critical operations including: vehicle pursuits, internal investigations, use of force, and bias based complaints.				
Council Strategic Plan Element	Public Safety				
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 OVERVIEW
Police

Department Goal	The department will provide rapid response to service calls, maintain high visibility in neighborhoods and business locations, and enforce traffic safety laws throughout the city.				
Objective	The objective is to respond to police calls for service in less than five minutes, increase proactive patrol volume, and continue to enforce traffic safety.				
Council Strategic Plan Element	Public 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	The department will prevent, reduce, and disrupt crime.				
Objective	The objective is to increase arrest volume and maintain or reduce UCR part 1 violent and property crimes.				
Council Strategic Plan Element	Public Safety				
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

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	24,469,400	1,366,100	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	156,800	218,200	(158,200)	(42%)
SPD RICO	140,224	1,277,900	218,000	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**	**23,905,800**	**25,675,400**	**205,200**	**1%**

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	156,800	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 Sources	**1,758,397**	**2,044,800**	**1,500,100**	**1,557,300**	**(487,500)**	**(24%)**

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 department'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. Department staff answers questions from the public and provides assistance to those having business at the court. The department 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:
  - Merit increases will be granted to general pay plan employees that meet expectations.
  - The full-time equivalent (FTE) count increased by 0.2 based solely on a recalculation of part-time employee hours.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies decreased 2% primarily due to:
  - The budget for awards and recognition decreased based on estimated needs.
  - The budget for furniture, fixtures, and equipment to purchase office chairs decreased based on estimated needs.
  - Decreases are partially offset by an increase in computer supplies.
- Services decreased 11% primarily due to:
  - The budget for audit services decreased as audits only occur every third year.
  - The budget for cell phone service decreased as the court's interpreter no longer requires a pager.
  - The budget for dues and memberships decreased due to fewer court employees requiring professional memberships.
  - Decreases are partially offset by an increase in software licenses for software upgrades.
- Operating capital decreased 100% primarily due to:
  - One-time funding in FY2015 for courtroom audio/visual equipment was not carried over to FY2016.

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	1,896,900	99,400	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**	**2,139,500**	**52,200**	**3%**
One-Time Uses Included Above	0	0	0	0		

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%)**

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	2,139,500	52,200	3%
Total Uses	**2,023,637**	**2,087,300**	**2,030,300**	**2,139,500**	**52,200**	**3%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
General Operations	19.1	19.1	20.1	20.3	0.2
Total Personnel	**19.1**	**19.1**	**20.1**	**20.3**	**0.2**

Accomplishments, Enhancements, and Efficiencies

- In coordination with the Information Technology and Communications Departments, phase one of a two-part project to replace and/or upgrade non-functioning audio/video equipment in our courtrooms has been completed.
- In coordination with the Facilities Maintenance, phase one of the installation of automatic door switches in the courthouse in compliance with ADA requirements has been completed.
- In coordination with the Information Technology and Communications Departments, two LCD panels for the electronic display of the court's daily docket have been installed.
- An Arizona Department of Transportation (ADOT) Motor Vehicle Division (MVD) Self-Service Kiosk was installed inside the court to provide convenience to the community as well as assist court users in expediting the resolution of MVD related cases.
- The department continues to assist with the facilitation of the Teen Court program which is managed by Maricopa County Juvenile Probation Department. The department, in partnership with Maricopa County Superior Court and Glendale City Court, participates in their annual Veteran's Court programs. Additionally, the department 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
- Department initiatives also include:
  1. Implement state legislature changes
  2. Implement federal and state rule and policy initiatives
  3. Implement new city ordinances
- Phase two of a two-part project to replace and/or upgrade non-functioning audio/video equipment in our courtrooms will be completed.
- Phase two of the installation of automatic door switches in the courthouse in compliance with ADA requirements will be completed.

DEPARTMENT OVERVIEW
City Court

SURPRISE ARIZONA

Goals, Objectives, and Performance Measures

Department Goal	To 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	The objective is to exceed the annual minimum education requirements and proactively improve competence, professionalism and excellence (Supreme Court Strategic Agenda- Goal 4: Enhancing Professionalism within Arizona Courts).				
Council Strategic Plan Element	Education				
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	436	600
Percent above the minimum hours required	114%	73%	81%	43%	98%

Department Goal	The department will improve the "time to disposition" (the percentage of cases disposed or otherwise resolved within established time frames for Driving Under the Influence (DUI) cases).				
Objective	The objective is to resolve DUI cases according to Arizona Supreme Court standards and Administrative Order 2014-108 (Supreme Court Strategic Agenda- Goal 3: Improving Court Processes to Better Serve the Public).				
Council Strategic Plan Element	Public Safety				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percent of DUI's resolved within 120 days (Standard 85%)	79%	80%	85%	85%	85%
Percent of DUI's resolved within 180 days (Standard 93%)	90%	92%	93%	93%	93%

Department Goal	The department will improve the "time to disposition" (the percentage of cases disposed or otherwise resolved within established time frames for civil traffic cases).				
Objective	The objective is to resolve civil traffic cases according to Arizona Supreme Court standards and Administrative Order 2014-108 (Supreme Court Strategic Agenda- Goal 3: Improving Court Processes to Better Serve the Public).				
Council Strategic Plan Element	Public Safety				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percent of civil traffic cases resolved within 30 days (Standard 65%)	66%	65%	65%	70%	65%
Percent of civil traffic cases resolved within 60 days (Standard 80%)	84%	82%	80%	87%	80%
Percent of civil traffic cases resolved within 90 days (Standard 95%)	98%	97%	95%	98%	95%

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	1,983,400	135,800	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**	**2,139,500**	**52,200**	**3%**

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 Sources	**1,327,757**	**1,361,100**	**1,249,800**	**1,324,600**	**(36,500)**	**(3%)**

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Department Overview – Public Works

- **Public Works (General Fund and HURF)**
- **Sanitation**

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.

Major Budget Changes

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

- Personnel increased 6% primarily due to:
  - Merit increases will be granted to general pay plan employees that meet expectations.
  - One electrician specialist position was added to meet the city's maintenance needs.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies increased 7% primarily due to:
  - Inflationary increase within the fleet division.
  - Increases for street repair material associated with normal operations and a new grant.
- Services decreased 5% primarily due to:
  - A more efficient budgeting approach for the Valley Metro Dial-a-Ride contract. For FY2015, the services were budgeted in two separate funds which required a labor distribution credit to the General Fund.
  - A one time pavement management project being funded in FY2015 that was not included in the adopted FY2016 budget.
- Operating capital decreased 70% primarily due to asset replacement being accounted for as capital projects.

Uses by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Personnel	6,381,262	7,085,800	7,052,400	7,526,400	440,600	6%
Supplies	1,665,760	1,801,900	1,808,200	1,924,000	122,100	7%
Services	8,433,443	11,955,200	9,122,300	11,365,700	(589,500)	(5%)
Operating Capital	65,032	519,500	484,500	155,000	(364,500)	(70%)
Sub-Total Operating Expenses	**16,545,497**	**21,362,400**	**18,467,400**	**20,971,100**	**(391,300)**	**(2%)**
Transfers Out	671,040	665,000	587,000	369,900	(295,100)	(44%)
Total Uses	**17,216,537**	**22,027,400**	**19,054,400**	**21,341,000**	**(686,400)**	**(3%)**
One-Time Uses Included Above	0	0	0	0		

DEPARTMENT OVERVIEW
Public Works

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	1,400,409	1,494,700	940,900	1,969,300	474,600	32%
Property Tax	2,229,591	2,384,700	2,380,200	2,416,600	31,900	1%
Development Impact Fees	513,602	0	508,600	514,400	514,400	-
Sub-Total Operating Revenue	**11,167,392**	**11,237,800**	**11,243,300**	**12,627,500**	**1,389,700**	**12%**
Transfers In	0	1,000,000	1,717,700	1,000,000	0	0%
Total Sources	**11,167,392**	**12,237,800**	**12,961,000**	**13,627,500**	**1,389,700**	**11%**

Divisions

Engineering Services — This division provides engineering development review, civil engineering plan review, permit issuance, and construction inspection and land survey services.

Facilities Management — This division provides energy management, service, and maintenance to city-owned facilities.

Vehicle Maintenance — This division maintains, repairs, and assists in the acquisition and disposition of the city's fleet of vehicles and equipment.

Stormwater — This division is a component of the wastewater division and is responsible for compliance with the Federal Clean Water Act (CWA), the Arizona Pollution Discharge Elimination System (AZPDES), Water Quality Permits, and enforcement of regulations regarding illegal discharges to the MS4 and is funded by numerous funds.

Transit — This division administers city transit services including the Dial-a-Ride contract and 571 Express Bus Route and represents the city on regional boards and commissions.

Project Management (CIP) — This 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 — This division is responsible for the traffic engineering operations, signal operations, traffic control, and intelligent transportation systems for the city.

Streets — This division is responsible for the care and maintenance of dedicated pavement, sidewalks, rights of way, and traffic signing and marking, within the city of Surprise.

Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Engineering Services	1,563,659	1,619,900	1,694,800	1,758,600	138,700	9%
Facilities Management	2,690,802	3,255,300	3,246,700	2,963,900	(291,400)	(9%)
Vehicle Maintenance	1,697,084	1,694,300	1,718,500	1,825,400	131,100	8%
Stormwater	30,034	22,500	22,500	17,700	(4,800)	(21%)
Transit	635,833	1,119,500	745,300	791,100	(328,400)	(29%)
Project Management	796,064	799,400	715,600	510,000	(289,400)	(36%)
Traffic Engineering	1,449,747	1,183,000	1,084,800	1,305,300	122,300	10%
Streets	8,289,672	12,249,500	9,742,200	12,085,000	(164,500)	(1%)
Sanitation	63,642	84,000	84,000	84,000	0	0%
Total Uses	**17,216,537**	**22,027,400**	**19,054,400**	**21,341,000**	**(686,400)**	**(3%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
Engineering Services	10.3	15.0	14.0	14.0	0.0
Facilities Management	15.2	16.0	15.0	16.0	1.0
Vehicle Maintenance	11.2	12.0	12.0	12.0	0.0
Transit	9.0	0.0	0.0	0.0	0.0
Project Management	1.0	1.0	1.0	1.0	0.0
Traffic Engineering	12.3	11.0	7.0	8.0	1.0
Streets	28.0	28.0	34.0	33.0	(1.0)
Total Personnel	**87.0**	**83.0**	**83.0**	**84.0**	**1.0**

Accomplishments, Enhancements, and Efficiencies

- Three Energy Projects were completed: 1) Senior Center fluorescent lighting was retrofitted 2) parking structure lights were retrofitted with induction lighting effectively reducing consumption at the Central Utility Plant and 3) Westgate parking was retrofitted with induction lighting.
- Three new air conditioners were installed, the roof was sealed, and walls were coated at the Villanueva Gym.
- Five new air conditioners were installed, the roof was replaced, and showers were rebuilt at FS301.
- A new monitoring system was implemented on all new vehicles to assist with mileage tracking, fuel tracking, and provide monthly usage reports to the fleet manager.
- An improved tracking system was created to help with increasing communication between departments on the current status of their vehicles.
- The filing system for civil development project documentation was improved and a system was created to track projects from construction to final closeouts to ensure proper timing of conditional and final warranty field walks and financial assurance/bond releases.
- Six miles of unimproved medians (HURF) were landscaped.
- The annual pavement preservation program funded by Council (HURF) was implemented.
- Phase 1 of 5 to replace all non-compliant city street signs to new Federal Highway Administration reflectivity standards (HURF) was completed.
- The Bell Road/168th drive traffic signal was completed and removed based on study results and the ¾ intersection as part of the Win Co. development project (HURF) was constructed.
- Median design and construction for 175th Ave and Waddell Rd associated with Paradise Honors High School (HURF) was completed.
- The Bell Road Median Opening Project east of El Mirage Road (HURF) was completed.
- The development of a city-wide speed limit ordinance and map for Council approval (HURF) has begun.

Major Initiatives and Policy Issues

- Alternative fuel training will be identified to increase technician's training/certification.
- The current Vehicle Replacement Policy will be reviewed to identify a more defined replacement process.
- Work will continue in conjunction with project managers to ensure fleets are outfitted to meet operational needs.
- A comprehensive update of city of Surprise Engineering Development Standards will be published and civil review processes and guidelines will be reviewed for development due diligence and concept meetings.
- The Bullard Library will be re-lamped for energy efficiency and the energy management system will be updated at the Sierra Montana Recreation Center.
- Start a review of American Public Works Association (APWA) Best Management Practices for facilities.
- The pavement preservation street segment listing will be updated based on the FY2015 pavement condition assessment study (HURF).
- Street sweeper routes will be enhanced to increase efficiency and PM-10 compliance (HURF).
- The prison crew work plan will be evaluated to align with unlandscaped right-of-way maintenance (HURF).

- Illuminated street name signs will be converted to LED's (HURF).
- Preventative maintenance will be improved on traffic signals to stay ahead of operational problems (HURF).
- A proactive signal timing program will be implemented to increase intersection efficiency (HURF).

Goals, Objectives, and Performance Measures

Department Goal	The department will ensure all city facilities are properly maintained and function in the most efficient and effective manner.				
Objective	The objective is to address emergency maintenance requests within 30 minutes, perform all maintenance work order requests within 30 days, and perform custodial services within 95% of industry standards.				
Council Strategic Plan Element	Sustainability				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percentage of emergency response – on time completion	96%	98%	99%	75%	99%
Percentage of maintenance – on time completion	94%	93%	96%	67%	96%
Custodial expenditures per sq. ft. for admin/office facilities as compared to ICMA mean (In-house services)	97%	97%	98%	91%	98%
Custodial Expenditures per sq. ft. for admin/office facilities as compared to ICMA Mean (Contracted services)	100%	100%	100%	100%	100%

Department Goal	The department will improve the public's knowledge of the review process and maintain staff presence on active construction sites.				
Objective	The objective is to reduce the number of "third and subsequent submittals approved" by increasing approvals in the "initial submittal approval" and maintain the percentage of inspector time on site at 45%.				
Council Strategic Plan Element	Economic Development				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Plan review – number of sheets reviewed	1,894	3,009	3,500	2,500	3,000
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	The department will perform preventive maintenance, scheduled vehicle repairs, unscheduled vehicle repairs, and diagnostic services.				
Objective	The objective is to complete preventative maintenance (PM) within four hours for heavy vehicles and one hour for light vehicles, maintain standards using American Public Works Association (APWA) data of 1,415 billable hours per year for each mechanic, average maintenance costs per mile for general fund vehicles, and set and maintain a fleet miles per gallon (MPG) standard of 70%.				
Council Strategic Plan Element	Sustainability				
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	The department will ensure regulatory compliance related to PM-10 standards agreed to by the city and Maricopa Association of Governments (MAG).				
Objective	The objective is to maintain 100% compliance with PM-10 regulations by providing effective sweeping services matched to targeted efficiency benchmarks.				
Council Strategic Plan Element	Transportation				
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 OVERVIEW
Public Works

Department Goal	The department will respond to street maintenance customer service requests within targeted time frames.				
Objective	The objective is to complete all work orders within 20 days, complete customer service response requests within three days, maintain average pavement condition of city streets as good or better, and complete all graffiti work orders within 24 hours.				
Council Strategic Plan Element	Community Lifestyle				
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%

Department Goal	The department will enhance traffic safety and efficiency by focusing on proactive maintenance and by utilizing the latest technology and traffic engineering standards to minimize traffic accidents and maximize traffic flow.				
Objective	The objective is to maintain traffic signs and markings to ensure 100% compliance with reflectivity and visibility standards, maintain ornamental street lights to ensure 100% operations, monitor Arizona Public Service installed street lights to ensure 95% operations, and 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 the existing street network.				
Council Strategic Plan Element	Transportation				
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%	98%
Percent of pavement marking within current reflectivity/visibility standards compared to pavement marking PM schedule	98%	98%	98%	98%	98%
Percent of street lights in operation compared to target	97%	96%	95%	92%	95%

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General	6,251,712	6,857,400	6,596,600	6,866,800	9,400	0%
General Capital	0	484,500	484,500	671,600	187,100	39%
Transit	4,620	0	0	0	0	-
HURF	5,382,771	8,596,800	8,364,200	7,786,600	(810,200)	(9%)
Grants And Contingency	778	0	23,000	371,500	371,500	-
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**	**19,054,400**	**21,341,000**	**(686,400)**	**(3%)**

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	525,700	139,300	36%
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	23,000	371,500	121,500	49%
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	375,084	0	1,216,500	514,400	514,400	-
Public Works Dev Fees	191,819	144,800	120,800	0	(144,800)	(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 Sources	**11,167,392**	**12,237,800**	**12,961,000**	**13,627,500**	**1,389,700**	**11%**

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 service and residential service to non-city customers are 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 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:
  - Merit increases will be granted to general pay plan employees that meet expectations.
  - The sanitation manager has been transferred from the General Fund.
  - The budget for overtime has increased due to operational demands.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies increased 12% primarily due to:
  - The replacement of recycle and trash cans due to inflation, landfill tonage, and historical analysis of replacement of cans.
  - The budget for operating equipment, tools, and parts increased for the one-time purchase of vendor software tablets.
- Services increased 7% primarily due to:
  - Landfill fees and fuel costs have increased.
- Operating Capital increased 46% primarily due to:
  - The budget for furniture, fixtures, and office equipment increased for the one-time purchase of heavy vehicle lifts to facilitate vehicle maintenance for solid waste trucks.
  - The budget for vehicles increased for the purchase of one new roll-off truck and one can delivery truck.
  - Vehicle replacement has increased due to an aging fleet.

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	1,539,746	2,240,000	1,237,000	3,278,500	1,038,500	46%
Sub-Total Operating Expenses	**6,259,941**	**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	**8,179,098**	**9,144,900**	**7,912,100**	**10,577,300**	**1,432,400**	**16%**
One-Time Uses Included Above	1,536,240	2,240,000	1,237,000	3,296,700		

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

General Operations — This division conducts residential curbside solid waste collection operations.

Bulk Trash — This division handles operations and issues related to bulk trash and roll-off collection services.

Recycling — This division conducts the recycling education and waste inspection program, as well as the household hazardous waste events.

Uses by Division	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
General Operations	7,463,434	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	**8,179,098**	**9,144,900**	**7,912,100**	**10,577,300**	**1,432,400**	**16%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**33.0**	**31.0**	**32.0**	**33.0**	**1.0**

Accomplishments, Enhancements, and Efficiencies

- The first fiscal year of implementing same-day curbside collection service for trash and recycling was successfully completed with no customer service complaints or increase in missed pickups.
- Recycling diversion increased 1% from 22% to 23% and the upcoming target goal has been set at 25%.
- High levels of customer satisfaction were maintained 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

- Recycling outreach, waste diversion, and waste reduction will be improved.
- Equipment options to improve capacity for better efficiency will be evaluated.
- Exceptional customer service will continue to be provided to our residents.

DEPARTMENT OVERVIEW
Public Works - Sanitation

SURPRISE ARIZONA

Goals, Objectives, and Performance Measures

Department Goal	The department will improve recycling collection, outreach, and education.				
Objective	The objective is to increase residential and roll-off recycling participation.				
Council Strategic Plan Element	Sustainability				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Recycling tons collected	7,643	8,300	8,500	8,600	8,800
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	The department will provide value added services to customers.				
Objective	The objective is to promote and provide Christmas tree drop off services, household hazardous waste events, fall and spring cleaning events with the landfill, and an annual E-waste event with AZStRUT and APS.				
Council Strategic Plan Element	Community Lifestyle				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Christmas tree drop off (trees)	1,550	3,027	3,000	1,833	2,000
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	The department will maintain a high level of customer service.				
Objective	The objective is to continue scoring high on the national citizens survey, minimize customer complaints, and schedule on demand bulk services within 10 days on average.				
Council Strategic Plan Element	Sustainability				
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

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Sanitation Operations	8,179,098	9,144,900	7,912,100	10,577,300	1,432,400	16%
Total Uses	**8,179,098**	**9,144,900**	**7,912,100**	**10,577,300**	**1,432,400**	**16%**

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 Sources	**7,059,025**	**7,198,400**	**7,212,500**	**7,282,600**	**84,200**	**1%**

Department Overview – Water Resource Management

- **Water**
- **Wastewater**

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. Per Resolution 2014-64 adopting the FY2015 through FY2019 schedule of rates for water services, water rates will increase by 8.25% in FY2016.

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:
  - Merit increases will be granted to general pay plan employees that meet expectations.
  - One water operator position and two water service worker positions were added to support current operational staff.
  - Two positions were transferred from Wastewater to Water due to restructuring within the two divisions.
  - The increase was partially offset by one position moving to Wastewater due to restructuring with the two divisions.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- 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;
  - asset replacement occurred at the following water supply facilities: Rancho Gabriela, Mountain Vista, and Ashton Ranch; and
  - an emergency response plan.
- Operating capital increased 160% primarily due to:
  - Central Arizona Project (CAP) allocation price increases to purchase our full allocation of water credits.
  - Vehicle replacement has increased due to an aging fleet within Water division.
  - The budget for vehicles increased due to the need for two vehicles for new positions.
- Operating sources decreased by 15% primarily due to:
  - Development assumptions used in the 2014 development impact fee study that resulted in overly optimistic revenue numbers; development assumptions have been revised for FY2016 and beyond.
  - This was partially offset per resolution 2014-64 adopting the FY2015 through FY2019 schedule of rates for water services, water rates will increase by 8.25% in FY2016.

DEPARTMENT OVERVIEW
Water Resource Management - Water

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	2,111	205,000	205,000	532,300	327,300	160%
Sub-Total Operating Expenses	**6,526,475**	**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	**9,502,450**	**9,325,600**	**8,908,700**	**9,617,600**	**292,000**	**3%**
One-Time Uses Included Above	171,350	974,000	903,700	405,800		

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 — This division coordinates and provides centralized administrative and management functions associated with the drinking water wells, water supply facilities, and water transmission and distribution systems.

General Operations — This division oversees all the day-to-day operations and maintenance of the production, treatment, and distribution of drinking water.

Project Management (CIP) — This division is responsible for city related water infrastructure construction projects.

Customer Service — This division responds to customer's water service requests, complaints, and customer needs.

Utility Locating — This division performs utility locating - blue stake activities.

Environmental — This division 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.

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	4,530,365	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	**9,502,450**	**9,325,600**	**8,908,700**	**9,617,600**	**292,000**	**3%**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**28.7**	**25.0**	**24.0**	**29.0**	**5.0**

Accomplishments, Enhancements, and Efficiencies

- The Water and Wastewater divisions collectively reached three years without a recordable lost man-hour of time.
- Construction of Mountain Vista well #2 and the installation of the final phase of drinking water sampling stations projects were completed.
- 100% of the city's Central Arizona Project (CAP) water allocation for recharge purposes has been procured.
- The second phase of the Integrated Water Master Plan Update has been completed.
- The groundwater modeling study for SPA2 has been completed.
- The department wide Emergency Response Plan has been completed.
- A Water Portfolio Manager to manage and grow the city's water portfolio for the future has been hired.
- Water system major asset rehabilitation and replacement has been completed in the amount of $558,950.

Major Initiatives and Policy Issues

- The final phase of the Integrated Water Master Plan Update will be completed.
- Live action training exercises as outlined by the Emergency Response Plan will be performed.
- Standardized service order contracts for engineering and hydrology services will be established.
- Development of the asset management program will continue by establishing criticalities in the water system.
- Water portfolio asset targets will be established, due diligence will be performed, and recommendations will be made to Council.
- Arsenic sludge hauling to the landfill will be eliminated by sending it to the wastewater system.
- An interconnection system between Ashton Ranch and Rancho Gabriela water systems will be designed.
- Partnerships will be established with EPCOR on interconnection between EPCOR and Surprise service areas.
- Water Policy language will be integrated into the citywide General Plan Update.

DEPARTMENT OVERVIEW
Water Resource Management - Water

Goals, Objectives, and Performance Measures

Department Goal	The department will 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	The objective is to successfully meet 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; achieve the median value of 61.6% for preventative maintenance of assets as cited in the AWWA benchmarking performance indicators; and 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)	N/A	35%	50%	50%	55%
Occupational Safety Health Administration (OSHA) recordable accidents	0	0	0	0	0

Department Goal	The department will provide efficient customer service to city's water customer.				
Objective	The objective is to provide developers prompt response for design submittals, provide prompt response to contractors for utility locating requests, maintain the current standard of two minutes for response on all customer service calls, and install new residential water meters within 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	N/A	100%	100%	100%	100%

Department Goal	The department will provide high quality drinking water to our customers while complying with local, state, and federal regulations.
Objective	The objective is to meet all monitoring and reporting requirements to comply with the Safe Drinking Water Act and Arizona administrative code, reduce lost and unaccounted for water through proper documentation of all water uses from the city's water system, and 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%	8.2%	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

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Water Operations	7,989,181	9,120,600	8,703,700	9,310,300	189,700	2%
Water Dev Fee	1,513,269	205,000	205,000	307,300	102,300	50%
Total Uses	**9,502,450**	**9,325,600**	**8,908,700**	**9,617,600**	**292,000**	**3%**

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 Sources	**12,090,065**	**14,639,600**	**11,281,700**	**12,453,000**	**(2,186,600)**	**(15%)**

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:
  - Merit increases will be granted to general pay plan employees that meet expectations.
  - One senior wastewater operator, one collections supervisor, and one wastewater mechanic were added to support growing day-to-day operations.
  - Please refer to the expenditures/uses summary for information regarding personnel changes.
- Supplies increased 9% primarily due to:
  - The budget for chemical supplies increased due to the need for salt to manufacture sodium hypochlorite for effluent disinfection.
  - The budget for chemicals increased due to the need for polymer for centrifuges.
- Services decreased 12% primarily due to:
  - One-time funding in FY2015 for multiple asset replacement items at SPA1 and SPA2 Water Reclamation Facility (WRF) requiring contractor support was not carried over to FY2016.
- Operating capital decreased 26% primarily due to:
  - Vehicle replacement being less than the prior year due to not as many vehicles needing to be replaced in FY2016.
  - The decrease was partially offset by increases for installing a stormwater drywell at SPA1 WRF and asset replacement.
- Operating revenue decreased by 18% primarily due to:
  - Development assumptions used in the 2014 development impact fee study that resulted in overly optimistic revenue numbers; development assumptions have been revised for FY2016 and beyond.
  - Transfers In represent the operating fund supporting the debt service payment which is paid by the development impact fee funds.

SURPRISE ARIZONA

DEPARTMENT OVERVIEW
Water Resource Management - Wastewater

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	(420,726)	401,000	440,600	297,000	(104,000)	(26%)
Sub-Total Operating Expenses	**7,715,063**	**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	**18,558,358**	**22,576,700**	**28,484,600**	**20,824,000**	**(1,752,700)**	**(8%)**
One-Time Uses Included Above	8,662,786	11,192,900	15,648,000	4,393,100		

Sources by Category	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Charges for Services/Other	16,220,473	16,472,400	16,619,800	16,767,000	294,600	2%
Development Impact Fees	1,879,239	5,445,300	1,582,600	1,229,500	(4,215,800)	(77%)
Sub-Total Operating Revenue	**18,099,712**	**21,917,700**	**18,202,400**	**17,996,500**	**(3,921,200)**	**(18%)**
Transfers In	0	0	8,916,000	4,051,300	4,051,300	-
Total Sources	**18,099,712**	**21,917,700**	**27,118,400**	**22,047,800**	**130,100**	**1%**

Divisions

Administration — This division coordinates and provides centralized administrative and management functions associated with the wastewater treatment plants, reclaimed water system, and wastewater collection system.

General Operations — This division operates and maintains the city wastewater treatment plants, reclaimed water system, and wastewater collection system.

Project Management (CIP) — This division is responsible for city related wastewater treatment plants and infrastructure construction projects.

Customer Service — This division responds to customer's wastewater service requests, complaints, and needs.

Sewer Collection System Ops — This division is responsible for all the day-to-day operations and maintenance activities for the wastewater collection system.

Utility Locating — This division performs utility locating - blue stake activities.

Environmental — This division 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.

DEPARTMENT OVERVIEW
Water Resource Management - Wastewater

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	16,072,589	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%
Recycling	59	0	0	0	0	-
Utility Locating	101,062	107,900	110,000	110,300	2,400	2%
Environmental	281,608	393,900	378,200	403,200	9,300	2%
Total Uses	**18,558,358**	**22,576,700**	**28,484,600**	**20,824,000**	**(1,752,700)**	**(8%)**

Personnel by Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted	Change from FY2015
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 Personnel	**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 loss of time.
- All open positions within the wastewater division have been filled.
- A department-wide Emergency Response Plan has been developed.
- The installation of the second chlorine generation unit and effluent disinfection by-product reduction projects has been completed.
- The second phase of the Integrated Water Master Plan update has been completed.
- Progress has continued on identifying wastewater system assets and evaluating their condition as part of the ongoing asset management program.
- Wastewater major asset rehabilitation and replacement has been completed in the amount of $512,000.
- The $250,000 wastewater Supervisory Control and Data Acquisition (SCADA) upgrade project has been completed.

Major Initiatives and Policy Issues

- The solar bio-solids drying pilot will be completed.
- Live action training exercises as outlined by the Emergency Response Plan will be performed.
- Standardized service order contracts will be established for engineering and hydrology services.
- Development of the asset management program will continue by establishing criticalities in the wastewater system.
- The final phase of the Integrated Water Master Plan Update will be completed.

Goals, Objectives, and Performance Measures

Department Goal	The department will operate and maintain the SPA1 and SPA2 Water Reclamation Facility (WRF) and wastewater collection systems in an effective manner.				
Objective	The objective is to successfully treat all wastewater received at the WRF, monitor influent flow to determine when additional facilities should be placed in service or constructed, 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, and 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.				
Council Strategic Plan Element	Sustainability				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
SPA1 WRF: percentage of capacity used per day	48%	43%	48%	50%	50%
SPA2 WRF: percentage of capacity used per day	5%	5%	6%	6%	6%
Preventative maintenance to total maintenance ratio (hours)	N/A	40%	66%	50%	65%
Percentage of 100 miles of wastewater collection system cleaned	33%	110%	100%	101%	110%

Department Goal	The department will maximize use of effluent from WRF through various applications.				
Objective	The objective is to recharge 80% of wastewater treatment facility effluent per day, provide customers with reclaimed water, and produce grade A+ reclaimed water quality.				
Council Strategic Plan Element	Sustainability				
Performance Measure	**FY2013 Actual**	**FY2014 Actual**	**FY2015 Target**	**FY2015 Estimate**	**FY2016 Target**
Percentage of wastewater recharged to aquifer	71%	69%	80%	70%	80%
Percentage of groundwater withdrawal replaced with wastewater recharge	104%	73%	80%	85%	80%
Percentage of treated wastewater provided to customers	28%	27%	20%	20%	17%
Percentage of days at grade rating	99%	99%	99%	97%	99%

DEPARTMENT OVERVIEW
Water Resource Management - Wastewater

Department Goal	The department will 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	The objective is to meet all monitoring and reporting requirements to comply with wastewater regulations, demonstrate compliant operation and maintenance of facilities with permit conditions and regulatory requirements to avoid agency issued violations and penalties, and 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.				
Council Strategic Plan Element	Sustainability				
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%
Percentage of days wastewater effluent compliance without violation	100%	100%	100%	100%	100%
sanitary sewer overflow rate	0.31	0.36	2	0.002	1

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Wastewater Operations	9,970,483	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	**18,558,358**	**22,576,700**	**28,484,600**	**20,824,000**	**(1,752,700)**	**(8%)**

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	1,881,432	5,448,700	10,498,600	5,280,800	(167,900)	(3%)
Total Sources	**18,099,712**	**21,917,700**	**27,118,400**	**22,047,800**	**130,100**	**1%**

Capital Improvement Plan

- **Capital Improvement Plan (CIP) FY2016 Summary**
- **CIP Fund Overview**
  - General Capital Fund
  - Municipal Court Enhancement Fund
  - Tourism Fund
  - Spring Training Ticket Surcharge Fund
  - Proposition 400 Fund
  - Stadium Improvements Fund
  - Parks and Recreation Development Fee Fund
  - Public Works Development Fee Fund
  - Transportation Improvement Fund
  - Water System and Replenishment Development Fee Fund (pg. 259)
  - Wastewater System Development Fee Fund
  - Government Construction Fund
- **CIP Summary by Fund**
- **Fund Summary by Project**
- **Project Detail**

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 wastewater 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 adopted 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 $64.6 million. 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.

CAPITAL IMPROVEMENT PLAN
FY2016 Summary

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.

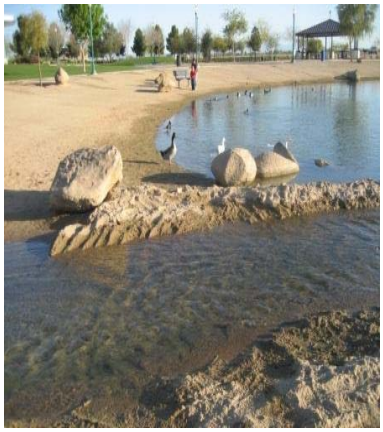
A fund summary of operating and maintenance (O&M) costs anticipated to impact the FY2017 operating budget are included in the table to the right. The FY2016 budget includes operating cost for Surprise Farms Community Park, Veramonte Park Improvements, and the Skate Park projects. The FY2017 O&M costs for these projects are also included in the table. Each year, departments are expected to either absorb the additional costs or seek council approval to increase their ongoing operating budget through the change request process.

FUND NAME	FY2017 ANTICIPATED O&M
General Fund	$229,300
Hightway User Revenue	$78,900
Water Operations	$40,000
Sewer Operations	$8,000
Sanitation Operations	$37,000
TOTAL ALL FUNDS	**$393,200**

Anticipated operating costs associated with each project are listed in the Project Detail found later in this section.

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 Management 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 are discussed below:

Funding Options

As a growing community, the city of Surprise has continuing capital needs 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 ongoing 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 Management 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 projects 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 the 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.
- Resident 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.

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. Decreased constrcution sales tax revenue results in an increased subsidy from the General Fund in the form of a transfer in. The increased transfer also reflects an additional $671,600 for pavement preservation to reinforce Councils strategic plan to maintain city streets and roads.

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	1,056,600	506,600	92%
Operating Capital	122,000	692,000	554,000	0	(692,000)	(100%)
Sub-Total Operating Expenses	**122,000**	**1,550,000**	**977,000**	**1,056,600**	**(493,400)**	**(32%)**
Contingency	0	2,823,600	0	0	(2,823,600)	(100%)
Capital	3,856,158	10,070,300	1,989,400	12,289,100	2,218,800	22%
Total Uses by Category	**3,978,158**	**14,443,900**	**2,966,400**	**13,345,700**	**(1,098,200)**	**(8%)**
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%)
Police	72,000	263,000	263,000	375,000	112,000	43%
Fire-Emergency Services	455,981	225,000	53,900	188,000	(37,000)	(16%)
Community and Recreation Services	618,049	2,550,000	90,000	2,960,000	410,000	16%
Public Works	2,209,238	6,614,000	1,162,300	6,717,700	103,700	2%
Total Uses by Department	**3,978,158**	**14,443,900**	**2,966,400**	**13,345,700**	**(1,098,200)**	**(8%)**
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	525,700	139,300	36%
Transfers In	0	2,000,000	3,651,200	3,436,600	1,436,600	72%
Total Sources by Category	**3,198,635**	**5,596,600**	**5,188,200**	**5,529,800**	**(66,800)**	**(1%)**

CAPITAL IMPROVEMENT PLAN
Municipal Court Enhancement

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 ongoing 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 $21,207,300. The Tourism Fund is funding $420,000 of the project in FY2015. No additional 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	469,600	(207,300)	(31%)
Capital	0	0	75,000	345,100	345,100	-
Total Uses by Category	**31,000**	**676,900**	**75,000**	**814,700**	**137,800**	**20%**
Uses by Department						
Community and Recreation Services	31,000	676,900	75,000	814,700	137,800	20%
Total Uses by Department	**31,000**	**676,900**	**75,000**	**814,700**	**137,800**	**20%**
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%**

CAPITAL IMPROVEMENT PLAN
Spring Training Ticket Surcharge

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
Operating service expenses related to field renovations were budgeted on a one time basis in FY2015. Ongoing operating expenses are budgeted in the General Fund and will be partially covered by the ticket surcharge revenue generated in the Spring Training Ticket Surcharge Fund though a transfer out.

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 $21,207,300. 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 RTP funds the construction of regional area roads and public transit programs and projects.

Major Budget Changes

The city received funds in FY2014 that were directed to capital improvements at the Park and Ride facility. The facility is schedule to be completed during FY2016. Revenue received during FY2015 was for the sale of Dial-a-Ride vehicles previously funded with RTP funding. The Dial-a-Ride services were outsourced to a third party and the vehicles were no longer necessary. In agreement with MAG, these funds will be directed towards the Americans with Disabilities Act (ADA) paratransit program in FY2016. No additional funding is anticipated 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	7,700	100,500	(7,700)	(7%)
Total Uses by Category	**19,572**	**127,800**	**7,700**	**167,300**	**39,500**	**31%**
Uses by Department						
Public Works	19,572	127,800	7,700	167,300	39,500	31%
Total Uses by Department	**19,572**	**127,800**	**7,700**	**167,300**	**39,500**	**31%**
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%)**

CAPITAL IMPROVEMENT PLAN
Stadium Improvements

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 $2.0 million for improvements to the stadium. Per the agreement, the city will realize earnings by amortizing the $2.0 million 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 $21,207,300 and is being funded by multiple funds. 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	1,491,200	0	(1,491,200)	(100%)
Total Uses by Category	**508,771**	**1,491,200**	**1,491,200**	**0**	**(1,491,200)**	**(100%)**
Uses by Department						
Community and Recreation Services	508,771	1,491,200	1,491,200	0	(1,491,200)	(100%)
Total Uses by Department	**508,771**	**1,491,200**	**1,491,200**	**0**	**(1,491,200)**	**(100%)**
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%**

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 in 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 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	500,000	2,135,100	(500,000)	(19%)
Total Uses by Category	**794,115**	**5,111,800**	**1,382,200**	**3,753,800**	**(1,358,000)**	**(27%)**
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	1,199,500	2,575,800	(2,511,000)	(49%)
Total Uses by Department	**794,115**	**5,111,800**	**1,382,200**	**3,753,800**	**(1,358,000)**	**(27%)**
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%)**

CAPITAL IMPROVEMENT PLAN
Public Works Development Fees Fund

Description
The Public Works Development Fee Fund is established to account for the inflow of public works development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on public works services caused by growth. Development fees cannot be used to subsidize operational needs.

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 in 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 including 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	4,797,800	(3,759,500)	(44%)
Capital	106,348	1,009,600	5,200	4,693,000	3,683,400	365%
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%)**

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 20% 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	1,017,500	1,824,000	(466,200)	(20%)
Total Uses by Category	**3,005,780**	**5,518,200**	**1,435,300**	**4,674,000**	**(844,200)**	**(15%)**
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	1,146,100	4,382,600	(849,500)	(16%)
Total Uses by Department	**3,005,780**	**5,518,200**	**1,435,300**	**4,674,000**	**(844,200)**	**(15%)**
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%)**

CAPITAL IMPROVEMENT PLAN
Water System and Replenishment Development Fee Funds

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 in 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 FY2015 budgeted development impact fee revenue was based on growth estimates used during the last fee study and have proven to be overly optimistic; projected revenue has been revised going forward.

The expenditures are primarily for continued capital projects including Desert Oasis Water Supply Facility 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	102,490	205,000	205,000	307,300	102,300	50%
Sub-Total Operating Expenses	**162,610**	**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	**2,761,438**	**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	2,761,438	15,317,300	1,681,300	6,071,200	(9,246,100)	(60%)
Total Uses by Department	**2,761,438**	**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%)**

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 in 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 FY2015 budgeted development impact fee revenue was based on growth estimates used during the last fee study and have proven to be overly optimistic; projected revenue has been revised going forward.

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	300,000	1,500,000	(300,000)	(17%)
Total Uses by Category	**8,751,559**	**13,499,000**	**9,462,600**	**6,697,000**	**(6,802,000)**	**(50%)**
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	9,462,600	6,647,000	(6,802,000)	(51%)
Total Uses by Department	**8,751,559**	**13,499,000**	**9,462,600**	**6,697,000**	**(6,802,000)**	**(50%)**
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%)**

CAPITAL IMPROVEMENT PLAN
Government Construction Fund

Description

This fund was established to account for bond proceeds from a FY2015 debt issuance approved by Mayor and City Council on May 19, 2015 per resolution number 2015-50.

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 $21,207,300. This project is being funded by multiple funds and $18,900,000 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	18,900,000	18,900,000	-
Total Uses by Category	**0**	**11,513,200**	**197,800**	**18,904,800**	**7,391,600**	**64%**
Uses by Department						
General Operations	0	11,513,200	197,800	4,800	(11,508,400)	(100%)
Community and Recreation Services	0	0	0	18,900,000	18,900,000	-
Total Uses by Department	**0**	**11,513,200**	**197,800**	**18,904,800**	**7,391,600**	**64%**
Sources by Category						
Transfers In	0	0	19,102,600	0	0	-
Total Sources by Category	**0**	**0**	**19,102,600**	**0**	**0**	**-**

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CAPITAL IMPROVEMENT PLAN
Summary by Fund

Fund	2015 Estimate	Carry Forward	2016 Request	Total CF and FY2016
General Fund	$0	$1,709,000	$1,850,000	$3,559,000
General Capital Fund	$1,989,400	$6,689,400	$5,599,700	$12,289,100
Highway User Revenue Fund	$32,500	$442,500	$350,000	$792,500
Municipal Court Enhancement	$200,000	$0	$0	$0
Tourism	$75,000	$345,100	$0	$345,100
Spring Training Ticket Surcharge	$396,000	$0	$0	$0
Proposition 400	$7,700	$100,500	$0	$100,500
Stadium Improvements	$1,491,200	$0	$0	$0
Parks and Recreation Development Fees Fund	$500,000	$2,135,100	$0	$2,135,100
Public Works Development Fees Fund	$5,200	$997,600	$3,695,400	$4,693,000
Transportation Improvement Fund	$1,017,500	$1,265,800	$558,200	$1,824,000
Water Operations	$55,100	$1,402,500	$2,737,500	$4,140,000
Water System and Replenishment Dev Fee Funds	$1,476,300	$2,606,000	$337,500	$2,943,500
Wastewater Operations	$1,255,400	$2,689,200	$6,581,300	$9,270,500
Wastewater System Development Fee Funds	$300,000	$1,500,000	$0	$1,500,000
Sanitation Operations	$0	$1,250,000	$900,000	$2,150,000
Government Construction Fund	$0	$0	$18,900,000	$18,900,000
Total	**$8,801,300**	**$23,132,700**	**$41,509,600**	**$64,642,300**

CAPITAL IMPROVEMENT PLAN
General Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	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	$0	$170,000	$0	$170,000
21529 - AZ TechCelerator Renovation	$0	$500,000	$0	$500,000
27187 - Mid-Decade Census	$0	$850,000	$1,850,000	$2,700,000
Total	**$0**	**$1,709,000**	**$1,850,000**	**$3,559,000**

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CAPITAL IMPROVEMENT PLAN
General Capital Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21103 - Bell Rd Sidewalks E of Grand	$77,600	$193,700	$37,300	$231,000
21105 - Dove Valley Parkway (203rd Avenue to 187th Avenue)	$59,000	$3,100	$269,200	$272,300
21106 - Martin Acres Flood Control	$22,800	$805,300	$0	$805,300
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	$84,400	$29,500	$0	$29,500
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	$99,500	$100,500	$414,800	$515,300
21506 - Enhancement SR303 Mountain View to Grand Ave	$146,900	$28,100	$2,000	$30,100
21507 - Skate Park located at Surprise Farms Community Park	$65,000	$435,000	$0	$435,000
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	$0	$50,000	$0	$50,000
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
21601 - Fiber Optics - Reems Road (Waddell Road to Peoria Ave	$0	$0	$55,000	$55,000
21602 - Sidewalk on Reems (Cactus to Peoria) west side	$0	$0	$100,000	$100,000
21603 - Ambulance	$0	$0	$188,000	$188,000
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
28032 - Asset Repl-Police	$0	$0	$45,000	$45,000
Total	**$1,989,400**	**$6,689,400**	**$5,599,700**	**$12,289,100**

CAPITAL IMPROVEMENT PLAN
Highway User Revenue Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21410 - Booster Station Bell Rd Lake	$32,500	$92,500	$0	$92,500
21509 - Median & ROW Landscaping	$0	$300,000	$300,000	$600,000
21511 - Sidewalk Gaps	$0	$50,000	$50,000	$100,000
Total	**$32,500**	**$442,500**	**$350,000**	**$792,500**

CAPITAL IMPROVEMENT PLAN
Municipal Court Enhancement Project Summary

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

CAPITAL IMPROVEMENT PLAN
Tourism Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$75,000	$345,100	$0	$345,100
Total	**$75,000**	**$345,100**	**$0**	**$345,100**

CAPITAL IMPROVEMENT PLAN
Spring Training Ticket Surcharge Project Summary

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

CAPITAL IMPROVEMENT PLAN
Proposition 400 Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21513 - Park N Ride Enhancements	$7,700	$100,500	$0	$100,500
Total	**$7,700**	**$100,500**	**$0**	**$100,500**

CAPITAL IMPROVEMENT PLAN
Stadium Improvements Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$1,491,200	$0	$0	$0
Total	**$1,491,200**	**$0**	**$0**	**$0**

CAPITAL IMPROVEMENT PLAN
Parks and Recreation Development Fees Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21417 - Surprise Farms Community Park	$300,000	$1,386,300	$0	$1,386,300
21418 - Veramonte Park Improvements	$200,000	$748,800	$0	$748,800
Total	**$500,000**	**$2,135,100**	**$0**	**$2,135,100**

CAPITAL IMPROVEMENT PLAN
Public Works Development Fees Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	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
21601 - Fiber Optics - Reems Road (Waddell Road to Peoria Ave	$0	$0	$95,400	$95,400
Total	**$5,200**	**$997,600**	**$3,695,400**	**$4,693,000**

CAPITAL IMPROVEMENT PLAN
Transportation Improvement Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	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.)	$402,900	$0	$0	$0
21304 - Cactus Rd 175th to Cotton Ln.	$16,100	$278,900	$0	$278,900
21504 - Jomax 147th to 133rd Pave Dirt Road	$0	$0	$458,200	$458,200
21525 - Medians Waddell Rd West of Litchfield	$0	$125,000	$0	$125,000
21526 - Medians at Bell E. El Mirage	$82,000	$0	$0	$0
Total	**$1,017,500**	**$1,265,800**	**$558,200**	**$1,824,000**

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CAPITAL IMPROVEMENT PLAN
Water Operations Project Summary

Project	2015 Estimate	Carry Forward (CF)	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	$21,500	$208,500	$0	$208,500
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
21604 - Combined Distribution System for Ashton Ranch and Ran	$0	$0	$625,000	$625,000
21605 - SPA 1 12-in Water Line (Civic Center Drive/Tierra Buena	$0	$0	$150,000	$150,000
21606 - Well Transmission Line Hydraulic Transient Protection	$0	$0	$150,000	$150,000
28030 - Asset Repl-Water	$0	$0	$1,115,000	$1,115,000
Total	**$55,100**	**$1,402,500**	**$2,737,500**	**$4,140,000**

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

Project	2015 Estimate	Carry Forward (CF)	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**

CAPITAL IMPROVEMENT PLAN
Wastewater Operations Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21110 - Site and Security Improvements	$0	$152,700	$0	$152,700
21114 - Disinfection Byprdct Reduction	$854,100	$0	$0	$0
21215 - SPA 1 WRF Stabilization, Dust	$1,600	$0	$0	$0
21216 - Additonal Chlorine Generation	$141,200	$0	$0	$0
21410 - Booster Station Bell Rd Lake	$0	$300,000	$0	$300,000
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	$1,000,000	$1,150,000
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	$400,000	$700,000
21520 - Wastewater SCADA Upgrade	$250,000	$0	$0	$0
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
21607 - SPA 1 Recharge Expansion	$0	$0	$200,000	$200,000
21608 - SPA1 WRF Conference and Training Center	$0	$0	$2,550,000	$2,550,000
28031 - Asset Repl-Wastewater	$0	$0	$508,800	$508,800
Total	**$1,255,400**	**$2,689,200**	**$6,581,300**	**$9,270,500**

CAPITAL IMPROVEMENT PLAN
Wastewater System Development Fee Funds Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21303 - Mtn. View Blvd. (West of Grand Ave.)	$300,000	$0	$0	$0
21412 - SPA 1 Installation of 2nd Centrifuge	$0	$1,500,000	$0	$1,500,000
Total	**$300,000**	**$1,500,000**	**$0**	**$1,500,000**

CAPITAL IMPROVEMENT PLAN
Sanitation Operations Project Summary

Project	2015 Estimate	Carry Forward (CF)	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**

CAPITAL IMPROVEMENT PLAN
Government Construction Fund Project Summary

Project	2015 Estimate	Carry Forward (CF)	2016 Request	Total CF and 2016
21514 - Clubhouse Renovation at Surprise Stadium	$0	$0	$18,900,000	$18,900,000
Total	**$0**	**$0**	**$18,900,000**	**$18,900,000**

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	20671 - SPA 2 Desert Oasis WSF-Arsenic Treatment		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Desert Oasis WSF	District:	District 1
Start Date:	7/1/2015	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$2,200,000

Description:

Design and construction of a 2,000 gallons per minute arsenic treatment plant located at Desert Oasis Water Supply Facility (WSF). Using a series of treatments, filters, tanks and pumps, raw water is piped through the arsenic removal treatment plant. Treated water is compliant with the Environmental Protection Agency arsenic level standards.

Justification:

New Federal rules require reduction of arsenic levels in potable water. This will reduce the arsenic levels of water leaving the Desert Oasis Water Supply Facility.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Professional & Outside Service	0	50,000	0	0	0	0	0	50,000
22511	Infrastructure Purchases	0	0	500,000	0	0	0	0	500,000
22513	Professional & Outside Service	0	150,000	0	0	0	0	0	150,000
22513	Infrastructure Purchases	0	0	39,200	0	0	0	0	39,200
22519	Infrastructure Purchases	0	0	1,460,800	0	0	0	0	1,460,800
Total		0	200,000	2,000,000	0	0	0	0	2,200,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21103 - Bell Rd Sidewalks E of Grand		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Grand Avenue to Avenue of the Arts	District:	District 4
Start Date:	7/1/2011	End Date:	6/30/2016
*3rd Party Funding	$1,466,000	**Total Project Cost:	$2,603,100

Description:

This project is for the design and construction of a ten foot wide multi-purpose concrete sidewalk along the south side of Bell Road. The sidewalk will start at Park & Ride and continue on Bell to 114th Ave. The total project budget is $2,603,100. Design and ROW are to be paid by the city (design $190,000 and ROW $660,200). Total construction is estimated at $1,439,200 ($778,000 federal funds and $661,200 City funds). Due to federal funding requirements Arizona Department of Transportation (ADOT) will be administering the construction portion of the project. Design review fees are estimated at $56,200 and will be paid by the city. Post design fees are estimated at $13,000. The total project budget also includes a $94,400 owner's contingency for any unforseen changes and $150,000 for construction delay. This project is eligible for reimbursement of $688,000 for design, ROW, and post design services.

Justification:

Design IGA/JPA 10-174-I. Construction IGA/JPA 13-0001269I. Design is still underway and is expected to be completed in June 2014. ROW is expected to be complete by December 2014. Construction is expected to begin in July 2015. Expect to be billed for Design Review Fees in December 2014. Expect to be billed for Post Design in December 2015.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Recording, License Fees	400	0	0	0	0	0	0	400
21112	Real Property Services	13,500	0	0	0	0	0	0	13,500
21112	Professional & Outside Service	841,100	3,000	0	0	0	0	0	844,100
21112	Land Purchases	484,200	0	0	0	0	0	0	484,200
21112	Building & Structure Purchases	182,300	0	0	0	0	0	0	182,300
21112	Street Improvements	72,600	228,000	0	0	0	0	0	300,600
Total		1,594,100	231,000	0	0	0	0	0	1,825,100
Revenues:									
21112	Federal Grant Revenue	675,000	0	0	0	0	0	0	675,000
21112	Misc Reimbursements	0	13,000	0	0	0	0	0	13,000
Total		675,000	13,000	0	0	0	0	0	688,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21105 - Dove Valley Parkway (203rd Avenue to 187th Avenue)		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Dove Valley Parkway	District:	District 1
Start Date:	7/1/2010	End Date:	6/30/2016
*3rd Party Funding	$984,300	**Total Project Cost:	$1,664,200

Description:

Design and construction of two miles (one 14 ft wide lane in each direction) from 203rd Avenue to 187th Avenue. The project includes low water crossings at current wash locations. The total project budget is $1,664,200. Design and ROW are to be paid by the city (design $190,100 and ROW $100,000). Current construction estimate is $1,320,000 ($872,300 federal funds and $447,700 City funds). Due to federal funding requirements Arizona Department of Transportation (ADOT) will be administering the construction portion of the project. Design review fees are estimated at $41,400. Post design fees are estimated at $12,700. This project is eligible for reimbursement of $112,000 for ROW and post design services.

Justification:

The City of Surprise has an approved IGA with ADOT. Under the ADEQ PM-10 program, the City is taking an active part in reducing its amount of unpaved roads. This project will reduce dust emission and thereby contribute to the air quality . The project will improve safety for the traveling public by providing paved surface . The project will improve wash crossing which floods during monsoon season. The crossing will be safer to cross during monsoon. Dove valley provides a unique connectivity from Grand Avenue to 163rd Avenue. The maintenance of the roadway will not be a burden on the general fund or Public Works Department.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Recording, License Fees	1,300	0	0	0	0	0	0	1,300
21112	Real Property Services	4,900	0	0	0	0	0	0	4,900
21112	Professional & Outside Service	459,000	3,100	0	0	0	0	0	462,100
21112	Advertising	2,500	0	0	0	0	0	0	2,500
21112	Land Purchases	25,400	0	0	0	0	0	0	25,400
21112	Building & Structure Purchases	26,500	0	0	0	0	0	0	26,500
21112	Street Improvements	0	269,200	0	0	0	0	0	269,200
21418	Street Improvements	0	0	0	0	0	0	0	0
Total		519,600	272,300	0	0	0	0	0	791,900
Revenues:									
21112	State Grant Revenue	2,900	0	0	0	0	0	0	2,900
21112	Federal Grant Revenue	69,400	0	0	0	0	0	0	69,400
21112	Misc Reimbursements	27,000	12,700	0	0	0	0	0	39,700
Total		99,300	12,700	0	0	0	0	0	112,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21106 - Martin Acres Flood Control		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Martin Acres	District:	District 1
Start Date:	7/1/2010	End Date:	6/30/2016
*3rd Party Funding	$250,000	**Total Project Cost:	$910,000

Description:

The Martin Acres Development was platted as a county development over 30 years ago. The development was annexed into the City of Surprise in 1994. The development standards utilized for Martin Acres were less strict than the current Flood Control District of Maricopa County/City of Surprise development standards. A large portion of the Martin Acres development is located within the floodplain/floodway of the Wash 3 East that contributes to the eastern end of McMicken Dam. The development blocks/obstructs a large portion of the wash. Martin Acres has experienced frequent flooding during the past 30 years. This project will seek to provide flooding relief to the residents of Martin Acres. This project is eligible to recieve grant funding from the Flood Control District in the amount of $250,000.

Justification:

Martin Acres has experienced frequent flooding during the past 30 years. The proposed project will provide improved flood protection for the community. IGA FCD 2011A006 is the current IGA for the grant funding. This project will also aid in emergency vehicle access.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	104,700	805,300	0	0	0	0	0	910,000
Total		104,700	805,300	0	0	0	0	0	910,000
Revenues:									
21112	Other Grant Revenue	0	250,000	0	0	0	0	0	250,000
Total		0	250,000	0	0	0	0	0	250,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21108 - Fiber Optics-Loop 303-Peor-Bel		
Default Fund:	21415 - Public Works Development Fees Fund		
Department:	545-112 - TRAFFIC ENGINEERING-GENERAL OPS		
Location:	Loop 303 (Peoria Avenue to Bell Road)	District:	Multiple
Start Date:	7/1/2011	End Date:	9/30/2014
*3rd Party Funding	$398,500	**Total Project Cost:	$650,100

Description:

In FY11, the City entered into a JPA with the ADOT for the SR303. As part of the JPA, ADOT will install fiber optic conduit for the City's Intelligent Transportation System (ITS). The total project budget is $660,700 and has split funding for growth (63.6%) and non-growth (36.4%). The growth portion is funded from the PW Development Fee Fund (21415) and the non-growth portion is funded from the General Capital Fund (21112). For this project the City funded Design and Post Design fees ($122,200), ADOT Design review fees ($22,900) and ITS Conduit ($126,500), 5.7% of Construction and Right of Way (ROW) plus contingency ($29,700). Federal funds associated with construction of this project are ($348,800). Due to federal funding requirements ADOT will be administering the construction portion of the project.

Justification:

The City has an Intergovernmental Agreement (IGA)/JPA #13-0000821-I with the Arizona Department of Transportation (ADOT) for this project. The City is eligible for reimbursement from ADOT for post design fees ($11,100) and the difference paid to ADOT on the estimated construction cost versus the final contruction cost ($40,300). The project is a growth and non-growth project as identified in the Development Fee and MPC Bond Fund Analysis performed by Malcolm Pirnie in 2011.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	13,200	0	0	0	0	0	0	13,200
21112	Street Improvements	97,400	0	0	0	0	0	0	97,400
21415	Professional & Outside Service	20,800	0	0	0	0	0	0	20,800
21415	Street Improvements	169,900	0	0	0	0	0	0	169,900
Total		301,300	0	0	0	0	0	0	301,300
Revenues:									
21112	Misc Reimbursements	17,400	0	0	0	0	0	0	17,400
21415	Misc Reimbursements	32,300	0	0	0	0	0	0	32,300
Total		49,700	0	0	0	0	0	0	49,700

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21109 - El Mirage Rd-Northern to Bell		
Default Fund:	21418 - Transportation Improvement Fund		
Department:	545-112 - TRAFFIC ENGINEERING-GENERAL OPS		
Location:	El Mirage Road at Bell Rd.	District:	District 4
Start Date:	7/1/2010	End Date:	6/30/2015
*3rd Party Funding	$5,000,000	**Total Project Cost:	$6,310,500

Description:

Reimbursement to the City of El Mirage for up-front design concept review of $310,500. Reimbursement to Maricopa County Department of Transportation (MCDOT) for the construction widening of El Mirage Road in Surprise using City funds not to exceed $1,000,000 and MCDOT funds of $5,000,000. The proposed project includes the widening of El Mirage Road in Surprise between Paradise and Bell with additional turn lanes off of Bell onto El Mirage Road both North and South, and various Right of Way (ROW) and utility adjustments.

Justification:

The Maricopa Association of Governments (MAG) Regional Transportation Plan (RTP) has identified the need to widen and extend El Mirage Road between Northern Ave and Bell Road. El Mirage Road varies between a 5-lane and 2-lane facility throughout the area; and is discontinuous in the vicinity of Grand Ave.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21418	Professional & Outside Service	0	0	0	0	0	0	0	0
21418	Building & Structure Purchases	1,310,500	0	0	0	0	0	0	1,310,500
Total		1,310,500	0	0	0	0	0	0	1,310,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21110 - Site and Security Improvements		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Various	District:	Citywide
Start Date:	6/1/2011	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$2,287,100

Description:

Design and construction of site improvements and security upgrades for the water and wastewater facilities based on the security master plan. Project will be phased. The first phase will include physical security improvements including the installation of cameras and access control at SPA1, SPA2, Ashton Ranch WSF, and Rancho Gabriela WSF. Phase two improvements will include other security enhancements as required by the security master plan at all other sites identified in the plan.

Justification:

In light of new Department of Homeland Security (DHS) and Environmental Protection Agency's (EPA) designation of water and wastewater systems as critical infrastructure. The City of Surprise has taken a proactive approach to dealing with security of its water and wastewater facilities. The development of the Water and Wastewater Security Master Plan has identified areas in need of increased security.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Professional & Outside Service	146,000	0	0	0	0	0	0	146,000
22511	Building & Structure Purchases	84,300	770,000	413,500	0	0	0	0	1,267,800
22511	Imp.'s Otr Than Bldg. & Land	285,800	0	0	0	0	0	0	285,800
22511	Furn., Fixtures & Ofc Equipmt	34,400	0	0	0	0	0	0	34,400
22531	Building & Structure Purchases	369,200	152,700	0	0	0	0	0	521,900
22531	Furn., Fixtures & Ofc Equipmt	31,200	0	0	0	0	0	0	31,200
Total		950,900	922,700	413,500	0	0	0	0	2,287,100

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
22511	Electricity	0	$3,000	$3,000	$3,000	$3,000	$3,000	$27,000	$42,000
22531	Electricity	0	$3,000	$3,000	$3,000	$3,000	$3,000	$27,000	$42,000
Total		0	$6,000	$6,000	$6,000	$6,000	$6,000	$54,000	$84,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21111 - SPA 1 Mountain Vista Well #2		
Default Fund:	22512 - Water System and Replenishment Development Fee Funds		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Mountain Vista Ranch	District:	District 5
Start Date:	7/1/2012	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$2,744,600

Description:
Design and construction of a 1,500 gallons per minute (GPM) well site, Mountain Vista Well #2.

Justification:
Supply an additional well to the Mountain Vista Ranch Water Supply Facility. Additional water capacity and storage for fire flow emergencies is needed within the Mountain Vista Ranch system. Remaining undeveloped commercial area to pay an impact fee of $430,000 to cover the difference of water needed for their activities as part of this project

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22512	Lab Services	11,200	0	0	0	0	0	0	11,200
22512	Professional & Outside Service	380,400	0	0	0	0	0	0	380,400
22512	Land Purchases	0	0	0	0	0	0	0	0
22512	Building & Structure Purchases	2,353,000	0	0	0	0	0	0	2,353,000
Total		2,744,600	0	0	0	0	0	0	2,744,600

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
22511	Electricity	0	$35,000	$35,000	$35,000	$35,000	$35,000	$315,000	$490,000
Total		0	$35,000	$35,000	$35,000	$35,000	$35,000	$315,000	$490,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21114 - Disinfection Byprdct Reduction		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2011	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$1,049,900

Description:

Complete process or design change implemented as a result of a completed disinfection byproduct study. Due to permit exceedances of total trihalomethanes (TTHM), a process or facility design change may be needed to comply with the facility Aquifer Protection Permit for the Special Planning Area (SPA) 1 Water Reclamation Facility. Develop disinfection byproduct study to analyze all available total trihalomethanes (TTHM) reduction technologies. Based on the results of the study, the most advantageous solution will be tested. As a result of the test, the project will construct and install a permanent TTHM reduction solution.

Justification:

The Aquifer Protection Permit (APP102478) for the SPA1 Water Reclamation Facility specifies a discharge limit of 0.1 mg/L and an alert level of 0.08 mg/L for total trihalomethanes. Trihalomethanes are a formed byproduct of disinfection processes using chlorine as a primary disinfectant. Based on compliance samples collected at the permitted sample point, the level of total trihalomethanes is 0.174 mg/L, exceeding the permitted discharge limit. The exceedance has been confirmed through verification sampling, with a result of 0.136 mg/L.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Op Equip, Tool, Part <10000	5,800	0	0	0	0	0	0	5,800
22531	Recording, License Fees	13,400	0	0	0	0	0	0	13,400
22531	Lab Services	6,300	0	0	0	0	0	0	6,300
22531	Professional & Outside Service	189,000	0	0	0	0	0	0	189,000
22531	Building & Structure Purchases	835,400	0	0	0	0	0	0	835,400
22531	Furn., Fixtures & Ofc Equipmt	0	0	0	0	0	0	0	0
Total		1,049,900	0	0	0	0	0	0	1,049,900

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
22531	Electricity	0	$5,000	$5,000	$5,000	$5,000	$5,000	$45,000	$70,000
Total		0	$5,000	$5,000	$5,000	$5,000	$5,000	$45,000	$70,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21204 - 107th & Union Hills Drainage		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	107th Avenue and Union Hills Road	District:	District 4
Start Date:	7/1/2011	End Date:	6/30/2017
*3rd Party Funding	$8,866,800	**Total Project Cost:	$11,867,200

Description:

The City of Surprise, City of Peoria, and the Maricopa County Flood Control District are partnering to complete a drainage improvement project to mitigate flooding in the vicinity of 107th Avenue and Union Hills Road. The Flood Control District will take the lead on this project. The scope of the project will include design and construction of storm water mitigation improvements along 115th Ave between Beardsley Road and Bell Road. The City's funding share of the project is 25%.

Justification:

City Council approved IGA FCD 2012A005 in April 2013 for the design associated with the flood control improvements. This project will provide flooding protection to the residents of Coyote Lakes, Canyon Ridge, and the businesses south of Bell Rd. at 115th Ave. These improvements will also protect the Bell Rd. corridor at 115th Ave from flooding and damage. The operation and maintenance of these improvements will be split between the County, Peoria and Surprise. The operation and maintenance costs may be eligible under storm water funding.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	174,200	75,900	0	0	0	0	0	250,100
21112	Infrastructure Purchases	0	2,583,300	167,000	0	0	0	0	2,750,300
Total		174,200	2,659,200	167,000	0	0	0	0	3,000,400

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

SURPRISE
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21205 - Pave Dirt Shoulders		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Various	District:	Citywide
Start Date:	7/1/2012	End Date:	6/30/2015
*3rd Party Funding	$590,400	**Total Project Cost:	$799,900

Description:

Paving 4 miles of dirt shoulders along various arterial roads with significant traffic. Six feet of pavement will be placed on each of the identified shoulders to prevent the generation of dust from traffic that drives on the present dirt shoulders. This project will be federally funded under the pave dirt road PM 10 (particulate matter) program from Maricopa Association of Governments (MAG). Due to federal funding requirements Arizona Department of Transportation (ADOT) will be administering the construction portion of the project.

Justification:

This project will be federally funded ($581,400 for construction) under the pave dirt road PM-10 (particulate matter) program from Maricopa Association of Governments (MAG). Approved IGA/JPA #13-0000832-I. Post design review fees will also be eligible for reimbursement.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	113,500	0	0	0	0	0	0	113,500
21112	Building & Structure Purchases	101,600	0	0	0	0	0	0	101,600
21112	Street Improvements	0	0	0	0	0	0	0	0
Total		215,100	0	0	0	0	0	0	215,100
Revenues:									
21112	Misc Reimbursements	5,600	0	0	0	0	0	0	5,600
Total		5,600	0	0	0	0	0	0	5,600

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21210 - Peoria (Sarival to Reems)		
Default Fund:	21418 - Transportation Improvement Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Peoria Avenue (Sarival Avenue to Reems Road)	District:	District 3
Start Date:	7/1/2013	End Date:	6/30/2016
*3rd Party Funding	$360,000	**Total Project Cost:	$1,000,000

Description:

Design and construction of Peoria Avenue on the south side from Greer Ranch Parkway to Reems Road. The distance is 1/2 mile with curb, gutter, and sidewalk. The project is partially funded by Maricopa County of Department of Transportation (MCDOT) in the amount of $360,000. An Intergovernmental Agreement (IGA) was signed with (MCDOT) in 2011 for the City to take the lead on construction.

Justification:

This project will complete Peoria Avenue on the south side from Reems Rd to Sarival Ave with two eastbound lanes that will tie in future expansion of Peoria Ave on the north side that will be completed by the developer.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21418	Professional & Outside Service	16,500	29,400	0	0	0	0	0	45,900
21418	Building & Structure Purchases	21,600	0	0	0	0	0	0	21,600
21418	Street Improvements	0	932,500	0	0	0	0	0	932,500
Total		38,100	961,900	0	0	0	0	0	1,000,000
Revenues:									
21418	Misc Reimbursements	0	360,000	0	0	0	0	0	360,000
Total		0	360,000	0	0	0	0	0	360,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21211 - City Hall Reclaim Connections		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	City Hall Complex	District:	District 5
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$230,000

Description:
This project will connect the City Hall Complex to the existing reclaimed water system. The reclaimed water will be used for irrigation.

Justification:
This project will be to reduce the City's own usage of ground water and build on one of the Council's major goals of Sustainability. This switch will also reduce the City's operational costs on the general fund by using non-potable water vs. potable water in irrigating City Hall landscaping.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Improvements To Buildings	21,500	208,500	0	0	0	0	0	230,000
Total		21,500	208,500	0	0	0	0	0	230,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21213 - SPA 1 Variable Frequency Drives (VFD's) Plant 4 & 5		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2012	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$500,000

Description:

Analysis of current reclaimed water system to develop interconnection(s) between the existing reuse and recharge pumping systems that will achieve the best use of existing equipment to optimize overall operational efficiencies and energy utilization. Operational optimization will be achieved through the installation of demand based Variable Frequency Drives (VFDs) on the existing reclaimed pumps and the possible rerouting of reclaimed water lines to more efficiently transmit water throughout the SPA1 plant.

Justification:

Proper pump operations and control will reduce electrical consumption, operational wear and tear on equipment and improve lifecycle operating costs.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Building & Structure Purchases	10,400	0	0	0	0	0	0	10,400
22511	Improvements To Buildings	30,100	451,500	0	0	0	0	0	481,600
22511	Infrastructure Purchases	8,000	0	0	0	0	0	0	8,000
Total		48,500	451,500	0	0	0	0	0	500,000

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
22511	Electricity	0	$2,000	$2,000	$2,000	$2,000	$2,000	$18,000	$28,000
Total		0	$2,000	$2,000	$2,000	$2,000	$2,000	$18,000	$28,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21214 - IWMP Water Deficiencies		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Multiple	District:	Multiple
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$35,000	**Total Project Cost:	$300,000

Description:

Design and construction of improvements to correct water flow and pressure deficiencies identified in the 2009 Integrated Water Master Plan (IWMP). Improvements include upsizing specific valves and segments of distribution line.

Justification:

The 2009 Integrated Water Master Plan (IWMP) has identified three specific areas on the existing water system that cannot provide enough water during peak events. The objective of this project is to evaluate, design, and construct distribution line improvement that will mitigate these existing water system deficiencies. The specific areas in question are nodes at the end of Surrey Road and the intersection of North Reems Road and Sweetwater. Nodes on Dysart Road South of Cactus Road, and a node near the northeast corner of Mountain Vista Ranch subdivision.
This project maybe eligible for WIFA Grant funding of up to $35,000 and the application for this funding is currently underway.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22512	Infrastructure Improvements	0	300,000	0	0	0	0	0	300,000
Total		0	300,000	0	0	0	0	0	300,000
Revenues:									
22511	Other Grant Revenue	0	35,000	0	0	0	0	0	35,000
Total		0	35,000	0	0	0	0	0	35,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21215 - SPA 1 WRF Stabilization, Dust		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2011	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$250,700

Description:

Design and placement of large rock, gravel, and chemicals for embankment stabilization and erosion control of the storm water retention/infiltration basins. In addition, the installation of landscaping will occur for dust mitigation.

Justification:

The City's Special Planning Area 1 Water Reclamation Facility (SPA-1WRF) contains a large amount of vacant lot space and unpaved areas that require dust control measures. If such areas remain unused and undeveloped for more than 15 days then the owner and/or operator must use a control measure to help limit the emission of dust from the area.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Agricultural/grounds	400	0	0	0	0	0	0	400
22531	Sanitary/landfill	400	0	0	0	0	0	0	400
22531	Improvements To Land	6,500	0	0	0	0	0	0	6,500
22531	Building & Structure Purchases	243,400	0	0	0	0	0	0	243,400
Total		250,700	0	0	0	0	0	0	250,700

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21216 - Additonal Chlorine Generation		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA1 WRF	District:	District 6
Start Date:	7/1/2013	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$833,500

Description:

Includes the development of performance specifications and the purchase/installation of a 3rd sodium hypochlorite generation unit at the SPA1 Water Reclamation Facility (WRF). This unit is for the disinfection of reclaimed water. Due to higher than expected chlorine demands, an additional chlorine generation unit is needed to disinfect increasing flows. The specifications development is dependant on the results of CIP #21114 Disinfection Byproduct Reduction project.

Justification:

Due to higher than expected chlorine demands, an additional (3rd) chlorine generation unit is needed to disinfect increasing flows. Currently, one unit is running at 100% capacity to meet the demand. An existing second unit was designed as a backup. Current flows have forced the back-up unit to be placed into service. As a result, a 3rd unit is required to back-up the first two units in cases of emergency or maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Professional & Outside Service	105,000	0	0	0	0	0	0	105,000
22531	Building & Structure Purchases	728,500	0	0	0	0	0	0	728,500
Total		833,500	0	0	0	0	0	0	833,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21303 - Mtn. View Blvd. (West of Grand Ave.)		
Default Fund:	21418 - Transportation Improvement Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Mtn. View Blvd. (West of Grand Ave.)	District:	District 2
Start Date:	7/1/2012	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$779,300

Description:

Project will occur in two phases. The first phases will include the purchase of Right of Way (ROW) and the application of milling to connect the two ends of existing pavement. The second phase will consist of the design, and construction. This project will also include design and construction of a sewer line along Mountain View Boulevard from Grand Avenue to Parkview Place. Roadway Improvements are funded from the Transportation Improvement Fund (21418) and the Sewer line is funded from the Sewer Development SPA1 Fund (22532).

Justification:

Mt. View Blvd. lies parallel to Grand Ave. to the southwest. Mt. View is not currently constructed all the way through, but dead ends from both directions, ending southeast of Parkview Pl. and northwest of White Horse Trail. The improvements that have already been constructed at the intersections of Parkview Pl. & Mt. View Blvd., as well as White Horse Trail & Mt. View Blvd. are experiencing difficulty draining properly. In addition, existing paving from the intersection of Parkview Pl. & Mt. View Blvd. to the current dead end is in need of repair. There are also MWD irrigation facilities and easements that parallel and cross the Mt. View Blvd. alignment.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21418	Real Property Services	4,200	0	0	0	0	0	0	4,200
21418	Professional & Outside Service	97,200	0	0	0	0	0	0	97,200
21418	Land Purchases	400	0	0	0	0	0	0	400
21418	Building & Structure Purchases	9,800	0	0	0	0	0	0	9,800
21418	Street Improvements	367,700	0	0	0	0	0	0	367,700
22532	Infrastructure Improvements	116,400	0	0	0	0	0	0	116,400
22538	Infrastructure Improvements	183,600	0	0	0	0	0	0	183,600
Total		779,300	0	0	0	0	0	0	779,300

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21304 - Cactus Rd 175th to Cotton Ln.		
Default Fund:	21418 - Transportation Improvement Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Cactus Road (175th Avenue to Cotton Lane)	District:	District 3
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$8,515,300

Description:

This project scope is in two phases. Phase I is for the design, construction, and potential ROW of temporary pavement on Cactus Road between Cotton Lane and 175th Ave. The scope will provide for one travel lane in the east/west direction. Phase II is programmed for FY19 and FY20 and includes design, ROW, and construction for a permanent roadway.

Justification:

Cactus Road is not complete between Cotton Lane and 175th Ave. This project will install a temporary roadway between Cotton and 175th Ave. The permanent roadway will be contingent upon development and is programmed in FY19 and FY20.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21418	Professional & Outside Service	16,100	278,900	0	0	0	0	1,678,000	1,973,000
21418	Land Purchases	0	0	0	0	0	0	2,640,000	2,640,000
21418	Street Improvements	0	0	0	0	0	0	3,902,300	3,902,300
Total		16,100	278,900	0	0	0	0	8,220,300	8,515,300

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21308 - SPA1 Effluent Strg Reser Covers		
Default Fund:	22522 - Water System and Replenishment Development Fee Funds		
Department:	642-112 - REPLENISHMENT-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2013	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$2,600,000

Description:

Includes the design and construction of a cover to be installed over the remaining lined reclaimed reservoir located at the SPA1 Water Reclamation Facility (WRF).

Justification:

Currently the reclaimed reservoir is lined and uncovered and we are having operation & maintenance challenges with them. Covering will preserve the quality of our highly treated effluent.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22522	Professional & Outside Service	106,500	93,500	0	0	0	0	0	200,000
22522	Building & Structure Purchases	0	2,400,000	0	0	0	0	0	2,400,000
Total		106,500	2,493,500	0	0	0	0	0	2,600,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21407 - Fire Station #304 Temporary Relocation		
Default Fund:	21112 - General Capital Fund		
Department:	342-316 - EMERGENCY SERVICES (FIRE)-FIRE OPERATIONS		
Location:	FS304 Jomax and 163rd	District:	District 1
Start Date:	7/1/2013	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$299,200

Description:

This project is for the move of the temporary modular to a new permanent site for future FS#304. The new site will be prepped and a new modular purchased and placed at the site at Jomax and 163rd.

Justification:

The old FS#304 was a temporary site on leased land. The lease is up and the land for the permanent station is already purchased. The relocation of a new temporary buildiing is needed to more adequatly allocate fire resources but to also replace an obsolete and outdated temporary facility that has far surprassed its usable life.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Building & Structure Purchases	299,200	0	0	0	0	0	0	299,200
Total		299,200	0	0	0	0	0	0	299,200

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21408 - Enterprise Resource Planning System		
Default Fund:	21112 - General Capital Fund		
Department:	144-832 - INFORMATION TECHNOLOGY-INFORMATION TECHNOLOGY		
Location:	City Hall - Multiple Departments	District:	District 5
Start Date:	7/1/2013	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$4,500,100

Description:

This project is to complete a needs assessment and business case report which will result in the replacement of the Financial, HR/Payroll and Permitting software and other potential applications that support related business processes. The process will include: defining needs, Request for Proposal, evaluation of software, system selection, contract negotiation/execution and system implementation.

Justification:

The needs assessment determined it necessary to replace the outdated systems that no longer support our growth. The current systems are not integrated, lack functionality and do not provide the necessary reporting to support the City. Ongoing operating costs will be offset by the current annual maintenance costs of several systems.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21111	Professional & Outside Service	38,000	0	0	0	0	0	0	38,000
21112	Full-time Salaries	0	167,300	0	0	0	0	0	167,300
21112	Stipend	0	700	0	0	0	0	0	700
21112	Fica	0	12,800	0	0	0	0	0	12,800
21112	Medical	0	29,800	0	0	0	0	0	29,800
21112	Dental	0	1,800	0	0	0	0	0	1,800
21112	Vision	0	200	0	0	0	0	0	200
21112	Life	0	700	0	0	0	0	0	700
21112	Az State Retirement	0	19,300	0	0	0	0	0	19,300
21112	Workers Compensations	0	300	0	0	0	0	0	300
21112	Computer Supplies	0	71,000	0	0	0	0	0	71,000
21112	Professional & Outside Service	962,100	1,696,100	1,500,000	0	0	0	0	4,158,200
Total		1,000,100	2,000,000	1,500,000	0	0	0	0	4,500,100

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21111	Service Agreements	0	$0	$0	($48,000)	($48,000)	($48,000)	($480,000)	($624,000)
Total		0	$0	$0	($48,000)	($48,000)	($48,000)	($480,000)	($624,000)

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21409 - IT Disaster Recovery		
Default Fund:	21112 - General Capital Fund		
Department:	144-832 - INFORMATION TECHNOLOGY-INFORMATION TECHNOLOGY		
Location:	To Be Determined	District:	District 5
Start Date:	7/1/2013	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$315,000

Description:

This solution will provide timely recovery of City of Surprise information during virtually any type of disaster or outage and ensure availability of critical resources by developing and procuring advance arrangements and procedures that will enable the City to resume critical business functions with a defined time frame, minimizing loss, and restoring affected technology.

Justification:

Equipment and Network infrastructure to restore critical business functions. The remaining $44,700 will be spent this year or rolled over to next year for analysis on critical applications and service levels, testing Cloud solution for appropriate applications & any networking infrastructure needed for potential co-location.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Imp.'s Otr Than Bldg. & Land	295,500	0	0	0	0	0	0	295,500
Total		295,500	0	0	0	0	0	0	295,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21410 - Booster Station Bell Rd Lake		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Bell Road Lake	District:	District 5
Start Date:	7/1/2014	End Date:	6/30/2018
*3rd Party Funding	$0	**Total Project Cost:	$1,750,000

Description:

The existing booster station located at the Bell Road Lake site, constructed in the mid-1980's to irrigate the Bell Road's median, is beyond its useful life. The operation and maintenance resources associated with keeping the system functioning are very high due to its age and the presence of zebra mussels in the water purchased from Maricopa Water District (MWD). It was recently discovered that the inoperable irrigation well also located on the site, once thought to be the property of MWD, is owned by the City. It is this project's intent to place this well back into service to provide irrigation water to Bell Road. Recapturing this well for service will require the well to be cleaned, relined, installation of new pump, new electrical and controls, and additional booster pumps along Bell Road. The lake will then be converted to a reclaimed water basin for recharging the aquifer. This will require permitting, draining and cleaning of existing basin and modifications to the basin to allow for recharge, along with a monitoring well.

Justification:

By changing Bell Road Lake to a reclaim water basin it gives the City the ability to recharge water back into the aquifer which will add to the City's water portfolio.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	95,500	29,500	0	0	0	0	0	125,000
21212	Improvements To Buildings	32,500	92,500	0	0	0	0	0	125,000
22511	Improvements To Buildings	0	340,000	0	0	0	0	0	340,000
22531	Improvements To Buildings	0	300,000	400,000	460,000	0	0	0	1,160,000
Total		128,000	762,000	400,000	460,000	0	0	0	1,750,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21411 - SPA1 WRF Sluice Gate Repairs		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA1 WRF	District:	District 6
Start Date:	7/1/2013	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$325,000

Description:
The influent sluice gate at Plant 3 is inoperable and requires a new sluice gate be installed. A temporary bypass and suction lift will need to be installed while the work is being conducted.

Justification:
The gate is needed to isolate the wet well for Plant 3 for preventative maintenance activities. Critical for sewer operations, will help control the inflow process.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Building & Structure Purchases	0	325,000	0	0	0	0	0	325,000
Total		0	325,000	0	0	0	0	0	325,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21412 - SPA 1 Installation of 2nd Centrifuge		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA1 WRF	District:	District 6
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$1,500,000

Description:

Installation of a second centrifuge in the dewatering building, in the present configuration there is one centrifuge which can be used in conjunction with the aerobic digestion system. By adding the second centrifuge it will allow the operational group to have redundancy and avoid the need to start up the digestion system if the one centrifuge fails, which could increase operational costs by as much as $500,000.

Justification:

This conversion will aid the City by reducing the amount of operating time and hold down operational costs by as much as $500,000 if the digestion system were needed to operate.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22538	Professional & Outside Service	0	400,000	0	0	0	0	0	400,000
22538	Building & Structure Purchases	0	1,100,000	0	0	0	0	0	1,100,000
Total		0	1,500,000	0	0	0	0	0	1,500,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
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***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21413 - Ashton Ranch Reservior Coating		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Ashton Ranch WSF	District:	District 6
Start Date:	7/1/2013	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$131,500

Description:

The 1.2 Million Gallon storage tank at the Ashton Ranch Water Supply Facility has experienced a deterioration of the interior coating surface. The paint is pitted, has large areas of blistering and some exposed metal. This project is to perform recoating of the storage tank. The tasks are: tank cleaning, sandblasting and surface preparation, coatings, and waste disposal. The work will be performed by an independent contractor and certified by a National Association of Corrision Engineers (NACE) certified coating inspector to monitor the entire coating process to confirm proper precedures are adhered to throughout the contract.

Justification:

This is an asset rehabilitation project. this tank has reached the end of its usedful life expectancy, without re-coating the City would have to demolish and reconstruct new tank.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Building & Structure Purchases	131,500	0	0	0	0	0	0	131,500
Total		131,500	0	0	0	0	0	0	131,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21414 - CRS Master Plan Update		
Default Fund:	21112 - General Capital Fund		
Department:	444-111 - PARKS & RECREATION-ADMIN		
Location:	Citywide	District:	Citywide
Start Date:	1/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$94,000

Description:

The CRS Department is currently in the process of updating the Surprise Parks and Trails Master Plan. Once completed, the updated Master Plan will provide both short term and long term strategic plans for parks and trails including:
Implementation Strategy
a. Immediate Needs
b. Long Range Needs
c. Partnering-BLM (White Tanks), FCD (McMicken), BOR (CAP)
d. Bond Campaign Supportive Materials

Land Acquisition Strategy
a. BLM (White Tanks) Partnering / Use Agreements
b. FCD (McMicken Dam) Partnering / Use Agreements
c. BOR (CAP) Partnering / Use Agreements
d. Fee Simple Priorities for Acquisition (location/threatened)

The Department had initially anticipated completing the Master Plan by June 2015. However, as the Village Planning strategy moves forward, it is essential to ensure that the elements of the Village Plans coincide with the Master Plan for parks and trails. This strategic approach will create a more robust Master Plan, however it is not anticipated that the Master Plan will now be completed by June 2015 due to the incorporation of additional planning. The Department will be requesting to have the funds that will be unused in FY15 to be carried over into FY16 to complete the Plan.

Justification:

The current Surprise Parks and Trails Master Plan was completed in 2008. The purpose of the Master Plan is to comply with the Open Space and Recreation element of the City General Plan by identifying new parks and trails, revitalization of old parks and programs/enhancements for recreation programs. Due to the exponential growth in Surprise since 2008, it is essential to complete a Master Plan update. The Department engaged a consultant in April 2013 to start the project. To date, CRS has worked with consultant on the Master Plan outline, Inventory of Facilities, Schedule for CIP and costing, benchmarking, public input, vision, goals and objectives. The CRS Advisory Commission has remained involved with the process since the project was implemented. The Department will also be working in conjunction with Planning over the next year to complete this project.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	69,000	25,000	0	0	0	0	0	94,000
Total		69,000	25,000	0	0	0	0	0	94,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21417 - Surprise Farms Community Park		
Default Fund:	21414 - Parks and Recreation Developmnet Fees Fund		
Department:	444-421 - PARKS & RECREATION-CAMPUS OPERATIONS		
Location:	17894 W Westpark Blvd	District:	District 1
Start Date:	9/1/2014	End Date:	11/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$1,686,300

Description:

Renovation of Surprise Farms Community Park to include restrooms and drinking fountains, large splash pad, paved parking lots, tot lot and large playground, basketball courts, walking path, ramadas, and a three-area dog park.

Justification:

Surprise Farms Community Park is a large park that currently has a softball complex, grass and walking paths. Residents and the CRS Advisory Commission recommended that improvements be made to this park and the public process for the park renovation began in late 2013. The budget for the park renovation was approved for FY15. In July, the CRS Department selected Logan Simpson Design, Inc to complete the design for the renovation. Additional public input has been solicited to complete the design. A contractor has been selected and ground breaking took place in late February. The renovation should be completed in mid November. Completion of this project supports the Surprise Parks and Trails Master Plan and the recommended facility level of service standards for park amenities.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21414	Improvements To Land	300,000	1,386,300	0	0	0	0	0	1,686,300
Total		300,000	1,386,300	0	0	0	0	0	1,686,300

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21111	Part-time Employees (regular Emp	0.5	$1,400	$1,500	$1,600	$1,700	$1,800	$19,900	$27,900
21111	Operational Supplies	0	$6,500	$6,500	$6,500	$6,500	$6,500	$58,500	$91,000
21111	Signs And Sign Supplies	0	$500	$500	$500	$500	$500	$4,500	$7,000
21111	Op Equip, Tool, Part <10000	0	$9,000	$9,000	$9,000	$9,000	$9,000	$81,000	$126,000
21111	Repair And Maintenance	0	$6,500	$6,500	$6,500	$6,500	$6,500	$58,500	$91,000
21111	Cleaning/janitorial	0	$2,500	$2,500	$2,500	$2,500	$2,500	$22,500	$35,000
21111	Agricultural/grounds	0	$10,000	$10,000	$10,000	$10,000	$10,000	$90,000	$140,000
21111	Landscape Services	0	$19,000	$19,000	$19,000	$19,000	$19,000	$171,000	$266,000
21111	Water	0	$9,700	$9,800	$9,900	$10,000	$10,100	$95,400	$144,900
21111	Electricity	0	$14,500	$14,600	$14,700	$14,800	$14,900	$138,600	$212,100
21111	Building Maintenance	0	$15,000	$15,000	$15,000	$15,000	$15,000	$135,000	$210,000
21111	Pest Control Services	0	$1,000	$1,000	$1,000	$1,000	$43,000	$396,000	$443,000
21111	Grounds Maintenance	0	$8,000	$8,000	$8,000	$8,000	$8,000	$72,000	$112,000
Total		0.5	$103,600	$103,900	$104,200	$104,500	$146,800	$1,342,900	$1,905,900

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21418 - Veramonte Park Improvements		
Default Fund:	21414 - Parks and Recreation Developmnet Fees Fund		
Department:	444-431 - PARKS & RECREATION-PARK MAINTENANCE		
Location:	12741 N Tierra Buena	District:	District 5
Start Date:	8/4/2014	End Date:	11/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$948,800

Description:
Renovation of Veramonte Neighborhood Park to include restrooms, splash pad and paved parking lot.

Justification:
Veramonte Park currently offers one ramada, a playground and a multi-purpose and softball field. Residents and the CRS Advisory Commission recommended that improvements be made to this park to expand the amenities and the public process for the park renovation began in late 2013. The budget for the park renovation was approved for FY15. In July, the CRS Department selected Logan Simpson Design, Inc to complete the design for the renovation. Additional public input has been solicited to complete the design. A contractor was selected and the ground breaking ceremony took place in March 2015. The project should be completed in mid-November. The completion of this project supports the Surprise Parks and Trails Master Plan and the recommended facility level of service standards for park amenities.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21414	Infrastructure Improvements	200,000	748,800	0	0	0	0	0	948,800
Total		200,000	748,800	0	0	0	0	0	948,800

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21111	Part-time Employees (regular Emp	0.75	$16,300	$16,400	$16,500	$16,600	$16,700	$154,800	$237,300
21111	Operational Supplies	0	$4,500	$4,500	$4,500	$4,500	$4,500	$40,500	$63,000
21111	Furn-fixture-equip <$10,000	0	$500	$500	$500	$500	$500	$4,500	$7,000
21111	Repair And Maintenance	0	$1,500	$1,500	$1,500	$1,500	$1,500	$13,500	$21,000
21111	Cleaning/janitorial	0	$3,500	$3,500	$3,500	$3,500	$3,500	$31,500	$49,000
21111	Agricultural/grounds	0	$2,000	$2,000	$2,000	$2,000	$2,000	$18,000	$28,000
21111	Landscape Services	0	$5,000	$5,000	$5,000	$5,000	$5,000	$45,000	$70,000
21111	Electricity	0	$34,000	$34,000	$34,000	$34,000	$34,000	$306,000	$476,000
21111	Building Maintenance	0	$9,000	$9,000	$9,000	$9,000	$9,000	$81,000	$126,000
21111	Pest Control Services	0	$1,000	$1,000	$1,000	$1,000	$1,000	$9,000	$14,000
21111	Grounds Maintenance	0	$5,000	$5,000	$5,000	$5,000	$5,000	$45,000	$70,000
Total		0.75	$82,300	$82,400	$82,500	$82,600	$82,700	$748,800	$1,161,300

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21501 - RWC Radio Replacement		
Default Fund:	21112 - General Capital Fund		
Department:	341-312 - POLICE-PATROL		
Location:	Police Department	District:	Citywide
Start Date:	7/1/2015	End Date:	6/30/2018
*3rd Party Funding	$0	**Total Project Cost:	$1,210,000

Description:

Federal Communications Commission (FCC) mandated replacement of radios as part of the Regional Wireless Cooperative (RWC) as part of the 700MHZ narrow banding of the radio system.

Justification:

Failure to replace the radios to meet the new FCC standards will result in an inability to communicate. There was a federally mandated deadline of January 1, 2017. This deadline has since been eliminated, however the radios will still require replacement within the next 2-3 years, as the project is expected to be completed by then and transition to the new radios will need to occur. We are requesting that the remainder of the funding necessary be spread over the next three fiscal budget years.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Op Equip, Tool, Part <10000	220,000	330,000	330,000	330,000	0	0	0	1,210,000
Total		220,000	330,000	330,000	330,000	0	0	0	1,210,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21502 - Bell Rd Adaptive Signal Control Technology Deployment		
Default Fund:	21112 - General Capital Fund		
Department:	545-511 - TRAFFIC ENGINEERING-SIGNALS		
Location:	Bell Rd: Ave of the Arts to Cotton Rd.	District:	Multiple
Start Date:	7/1/2014	End Date:	6/30/2015
*3rd Party Funding	$870,000	**Total Project Cost:	$945,000

Description:

MCDOT has applied for and has been awarded funding for the procurement and deployment of adaptive traffic signal control systems along the Bell Road corridor. This is a multi-agency project which includes the partnering agencies from the City of Surprise, Maricopa County Department of Transportation, the City of Peoria, the City of Glendale, the City of Phoenix, the City of Scottsdale and the Arizona Department of Transportation. The project consists of four deployment areas along Bell Road with the area within the City of Surprise consisting of 21 intersections starting at Avenue of the Arts and ending at Cotton Lane. The deployment of this equipment will allow for the signal timing to automatically adjust to changing traffic patterns and keep traffic moving along the corridor safely and efficiently.

Justification:

Total Construction Cost Estimate is $945,000 ($45,000 per signal x 21 signals). The City of Surprise has 20 signals from Avenue of the Arts to Cotton Lane and 1 signal is ADOT's. The estimated cost involving the 20 signals is $900,000. With a 5.7% match requirement for the City, the City's estimated contribution is $51,300. This is a Federally funded project being administered through MCDOT. The City will have an IGA memorializing the construction cost match in July of 2014. The cost match will be a onetime IGA payment with no ongoing O&M costs. There is no cost to the city for the design. The budget of $75,000 is to cover the city's cost match, ADOT design review fees, and contingency. This is a growth (63.6%) and non-growth (36.4%) project. The non-growth portion is funded through the General Capital Fund and the growth portion is funded through the PW Development Fee Fund.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Street Improvements	0	27,400	0	0	0	0	0	27,400
21415	Street Improvements	0	47,600	0	0	0	0	0	47,600
Total		0	75,000	0	0	0	0	0	75,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21503 - Cactus Road - South Side (Railroad Tracks to Litchfield)		
Default Fund:	22531 - Wastewater Operations		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Cactus Road - South Side (Railroad Tracks to Lit	District:	District 6
Start Date:	7/1/2014	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$1,850,000

Description:

Design and construction of new pavement, sidewalk, bike lanes, curb, gutter, street lighting, and landscaping. This project will complete the South side of Cactus Rd. between the Railroad tracks and Dysart Rd. This project is split between the Sewer Fund (70% SPA1 WRF), Water Fund (20 %Rancho Gabriella), and Fire (10% Station 308).

Justification:

In 2007 the city conducted an arterial capacity study that identified all of the major arterial roadways within Special Planning Area 1 not currently built to their ultimate capacity. This project is identified within this study and preliminary design plans and cost estimates have been prepared for the improvements.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	0	0	0	0	0	0	0	0
21112	Street Improvements	0	140,000	45,000	0	0	0	0	185,000
22511	Professional & Outside Service	0	0	0	0	0	0	0	0
22511	Street Improvements	0	280,000	90,000	0	0	0	0	370,000
22531	Professional & Outside Service	0	0	0	0	0	0	0	0
22531	Street Improvements	0	980,000	315,000	0	0	0	0	1,295,000
Total		0	1,400,000	450,000	0	0	0	0	1,850,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21504 - Jomax 147th to 133rd Pave Dirt Road		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Jomax 147th to 133rd	District:	District 1
Start Date:	7/1/2014	End Date:	6/30/2017
*3rd Party Funding	$717,200	**Total Project Cost:	$1,790,200

Description:

Design, acquire right of way from Arizona State Land, and construct Jomax Road from 147th to 133rd Avenue as one lane in each direction. The lanes will be 14 ft wide and will have several low water crossings. This is a pave dirt road project the City will be responsible for funding Design ($130,000), ROW acquisition ($187,200). The City will partner with Arizona Department of Transportation (ADOT) through an IGA for construction. The final construction estimate is $1,140,000 ($707,200 federal funds and $432,800 City funds). The City will also pay ADOT $30,000 for design review fees. Due to federal funding ADOT will be administering the construction portion of the project. The City will be administering the post design and construction review ($10,000) which will be eligible for reimbursement from ADOT.

Justification:

Jomax road provides connection between Peoria and residents of Special Planning Area (SPA) 2. In case of an emergency at 163rd Avenue, Jomax is the only viable alternative to SR303. This project supports the Mayor and Council's strategic plan of Transportation Connectivity. Currently the road is unimproved creating dust issues. Under the ADEQ PM-10 program, the City is taking an active part in reducing its amount of unpaved roads. The maintenance of the roadway will not be a burden on the general fund or Public Works Department. The improvement of the road will allow for higher traffic volumes and improve emergency vehicle accessibility to the area.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	99,500	157,600	10,000	0	0	0	0	267,100
21112	Street Improvements	0	357,700	0	0	0	0	0	357,700
21418	Professional & Outside Service	0	90,100	0	0	0	0	0	90,100
21418	Street Improvements	0	368,100	0	0	0	0	0	368,100
Total		99,500	973,500	10,000	0	0	0	0	1,083,000
Revenues:									
21112	Misc Reimbursements	0	0	10,000	0	0	0	0	10,000
Total		0	0	10,000	0	0	0	0	10,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

SURPRISE
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21506 - Enhancement SR303 Mountain View to Grand Ave		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Loop 303 Mountainview to Grand Ave	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$45,000,000	**Total Project Cost:	$45,177,000

Description:

Arizona Department of Transportation (ADOT) is in the process of improving the SR303 between Mountainview Road and US60. As part of the ADOT project City is requesting enhancement to the freeway walls and conduit for future fiber optics. The project will include a Design Concept Report(DCR) for a potential access on SR303 and East City Limit. The access point will be located between Litchfield Road and Dysart Road.

Justification:

The city is expected to enter into an Intergovernmental Agreement (IGA) with Arizona Department of Transportation (ADOT) in FY15. The city is expected to be responsible for the funding of the traffic conduit and aesthetics on the sound walls related to the SR303 Mountain Veiw to Grand Ave project. The construction of the ADOT project will complete Loop 303 from Peoria to Grand Ave. This project supports the Mayor and Council's strategic plan of Transportation Connectivity. The maintenance of the project will not be a burden on the general public fund or Public Works Department.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Infrastructure Improvements	146,900	30,100	0	0	0	0	0	177,000
Total		146,900	30,100	0	0	0	0	0	177,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21507 - Skate Park located at Surprise Farms Community Park		
Default Fund:	21112 - General Capital Fund		
Department:	444-431 - PARKS & RECREATION-PARK MAINTENANCE		
Location:	17894 Westpark Blvd	District:	District 1
Start Date:	8/1/2014	End Date:	11/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$500,000

Description:

Design and construction of the first skate park in Surprise to be located at Surprise Farms Community Park. Will include approximately 9,000-10,000 square feet of skating surface for skateboard, scooter and roller-blade usage. Design to include quarter pipe, kickers, rails, skate ledges and several stair sets and banked areas.

Justification:

Residents and the CRS Advisory Commission recommended that a skate park should be constructed in Surprise back in 2009, however the plan was placed on hold until the funding was approved with the FY15 budget. In July, the CRS Department selected Logan Simpson Design, Inc for the Surprise Farms Community Park renovation and they subcontracted with Site Design as the designer for the skate park. Public input has been solicited to complete the design. A contractor has been selected and the ground breaking for the park/skate park took place in February 2015. The project should be completed in mid November 2015. The completion of this project supports the Surprise Parks and Trails Master Plan and the recommendation for specialty use facilities to be included in the parks and recreation inventory.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Building & Structure Purchases	65,000	435,000	0	0	0	0	0	500,000
Total		65,000	435,000	0	0	0	0	0	500,000

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21111	Part-time Employees (regular Emp	0.75	$7,100	$7,200	$7,300	$7,400	$7,500	$72,000	$108,500
21111	Operational Supplies	0	$4,000	$4,000	$4,000	$4,000	$4,000	$36,000	$56,000
21111	Service Agreements	0	$3,000	$3,000	$3,000	$3,000	$3,000	$27,000	$42,000
Total		0.75	$14,100	$14,200	$14,300	$14,400	$14,500	$135,000	$206,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21508 - Boys and Girls Club		
Default Fund:	21112 - General Capital Fund		
Department:	444-429 - PARKS & RECREATION-RECREATION		
Location:	Original Town Site	District:	District 4
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$2,000,000

Description:

Expand Villanueva Recreation Center by 9400 square feet to create new Boys and Girls Club in the Original Town Site. To include learning center, Teen Center, Youth center, Art area and Admin offices.

Justification:

Provide Original Town Site residents a safe place for programs and activities for youth and families.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Building & Structure Purchases	0	2,000,000	0	0	0	0	0	2,000,000
Total		0	2,000,000	0	0	0	0	0	2,000,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21509 - Median & ROW Landscaping		
Default Fund:	21212 - HURF		
Department:	544-516 - STREETS-RIGHT OF WAY		
Location:	Various City Locations	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$1,350,000

Description:

This project is to landscape existing medians and ROW along various City streets. The project is programmed in two phases. Phase I will be to landscape the following medians as identified in the 2010 GAP Study: Waddell - 175th Ave to Citrus; Citrus - Cactus to Waddell; Litchfield - Cactus Intersection median approaches; Bullard - Peoria to Cholla St. Phase I also includes a landscape cleanup at the following locations: Bell Rd - South side Civic Center to Bullard; Bullard - Cactus to Waddell; Bullard - Peoria to Cactus; Cactus & Litchfield Intersection; Cactus - Litchfield to 151st Ave; Sarival South of Bell Rd intersection; and Litchfield South side of Waddell intersection.

Phase II of this project will be to install full landscaping at Reems Rd - Peoria to Cactus and Bell Rd - 115th to El Mirage.

Justification:

The City of Surprise currently contains medians and ROW that are not landscaped at all and some areas where the landscaping needs to be cleaned up by adding granite and plants. For those areas in need of full landscaping, that would include granite, plants, and irrigation. Due to the location of some of the medians in regards to development, payback agreements will need to be put into place. This project includes locations that were identified in the 2010 GAP Study.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Landscape Services	0	0	0	0	250,000	0	0	250,000
21212	Landscape Services	0	600,000	500,000	0	0	0	0	1,100,000
Total		0	600,000	500,000	0	250,000	0	0	1,350,000

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21212	Landscape Services	0	$49,000	$62,100	$62,100	$62,100	$62,100	$558,900	$856,300
21212	Water	0	$13,200	$16,800	$16,800	$16,800	$16,800	$151,200	$231,600
Total		0	$62,200	$78,900	$78,900	$78,900	$78,900	$710,100	$1,087,900

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21510 - City Entry Monuments		
Default Fund:	21112 - General Capital Fund		
Department:	544-512 - STREETS-SIGNS		
Location:	Various	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$300,000

Description:

The City Entry Monuments capital project is intended to be completed in multiple phases. The initial phase will involve the identification of where the city entry monuments should be placed. The placement and location of the monuments will also determine size and scale of each of the monuments. Once the locations are identified the property for the signage will be secured. As the properties are secured the team will work with a design consultant to design the individual monument signs.

Justification:

Entry monuments are an important statement of the city's identity, conveying the city's spirit, character, and pride to residents, businesses, and visitors.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	0	50,000	0	0	0	0	0	50,000
21112	Infrastructure Improvements	0	0	250,000	0	0	0	0	250,000
Total		0	50,000	250,000	0	0	0	0	300,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21511 - Sidewalk Gaps		
Default Fund:	21212 - HURF		
Department:	544-515 - STREETS-CONCRETE		
Location:	Various City Sidewalks	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$200,000

Description:

Currently, there are City sidewalks that contain gaps or are in need of section repairs. Some of these gaps or "missing links" have been identified in the 2010 GAP study. This project is to construct or repair the missing sections of sidewalk in those various areas to make the sidewalk more complete and useable. The project has been programmed in two fiscal years in effort to begin addressing the gaps in City sidewalks.

Justification:

There are missing sections of sidewalks in various areas throughout the City. Some of which are identified in the 2010 GAP Study. The sidewalks with missing links mean there is a section missing from the sidewalk where it goes from concrete to dirt and then back to concrete where the sidewalk picks up again. In some locations, the sidewalk needs a section repaired because the concrete has been damaged or is severly cracked.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21212	Street Improvements	0	100,000	100,000	0	0	0	0	200,000
Total		0	100,000	100,000	0	0	0	0	200,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21512 - Courtroom Audio/Video Equipment		
Default Fund:	21111 - General		
Department:	331-112 - CITY COURT-GENERAL OPS		
Location:	Surprise City Court	District:	District 5
Start Date:	7/1/2014	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$200,000

Description:

The Surprise City Court had anticipated completing the Courtroom Audio/Video Equipment project in FY15, which was fully funded with Municipal Court Enhancement special revenue funds. The Court, based upon the expertise and recommendations of the City of Surprise Information Technology Department, has determined the project will require a second phase for completion. The Court projects there will be insufficient monies available in the Municipal Court Enhancement Account to fund this project.

Justification:

As a trial court, the Court is legally mandated to retain an accurate and clear record of all legal proceedings. The Court has been negatively impacted as a result of expired service contracts, inability to obtain replacement parts due to the age of existing equipment, and limited technical support due to the proprietary rights of the previous vendor. The City of Surprise Information Technology Department, in coordination with various vendors, has identified the enhancements necessary to ensure the reliability and integrity of the Court record in order to achieve optimal results.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Mach. & Equipment	0	0	0	0	0	0	0	0
21215	Mach. & Equipment	200,000	0	0	0	0	0	0	200,000
Total		200,000	0	0	0	0	0	0	200,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21513 - Park N Ride Enhancements		
Default Fund:	21230 - Proposition 400		
Department:	543-115 - FACILITIES MANAGEMENT-PROJ. MANAGEMENT		
Location:	Surprise Park N Ride	District:	District 4
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$108,200

Description:

Enhancements to the City's Park n Ride facility located at 134th Ave and Bell Rd. will include installation of backlit signage, easier passenger access to site, additional signage related to transit information about Valley Metro services, and infrastructure improvements. There will be additional operating cost for power associated with signage.

Justification:

At a work session Councilman Hall had requested signage enhancements to the location. Valley Metro approved the use of savings from the City's Prop 400 jurisdictional equity allocation to fund this project.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21230	Improvements To Buildings	7,700	100,500	0	0	0	0	0	108,200
Total		7,700	100,500	0	0	0	0	0	108,200

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21111	Service Agreements	0	$200	$200	$200	$200	$200	$1,800	$2,800
21111	Water	0	$100	$100	$100	$100	$100	$900	$1,400
21111	Electricity	0	$500	$500	$500	$500	$500	$4,500	$7,000
Total		0	$800	$800	$800	$800	$800	$7,200	$11,200

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21514 - Clubhouse Renovation at Surprise Stadium		
Default Fund:	21236 - Stadium Improvements		
Department:	444-421 - PARKS & RECREATION-CAMPUS OPERATIONS		
Location:	Surprise Stadium	District:	District 5
Start Date:	4/1/2015	End Date:	2/28/2016
*3rd Party Funding	$0	**Total Project Cost:	$21,207,300

Description:

Construction for the renovation/expansion of the Major League clubhouses for the Texas Rangers and Kansas City Royals at the City's existing Major League Spring Training facility.

Justification:

The Surprise Stadium was constructed in 2002 and included Major League clubhouses for both the Texas Rangers and the Kansas City Royals. The clubhouses are utilized throughout the year by the teams as various levels of players train and play at the facility on a year-round basis. After 12 years of use, the facilities are aging and equipment requires updating. The renovation will take approximately 10 months to complete to be ready for the start of the 2016 Spring Training Season. As part of the renovation project, the teams also have agreed to engage in discussions to extend the facility use agreement contract to coincide with any new debt service and other agreements that may be reached related to the new facility improvement.

The Clubhouse Expansion supports the CRS Department Goal of providing Cactus League Spring Training Major League Baseball in the City of Surprise to generate economic impact.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21218	Improvements To Buildings	75,000	345,100	0	0	0	0	0	420,100
21227	Furn., Fixtures & Ofc Equipmt	396,000	0	0	0	0	0	0	396,000
21236	Professional & Outside Service	1,491,200	0	0	0	0	0	0	1,491,200
31502	Improvements To Buildings	0	18,900,000	0	0	0	0	0	18,900,000
Total		1,962,200	19,245,100	0	0	0	0	0	21,207,300

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21515 - New Public Works Yard (North)		
Default Fund:	21415 - Public Works Development Fees Fund		
Department:	543-115 - FACILITIES MANAGEMENT-PROJ. MANAGEMENT		
Location:	SPA 3 Wastewater Treatment site approximately	District:	District 1
Start Date:	7/1/2014	End Date:	3/20/2018
*3rd Party Funding	$0	**Total Project Cost:	$6,400,000

Description:

The project is to plan, design, site preparation, and construction of a 8 bay vehicle maintenance building with parking and storage areas, fuel station (unleaded, diesel, and CNG), four wash racks and a operational building for solid waste which will include with restrooms, lockers, meeting and break room.

Justification:

Currently the Public Works Department has a 5 acre site that houses the entire Public Works Streets, Sanitation and Traffic Engineering divisions as well as all of their equipment and supplies. There simply is not enough space to allow all of the different divisions to continue to operate with all of their equipment without getting in each other's way. This yard will also allow us to enhance our vehicle maintenance operations by redesign of a fleet facility large enough to accomodate all of the City's fleet. By moving the sanitation vehicles and heavy equipment to the Deer Valley location, it will put the sanitation division closer to the landfill and alleviate morning traffic congestion on Bell Road.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21415	Professional & Outside Service	0	250,000	0	0	0	0	0	250,000
21415	Building & Structure Purchases	0	4,300,000	700,000	0	0	0	0	5,000,000
22541	Professional & Outside Service	0	250,000	0	0	0	0	0	250,000
22541	Building & Structure Purchases	0	900,000	0	0	0	0	0	900,000
Total		0	5,700,000	700,000	0	0	0	0	6,400,000

Operating Impacts:

Fund	Object	FTE	2016	2017	2018	2019	2020	2021 - 2030	City Total
21111	Water	0	$8,000	$8,000	$8,000	$8,000	$8,000	$72,000	$112,000
21111	Electricity	0	$20,000	$20,000	$20,000	$20,000	$20,000	$180,000	$280,000
22541	Service Agreements	0	$2,000	$2,000	$2,000	$2,000	$2,000	$18,000	$28,000
22541	Water	0	$10,000	$10,000	$10,000	$10,000	$10,000	$90,000	$140,000
22541	Electricity	0	$20,000	$20,000	$20,000	$20,000	$20,000	$180,000	$280,000
22541	Propane/natural Gas	0	$5,000	$5,000	$5,000	$5,000	$5,000	$45,000	$70,000
Total		0	$65,000	$65,000	$65,000	$65,000	$65,000	$585,000	$910,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21516 - SPA1 WRF North Entrance Gate and Block Wall around SPA 1.		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2014	End Date:	6/30/2018
*3rd Party Funding	$0	**Total Project Cost:	$3,150,000

Description:

Design, construction, and installation of an automatic gate entrance and 8' block wall for SPA 1 sewer treatment facility. The new main entrance will be located off of Cactus Road. A new master site plan and rezoning the property to government use maybes required to tie and create parcels within and around new established boundaries for the site. The project will also consist of complimentary perimeter landscape enhancements

Justification:

In accordance with the City's Water and Wastewater Master Plan, water reclamation facilites are to be constructed with an 8 foot high perimeter block wall as a deterant to vandals and criminal activiity. Installation of th automtaic gate and block wall will enhance the security at the SPA 1 WRF. Relocating the main entrance to Cactus will prevent non-city personell from accessing the entire site provide more access control and limiting access to designated areas to drop delivieries or conduct meetings reducing the overall risk and liability to the City.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Professional & Outside Service	0	150,000	0	0	0	0	0	150,000
22531	Building & Structure Purchases	0	1,000,000	500,000	1,500,000	0	0	0	3,000,000
Total		0	1,150,000	500,000	1,500,000	0	0	0	3,150,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21517 - Litchfield Road - East Side (Cactus Road to Desert Cove Road)		
Default Fund:	22531 - Wastewater Operations		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	East side of Litchfield Rd Cactus to Desert Cove	District:	District 6
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$1,237,500

Description:

Design and construction of streetlights, restriping, Intelligent Transportation System (ITS) conduits, and landscaping. This project will complete the East side of Litchfield Road between Cactus and Desert Cove Road. Two travel lanes already exsist in front of the Desert Cove Business Park property on Litchfield Rd from Desert Cove north to the property line of the South Plant.

Justification:

In 2007 the city conducted an arterial capacity study that identified all of the major arterial roadways within Special Planning Area 1 not currently built to their ultimate capacity. This project is identified within this study and preliminary design plans and cost estimates have been prepared for the improvements. This project may be constructed by the adjacent landowner once the property develops.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Professional & Outside Service	0	300,000	0	0	0	0	0	300,000
22531	Street Improvements	0	937,500	0	0	0	0	0	937,500
Total		0	1,237,500	0	0	0	0	0	1,237,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21518 - Solar BioSolids Dryer		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA1 WRF	District:	
Start Date:	7/1/2014	End Date:	6/30/2018
*3rd Party Funding	$0	**Total Project Cost:	$1,200,000

Description:

Design and construction of biosolids drying system to facilitate further drying of sludge produced at SPA1 Water Reclamation Facility (WRF) in an effort to reduce hauling and disposal costs of waste material. A project feasibility study and pilot are currently under way to determine project parameters and long term benefits. The project is anticipated to save the City approximately $200,000 a year in disposal costs.

Justification:

Through this improved bio-solid drying system the City should experience a net $200,000 year savings in landfill and hauling fees. This process is also more economical and sustainable system that will put less wear and tear on operational equipment and reduce the City's carbon footprint.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Professional & Outside Service	0	200,000	0	0	0	0	0	200,000
22531	Infrastructure Purchases	0	250,000	0	750,000	0	0	0	1,000,000
Total		0	450,000	0	750,000	0	0	0	1,200,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21519 - SPA1 Influent Line Hydraulic Rehabilitation		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2015	End Date:	6/30/2018
*3rd Party Funding	$0	**Total Project Cost:	$2,700,000

Description:

Design and construction of modifications to influent and process piping at plants 3, 4, and 5. As constructed, the influent entrance and exits to plant 3 are at different elevations than those of plant 4/5. As flows have increased, staff has been forced to make feed modifications that are restrictive to the plants' overall capacity. This project is intended to construct permanent modifications to allow the plant to operate at its fullest capacity, preventing the City from having to construct additional plants to increase capacity.

Justification:

Modifications will need to be done as described above in order for the plants to operate closer to their capacity limits with these improved efficiencies the City will be able to delay future consturction of additional plants.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Improvements To Buildings	0	700,000	2,000,000	0	0	0	0	2,700,000
Total		0	700,000	2,000,000	0	0	0	0	2,700,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

SURPRISE
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21520 - Wastewater SCADA Upgrade		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2014	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$250,000

Description:

Upgrade software communications and links with in the SCADA system. Current generation of SCADA at SPA1 plant is several generations old and the SPA2 plant does not have a complete SCADA system installed (only allows staff to view present conditions; no alarm or control functions). Both plants are in compliance, however additional monitoring and control will allow staff to better respond to issues that may take the City out of compliance.

Justification:

An efficient and up to date SCADA system will ensure regulatory compliance by providing staff with real time information pertaining to the health of the water reclamation systems. An accurate SCADA system will allow staff to properly trend plant conditions and make necessary modifications in advance of potential failures.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Software Licenses	250,000	0	0	0	0	0	0	250,000
Total		250,000	0	0	0	0	0	0	250,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21521 - Greewnway Rd Lift Station Rehabilitation		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	Greenway lift station	District:	District 4
Start Date:	7/1/2014	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$325,000

Description:

The Greenway Lift Station was installed in the early 1980s and has not been refurbished since that time. The scope of the refurbishment includes touching up the concrete walls, recoating the well, replacing the pumps, electrical service, and metal rails, in addition to renting a pump around to keep the lift station in operation while work is being conducted.

Justification:

Improved wastewaterflows coming from original townsite to the SPA 1 treatement plant. This rehab work is required to prevent the ultimate failure of the site avoiding the potential overflow of sewage from the facility.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Infrastructure Improvements	8,500	316,500	0	0	0	0	0	325,000
Total		8,500	316,500	0	0	0	0	0	325,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21522 - Line Installations at the SPA1 WRF		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1 WRF	District:	District 6
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$400,000

Description:

This project is to install a waste activated sludge meter and line from plant 4/5 to plant 3 and piping from the centrifuge to the post holding tank. Permanently install the HDPE pipe to pump sludge to plant 4/5 from plant 3's RAS sump. After start up of plant 4/5 it was determine that this line was needed to run WAS from plant 4/5 to the centrifuges. Because of age and potential for spills this line needs to be replaced with a permanent line and meter to monitor flow from plant 4/5. This meter would also allow operations to run Plant 3 at the same time reducing down time. Replace HDPE pipe lines coming from the Thickener Building to the centrifuges feed lines at the Post Holding Tank. Connect to line in street around the Auto Thermophilic Aerobic Digestion (ATAD) and run to the centrifuge feed line at the Post Holding Tank. This line would increase flow to centrifuge feed line and get rid of aged HDPE pipe, along with stopping flow from going through the Thickener Building, which reduces the flow.

Justification:

This project is to improve overall effeciency in operations related to treatment of sludge. The installation of the line will also help the operations avoid potential spills which would lead to additional environmental reporting requirements and possible fines associated with the spills.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Infrastructure Improvements	0	400,000	0	0	0	0	0	400,000
Total		0	400,000	0	0	0	0	0	400,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21523 - Compressed Natural Gas (CNG) Fueling Station		
Default Fund:	22541 - Sanitation Operations		
Department:	644-112 - SANITATION-GENERAL OPS		
Location:	SPA 3 WRF 187th Ave South of Deer Valley	District:	District 1
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$1,000,000

Description:

This project will be to bring a CNG fuleing station at the new PW North yard. The station will consist of all pumps, motors, holding tanks, power connections, meters and compressors necessary to construct a compressed natural gas (CNG) fueling station. The station will consist of both a slow fill overnight fueling connection and a fast fill connection to allow for rapid fills during the day. The department would anticipate to convert the majority of the solid waster fleet to CNG through the replacement process.

Justification:

Transitioning the sanitation collection fleet from petroleum based diesel to compressed natural gas (CNG) will provide environmental and economic benefits to the city. CNG-powered engines produce 30% less greenhouse gases, require less maintenance, and are significantly quieter to operate. CNG fuel is also dramatically cheaper than diesel and is produced domestically. Anticipated savings based on current fuel rates would be around 50% of fuel costs, or $225,000 annually; for solid waste maintenance costs are not calculable at this time.

1.Compressed Natural Gas [CNG] provides many advantages over other fuels:
a)Lower emissions, reduced carbon footprint (30% less greenhouse gasses)
b)Significantly more cost effective (averages more than $1.50 less per gallon)
c)Abundant, domestic supply (less pricing volatility, and improved national energy security)
d)Quieter (CNG engines can reduce noise by as much as 50% compared to diesel engines)
e)Reduced engine wear and tear; and operating costs (clean CNG with no particulates extends service intervals and equipment life)

2.CNG powered vehicles and equipment can cost as much as 15-20% more upfront, than diesel powered alternatives but vehicles last longer

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22541	Building & Structure Purchases	0	1,000,000	0	0	0	0	0	1,000,000
Total		0	1,000,000	0	0	0	0	0	1,000,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21524 - Electric Service Upgrade at Techcelerator		
Default Fund:	21112 - General Capital Fund		
Department:	543-112 - FACILITIES MANAGEMENT-GENERAL OPS		
Location:	Techcelerator	District:	District 4
Start Date:	7/1/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$336,000

Description:

Bldg “C” - Replacement of electrical service entry sections (SES) that were manufactured by Federal Pacific and have been out of business for 20 plus years. The SES units were originally installed in 1964 and parts are no longer available. The estimated cost to replace this 1,000 amp SES is $108,000.

Bldg “D” - Replace ADA lift to second floor. The existing lift can no longer be re-certified for use. The estimated cost is $50,000.

Bldg “B” – Replacement of 2 electrical service entry sections (SES) that were manufactured by Federal Pacific and have been out of business for 20 plus years. The SES units were originally installed in 1964 and parts are no longer available. Building "B" has two sections. The first has an estimated cost to replace the 1,000 amp SES of$106,000. The second section is 400 amp SES and the estimated cost is $72,000.

Justification:

Would allow techcelerator to increase rental spaces. These spaces are not operational at this time.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Improvements To Buildings	5,000	331,000	0	0	0	0	0	336,000
Total		5,000	331,000	0	0	0	0	0	336,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21525 - Medians Waddell Rd West of Litchfield		
Default Fund:	21418 - Transportation Improvement Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Waddell Rd west of Litchfield to 140th Drive	District:	District 6
Start Date:	12/15/2014	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$175,000

Description:

Design and construct medians with landscaping and the appropriate placement of designated left turns based on design traffic engineering study along Waddell Road West of Litchfield Road for approximately ¼ mile to 140th Drive.

Justification:

The retail driveways on the north and south side of Waddell road from Litchfield road to 140th drive are designed, striped and signed to restrict the majority of left turn movements. However, numerous vehicles make illegal, unapproved and unsafe left turn movements on a daily basis, which cause serious traffic safety concerns. To make this section of roadway safer it has been determined that medians should be installed at this time.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	0	50,000	0	0	0	0	0	50,000
21418	Street Improvements	0	125,000	0	0	0	0	0	125,000
Total		0	175,000	0	0	0	0	0	175,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21526 - Medians at Bell E. El Mirage		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Bell Rd 500 feet east of El Mirage Rd	District:	District 4
Start Date:	1/1/2015	End Date:	6/30/2015
*3rd Party Funding	$0	**Total Project Cost:	$157,000

Description:

Bell and El Mirage median project to allow business and residents on the south side of Bell road east of El Mirage road access to turn left and head west into the City. The scope is to include a full acceleration lane with an additional 500 feet of pavers, asphalt and striping and reroute existing conduit that will be needed for a future lighting project.

Justification:

Improved traffic conditions and safety along Bell road.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Infrastructure Improvements	75,000	0	0	0	0	0	0	75,000
21418	Infrastructure Improvements	82,000	0	0	0	0	0	0	82,000
Total		157,000	0	0	0	0	0	0	157,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21527 - Jerry Street and Rimrock Drainage Improvement		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Jerry Street and Rimrock	District:	District 4
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$250,000	**Total Project Cost:	$439,000

Description:

Drainage Improvements for Jerry Street and Rimrock based on a September 2014 small project assistance application submittal to Maricopa County Flood Control District (MCFCD) related to the most recent flooding incidents in the original townsite. The retention system will consist of subsurface and drywells. The total project cost is estimated to be $450,000 which includes $50,000 for design, $50,000 for land acquisition and $350,000 for construction and management.

Justification:

The City's understanding that this area has been subjected to annual flooding for over 10 years, most recently in September of 2014. The completion of this project will help to eliminate/mitigate the flooding concerns of local residents. Based on the project ranking the city was able to obtain a 75% or up to $250,000 match from MCFCD. An IGA with MCFCD has to be approved by the council in Feb/March 2015 for the construction to be completed in FY16 (June 2016).

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21111	Professional & Outside Service	0	55,000	0	0	0	0	0	55,000
21111	Land Purchases	0	50,000	0	0	0	0	0	50,000
21111	Infrastructure Improvements	0	84,000	0	0	0	0	0	84,000
21112	Infrastructure Improvements	0	250,000	0	0	0	0	0	250,000
Total		0	439,000	0	0	0	0	0	439,000
Revenues:									
21112	County Grant Revenue	0	250,000	0	0	0	0	0	250,000
Total		0	250,000	0	0	0	0	0	250,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21528 - Surprise Campus/Fields Electrical Panel Split		
Default Fund:	21112 - General Capital Fund		
Department:	444-421 - PARKS & RECREATION-CAMPUS OPERATIONS		
Location:	15850 N Bullard Ave	District:	District 5
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$170,000

Description:

Splitting of the electrical set up for the fields located at the 8 Acres multi-purpose field/ Kansas City Royals practice fields with the Surprise Campus electrical set-up.

Justification:

The Department is recommending to split the electrical set-up for the fields located at the 8 Acres multi-purpose field/ Kansas City Royals practice fields with the Surprise Campus. Currently the combination of these areas places the classification for electrical service into a "Large" facility catagory, thus resulting in a higher rate structure. By splitting the electrical set-up, the areas would be placed into a "Medium" classification and would result in a lowered rate structure. The estimated savings each year by completing this project would be approximately $70,000.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21111	Recording, License Fees	0	4,600	0	0	0	0	0	4,600
21111	Professional & Outside Service	0	20,400	0	0	0	0	0	20,400
21111	Improvements To Buildings	0	145,000	0	0	0	0	0	145,000
Total		0	170,000	0	0	0	0	0	170,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21529 - AZ TechCelerator Renovation		
Default Fund:	21111 - General		
Department:	121-213 - CITY MANAGER-ECONOMIC DEVELOPMENT		
Location:	12425 W. Bell Road	District:	District 4
Start Date:	4/15/2015	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$500,000

Description:

The renovation will include exterior painting of the entire AZ TechCelerator campus, rehabilitation of the fountain, additional directional signage around the campus, and a new monument sign. Interior renovations on Building D include demolition of the existing flooring and council dais. The flooring on the first floor will be replaced with a new, rubber-based flooring while the second floor will have carpet tiles installed. Building D renovations will also include drywall repairs, new paint, and replacement of interior and exterior doors. Interior renovations on Building C include floor treatments and new paint. Access Control for Buildings C and D is also planned through the project.

Justification:

The AZ TechCelerator, a four-building campus owned and operated by the city of Surprise, totals 58,800 square feet and is designed and primarily programmed to accommodate business needs and provide innovative start-ups with the affordable space, tools and resources to grow their businesses. Launched in January 2010, the program has helped start-up, counsel, and educate companies throughout the region and generated a positive economic and social impact for the City of Surprise. The facility has also helped larger Surprise employers such as RioGlass and Gestamp get into business faster, offering them a place to start operating and hiring during the process of their facility construction. Demonstrating the program's additional potential, MD24, the incubator's first graduate, has recently occupied 10,000 square feet in the community and employs 100 employees and is expected to grow to 250 employees by the end of the year. In order to generate new programs and accommodate new partnerships that will facilitate future success and community growth, a renovation project is required to improve the condition of the facility and attract quality start-ups and partners. In addition to the support and education programs for business, the Economic Development Department will soon be advancing home-based business co-working space, an international soft-landing strategy for foreign companies seeking a new market, and additional services on site with new business partnerships.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21111	Improvements To Buildings	0	500,000	0	0	0	0	0	500,000
Total		0	500,000	0	0	0	0	0	500,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

SURPRISE
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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21601 - Fiber Optics - Reems Road (Waddell Road to Peoria Avenue)		
Default Fund:	21415 - Public Works Development Fees Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Reems Rd (Waddell to Peoria)	District:	District 5
Start Date:	7/1/2015	End Date:	6/30/2017
*3rd Party Funding	$824,900	**Total Project Cost:	$1,110,300

Description:

This project is for the design and construction of fiber optics on Reems Rd from Waddell Rd to Peoria Ave for the connecting of traffic signals, CCTV (Closed Circuit Television) cameras, and changeable message signs. It is expected that this project will have a Joint Project Agreement for FY2017. The estimated total project budget is $1,110,300 and has split funding for growth (63.6%) and non-growth (36.4%). The growth portion is funded from the PW Development Fee Fund (21415) and the non-growth portion is funded from the General Capital Fund (21112).

Justification:

With the increase in traffic signals and population, the citywide fiber optic cable allows the city to be proactive and inner connect the traffic signals to the traffic management center to building to remotely control future and existing traffic signals. The city's fiber optic network allows for traffic efficiencies via CCTV and video detection. These efficiencies aid in managing traffic volumes, improve emergency vehicle response times, and help to minimize idling traffic thus minimizing pollution. The operation and maintenance costs associate with the fiber network are very minimal. The project will be receiving 94.3% or up to $804,900 of Federal Funding for construction cost. The project is also eligible for reimbursement of $20,000 for post design services.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	0	55,000	17,500	0	0	0	0	72,500
21112	Street Improvements	0	0	73,900	0	0	0	0	73,900
21415	Professional & Outside Service	0	95,400	30,500	0	0	0	0	125,900
21415	Street Improvements	0	0	33,100	0	0	0	0	33,100
Total		0	150,400	155,000	0	0	0	0	305,400
Revenues:									
21112	Misc Reimbursements	0	0	7,300	0	0	0	0	7,300
21415	Misc Reimbursements	0	0	12,700	0	0	0	0	12,700
Total		0	0	20,000	0	0	0	0	20,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21602 - Sidewalk on Reems (Cactus to Peoria) west side		
Default Fund:	21112 - General Capital Fund		
Department:	541-115 - ENGINEERING-PROJ. MANAGEMENT		
Location:	Reems Rd Cactus to Peoria	District:	Multiple
Start Date:	7/1/2015	End Date:	6/30/2017
*3rd Party Funding	$198,900	**Total Project Cost:	$350,000

Description:

Design and construct six foot wide sidewalk on the west side of Reems Road between Cactus and Peoria road. The project has obtained federal funds that can be used for construction. The city is responsible for design to begin in FY2016 with the use of federal funds for construction to start in FY2017. The City will be responsible for all design costs, ADOT design review fees and construction costs over and above designated federal funds.

Justification:

The city has been awarded federal funds for this project, based on federal timelines this project will need to remain a programmed project for fiscal year 2016 in order to complete the sequencing of grant funds. ADOT will administer the construction portion of the project on the city's behalf and no grant funds will come to city. The city will be responsible for all design costs, ADOT design review fees and construction costs over and above designated federal funds.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Professional & Outside Service	0	100,000	51,100	0	0	0	0	151,100
Total		0	100,000	51,100	0	0	0	0	151,100

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21603 - Ambulance		
Default Fund:	21112 - General Capital Fund		
Department:	342-321 - EMERGENCY SERVICES (FIRE)-SUPPORT SERVICES		
Location:	FS305: 15517 N Parkview Place	District:	Citywide
Start Date:	7/1/2015	End Date:	7/31/2015
*3rd Party Funding	$0	**Total Project Cost:	$188,000

Description:

Funding to purchase one commercially produced used 2013 or newer Type III Ambulance/ 144”min. module, commercial gas chassis, 12500 lbs. GVWR minimum, its associated hardware, software, and all additional equipment (2013 or newer). The 2013 or newer Type III/ 144”min. module, mounted on a commercial gas Chassis, 139” WB, 4X2 DRW, and subsequent equipment (UNIT) shall be a standard commercial product that will be painted to include all City and Fire-Medical Department logos. Funding also includes associated medical equipment specifically one Stryker Power PRO XT ambulance power cot and one LP15 Cardiac Monitor/Defibrillator as well as additional equipment and disposable supplies.

Justification:

The city of Surprise applied for their Certificate of Necessity(CON) in November, completed the substantive review process in January, was recommended for a waiver in March and is pending a final decision as of the timing of this CIP proposal. If there are no contesters by 3/24/15, the application will be sent to the Director of AZ Department of Health Services for a decision in 30 days. If awarded the city of Surprise will have a 30 day waiting period prior to going operational with a ground ambulance. This funding is to purchase the first used ambulance and associated equipment for that ground ambulance program should the CON application be approved. Funding for this project was carried over from FY2015 ambulance feasibility study and a portion of the LP15 cardiac monitor funding as a monitor will be included in this purchase.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Furn., Fixtures & Ofc Equipmt	0	48,000	0	0	0	0	0	48,000
21112	Vehicles	0	140,000	0	0	0	0	0	140,000
Total		0	188,000	0	0	0	0	0	188,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21604 - Combined Distribution System for Ashton Ranch and Rancho Gabriela		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Water Supply Facilities	District:	Multiple
Start Date:	7/1/2015	End Date:	6/30/2020
*3rd Party Funding	$35,000	**Total Project Cost:	$5,250,000

Description:

This is a two phase CIP project to combine the water distribution system providing greater operating flexibility, safety, and redundancy. Phase 1 will continue the well transmission line ¾ mile down Bullard Ave to Waddell Rd. This would allow raw well water of a better quality in the Ashton Ranch system to flow down to the Rancho Gabriela water system. Phase 2 will review the interconnections points between all four water systems to add regulators or booster pumps as necessary to create a unified and balanced water system. The costs for Phase 1 are estimated at $1,250,000 for Engineering design, construction management, and construction of the well transmission line down Bullard Ave. Total estiamted costs for Phase 2 are $4,000,000. $500,000 for Engineering study and design to include the design of booster station(s) to 'push' raw well water north in the existing transmission system for complete redundancy to the overall system. $3,500,000 for construction of booster stations, construction management, large pressure regulators, vaults for regulators, etc.

Justification:

Joining the city's two largest systems will provide greater efficiencies and redundancy in the water delivery system. This project maybe eligible for WIFA Grant funding of up to $35,000 and the application for this funding is currently underway.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Professional & Outside Service	0	200,000	0	0	350,000	0	0	550,000
22511	Infrastructure Improvements	0	425,000	625,000	500,000	1,400,000	1,750,000	0	4,700,000
Total		0	625,000	625,000	500,000	1,750,000	1,750,000	0	5,250,000
Revenues:									
22511	Other Grant Revenue	0	35,000	0	0	0	0	0	35,000
Total		0	35,000	0	0	0	0	0	35,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21605 - SPA 1 12-in Water Line (Civic Center Drive/Tierra Buena Lane)		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Tierra Buena Civic Center to Bullard	District:	District 5
Start Date:	7/1/2015	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$1,500,000

Description:

Construction of a 1/2 mile 16 inch water line on Tierra Buena Lane from Bullard Avenue to Civic Center Drive. Also, 1/2 mile of 12 inch water line on Civic Center Drive from Elm Street to Paradise Lane. This is to help with the volume and fire flow demand.

Justification:

The installation of the water line will provide support for future developers / developments in the Surprise Center with the volume demands and fire flow requirements.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Infrastructure Improvements	0	150,000	1,350,000	0	0	0	0	1,500,000
Total		0	150,000	1,350,000	0	0	0	0	1,500,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21606 - Well Transmission Line Hydraulic Transient Protection		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Water Supply Facilities	District:	Multiple
Start Date:	7/1/2015	End Date:	6/30/2018
*3rd Party Funding	$35,000	**Total Project Cost:	$450,000

Description:

The city will add thrust blocking and expansion piping for added protection against critical hydraulic failures starting in the Rancho Gabriela water supply system. Ashton Ranch, and Roseview Water Supply systems will be improved as funding permits.

Justification:

Protection of the system will reduce the need for emergency responses to failures in the system. The Rancho Gabriela water supply system has now suffered two critical failures to the well transmission lines as a result of no added hydraulic protection currently in place.This project maybe eligible for WIFA Grant funding of up to $35,000 and the application for this grant is currently underway.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Infrastructure Purchases	0	150,000	150,000	150,000	0	0	0	450,000
Total		0	150,000	150,000	150,000	0	0	0	450,000
Revenues:									
22511	Other Grant Revenue	0	35,000	0	0	0	0	0	35,000
Total		0	35,000	0	0	0	0	0	35,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

SURPRISE
ARIZONA

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21607 - SPA 1 Recharge Expansion		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA 1	District:	District 6
Start Date:	7/1/2016	End Date:	6/30/2030
*3rd Party Funding	$0	**Total Project Cost:	$4,500,000

Description:

Analysis, design, permitting, and construction of recharge facilities within the City's SPA1 water service area. Facilities will be located with in the Area of Hydrologic Impact (AHI) of recover wells. Recharge facilities may include the installation of Vadose Zone Wells, Aquifer Storage and Recovery Wells, or Recharge Basins. The final determination will be dependant on the location of the facility.

Justification:

Per Council's Use of Reclaimed Water Policy, recharging reclaimed water within the Area of Hydrologic Impact (AHI) is the first priority. Recharging reclaimed water in the AHI it the beneficial use of the water as it puts water back into the areas it is being drawn from as well as increasing the amount of long term storage credits for the City water portfolio.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Improvements To Buildings	0	200,000	300,000	1,000,000	1,000,000	1,000,000	1,000,000	4,500,000
Total		0	200,000	300,000	1,000,000	1,000,000	1,000,000	1,000,000	4,500,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	21608 - SPA1 WRF Conference and Training Center		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	SPA1 Water Reclamation Facility	District:	District 6
Start Date:	7/1/2015	End Date:	6/30/2017
*3rd Party Funding	$0	**Total Project Cost:	$2,650,000

Description:

Program, Design, and Construct a new conference and training facility at the SPA1 water reclaimation facility (WRF). This facility will house lab space, technical training and classrooms, locker rooms, and conference rooms.

Justification:

This conference and training center will be utilized in conjunction with Gateway Community College. They desire to expand thier water/wastewater program in the west valley through a partnership with Surprise. Currently, Gateway only provides training in Tempe. This has been a deterent recruiting west valley students. This facility will support thier program expansion and create career opportunities for students that reside in the west valley. This project supports Council's Education Strategic Plan Goal 2: take a strong and visible role in local and regional education initiatives by expanding partnerships and maximizing resources for greater access to education. Gateway Community College may be able to assist with funding of necessary equipment and FF&E.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Professional & Outside Service	0	150,000	0	0	0	0	0	150,000
22531	Building & Structure Purchases	0	2,000,000	0	0	0	0	0	2,000,000
22531	Furn., Fixtures & Ofc Equipmt	0	400,000	100,000	0	0	0	0	500,000
Total		0	2,550,000	100,000	0	0	0	0	2,650,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	27187 - Mid-Decade Census		
Default Fund:	21111 - General		
Department:	121-111 - CITY MANAGER-ADMIN		
Location:	Citywide	District:	Citywide
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$2,700,000

Description:

Agreement with U.S. Census Bureau for the mid-decade census

Justification:

State Shared revenue is estimated to be $29.3 million or 31.4% of all General Fund sources in FY2015. An additional $7.0 million of revenue in the Highway User Revenue Fund (HURF) is also State Shared. State Shared revenue is allocated based on a city's population compared to the overall population of the state. The population is based on the last decennial census, currently the 2010 census. Arizona Revised Statute 28-6532 allows a city to undertake a mid-decade census to update the city's population amount. At this time, five cities, Buckeye, Gilbert, Goodyear, Peoria, and Queen Creek, have already entered into agreements with the Census Bureau to begin a mid-decade census this fall. The city of Chandler has also expressed interest, but has not yet entered into an agreement with the Census Bureau. The city of Surprise would potentially have State Shared revenues reduced by $700,000 annually if it does not participate in a mid-decade census with these six cities. Conversely, the city would potentially see State Shared revenues increased by $1,100,000 if it does participate in a mid-decade census. The total net impact of participating in the mid-decade census is estimated to be an increase of $1,800,000 annually. The amount will vary based on which cities decide to participate in a mid-decade census. The Memorandum of Agreement outlines estimated costs for the city's participation in the mid-decade census. A payment of $840,100 will be made to the Census Bureau to during FY2015 to begin work. This is the total estimated cost for the Census Bureau's involvement throughout the census. The Census Bureau estimates $1,636,200 for locally hired enumerators that will be recruited and paid directly by the city. The total of those two estimates is $2,476,300. The city is also responsible for the costs associated with recruiting and providing office space, among others, that are not included in the estimated costs outlined in the agreement. The city will also be responsible for any costs that exceed the original estimated amounts. City staff recommends a total project budget of $2,700,000. Based on a total project budget of $2,700,000 and an annual increase in State Shared revenues of $1,800,000, the project amount will be repaid in less than two years.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21111	Professional & Outside Service	0	2,700,000	0	0	0	0	0	2,700,000
Total		0	2,700,000	0	0	0	0	0	2,700,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28026 - Asset Repl-Communications		
Default Fund:	21112 - General Capital Fund		
Department:	121-836 - CITY MANAGER-COMMUNICATIONS		
Location:	Surprise 11/Broadcast Center	District:	District 5
Start Date:	7/1/2015	End Date:	
*3rd Party Funding	$0	**Total Project Cost:	$220,000

Description:
Asset Replacement of core Surprise 11 equipment.

Justification:
Replacement of failing and outdated equipment purchased in 2007. Upgrades to meet current broadcasting requirements. Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Furn-fixture-equip <$10,000	0	3,000	0	0	0	0	0	3,000
21112	Furn., Fixtures & Ofc Equipmt	0	217,000	0	0	0	0	0	217,000
Total		0	220,000	0	0	0	0	0	220,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28027 - Asset Repl-IT		
Default Fund:	21112 - General Capital Fund		
Department:	144-832 - INFORMATION TECHNOLOGY-INFORMATION TECHNOLOGY		
Location:	City Hall	District:	District 5
Start Date:	7/1/2015	End Date:	
*3rd Party Funding	$0	**Total Project Cost:	$500,000

Description:

Replacement of aging software and equipment related to Information Technology and Security.

Justification:

Hardware and software are end-of-life (no longer supported) and must be replaced to maintain business operations throughout the city including Public Safety. Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Furn., Fixtures & Ofc Equipmt	0	500,000	0	0	0	0	0	500,000
Total		0	500,000	0	0	0	0	0	500,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28028 - Asset Repl-CRS		
Default Fund:	21112 - General Capital Fund		
Department:	444-112 - PARKS & RECREATION-GENERAL OPS		
Location:	Citywide	District:	Multiple
Start Date:	7/1/2015	End Date:	6/30/2016
*3rd Party Funding	$0	**Total Project Cost:	$500,000

Description:

Asset replacement of the following:
1. Elevator oil tank coolers at the Stadium
2. Aquatic Center boilers/water heaters & grates on pool decks
3. Replacement of speakers at the Stadium
4. Reseal parking lots for the Surprise Campus, Stadium and Rec Centers
5. Carpet Replacement at the Sierra Montana Rec Center
6. Stadium- windscreens, bullpen & batting cages artificial turf.
7. Aluminum Bleacher Replacement at the Recreation Campus (24 sets), Youth Baseball Complex (6 sets), Surprise Aquatic Center (8 sets), Villanueva & Countryside Rec Centers (8 sets)

Justification:

Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Furn-fixture-equip <$10,000	0	172,000	0	0	0	0	0	172,000
21112	Service Agreements	0	15,000	0	0	0	0	0	15,000
21112	Building Maintenance	0	178,000	0	0	0	0	0	178,000
21112	Grounds Maintenance	0	135,000	0	0	0	0	0	135,000
Total		0	500,000	0	0	0	0	0	500,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28029 - Asset Repl-Facilities		
Default Fund:	21112 - General Capital Fund		
Department:	543-112 - FACILITIES MANAGEMENT-GENERAL OPS		
Location:	Various Facilities	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2030
*3rd Party Funding	$0	**Total Project Cost:	$3,392,400

Description:

This plan will address replacement of equipment such as HVAC, emergency management systems, security equipment, and other equipment. See the Facilties Capital Asset Replacement Schedule attached. The Facilities Capital Asset Replacement Schedule calculates the asset replacement using the expected life of the asset. In addition, as the asset reach the end of their expected life, a further evaluation is done on the asset to determine the appropriate year the asset should be replaced. The Public Works Department has two categories for asset replacement. The first category is operational asset replacement and this include all assets less than $5,000. The second category is capital asset replacement and includes assets $5,000 and greater.

Justification:

Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance. City Manager priority #3 focus and manage the upkeep, maintenance, repair and/or replacement of current assets.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Building & Structure Purchases	0	0	702,600	386,500	210,000	182,400	1,410,900	2,892,400
21112	Improvements To Buildings	0	102,000	0	0	0	0	0	102,000
21112	Infrastructure Improvements	0	93,500	0	0	0	0	0	93,500
21112	Mach. & Equipment	0	304,500	0	0	0	0	0	304,500
Total		0	500,000	702,600	386,500	210,000	182,400	1,410,900	3,392,400

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28030 - Asset Repl-Water		
Default Fund:	22511 - Water Operations		
Department:	641-112 - WATER-GENERAL OPS		
Location:	Water Treatment Facilities	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2030
*3rd Party Funding	$0	**Total Project Cost:	$12,325,500

Description:

The City's water system has assets that are due for replacement. The Water Operations Division has identified the asset replacement need of $1,115,000 for FY2016. Those assets that will require a contractor to install or replace are budgeted under services, while those that can be installed or replaced by staff are budgeted under supplies.

Justification:

Proper asset management is essential to operating an efficient water system.Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22511	Op Equip, Tool, Part <10000	0	200,000	0	0	0	0	0	200,000
22511	Wells/sewer/lins/etc.	0	915,000	0	0	0	0	0	915,000
22511	Mach. & Equipment	0	0	1,477,000	1,765,400	160,500	481,300	7,326,300	11,210,500
Total		0	1,115,000	1,477,000	1,765,400	160,500	481,300	7,326,300	12,325,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

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CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28031 - Asset Repl-Wastewater		
Default Fund:	22531 - Wastewater Operations		
Department:	643-112 - SEWER-GENERAL OPS		
Location:	Wastewater Treatment facilities	District:	Citywide
Start Date:	7/1/2014	End Date:	6/30/2030
*3rd Party Funding	$0	**Total Project Cost:	$8,331,500

Description:

The City's Wastewater Systems have assets that are due for replacement. This includes assets in the SPA1 and SPA2 Water Reclamation Facilities (WRF) and at Wastewater Collections locations. The SPA1 WRF has identified the asset replacement need of $258,800 for FY16. SPA2 WRF has identified the asset replacement need of $148,000 and Wastewater Collections $102,000 for FY16. Those asset's that will require a contractor to install or replace are budgeted under 38324, while those that can be installed or replaced by staff are budgeted under 37165.

Justification:

Failure to maintain the system will lead to failures within the system leading to larger more costly repairs. Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
22531	Op Equip, Tool, Part <10000	0	184,800	0	0	0	0	0	184,800
22531	Machinery & Equipment Maint	0	324,000	0	0	0	0	0	324,000
22531	Mach. & Equipment	0	0	413,800	352,400	287,400	1,078,000	5,691,100	7,822,700
Total		0	508,800	413,800	352,400	287,400	1,078,000	5,691,100	8,331,500

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

CAPITAL IMPROVEMENT PLAN
FY2016 Project Detail

Project:	28032 - Asset Repl-Police		
Default Fund:	21112 - General Capital Fund		
Department:	341-312 - POLICE-PATROL		
Location:	Police Department	District:	Citywide
Start Date:	7/1/2015	End Date:	
*3rd Party Funding	$0	**Total Project Cost:	$45,000

Description:

Police Department asset replacement.

Justification:

The Police Department began issuing Glock handguns in 2001 and had not implemented a replacement program until now. Of the 148 handguns in our inventory, 65 were purchased in 2001, and another 69 of the weapons were purchased prior to 2008. The recommended replacement interval is every 7-10 years. Tasers were first issued in 2003, and of our current inventory, 95% are out of warranty. The on-officer camera program was initiated in August, 2013 and those cameras will require replacement as they age. Replacement of assets that have reached the end of their useful life is necessary to ensure that service disruptions and impacts from asset failure is minimal, ensure public and employee safety, meet regulatory or contractual requirement, and to minimize cost of operation and maintenance.

Fund	Object	***Prior Years	2016	2017	2018	2019	2020	2021 - 2030	City Total
Capital Cost:									
21112	Furn-fixture-equip <$10,000	0	45,000	0	0	0	0	0	45,000
Total		0	45,000	0	0	0	0	0	45,000

* Third party funding includes expenses paid directly by a third party plus reimbursements received by the city.
** Total Project cost includes expenses paid directly by a third party plus expenses paid by the city.
***Prior Years include actuals up to FY2014 plus FY2015 estimates.

Borrowing and Debt

- **Borrowing and Debt Service Summary**

BORROWING AND DEBT SERVICE SUMMARY

During FY2015, the city of Surprise restructured two outstanding debt obligations and issued a third. Defeasance payments were made on the 2007 Series bonds to take advantage of better interest rates and smooth annual debt service payments. The 2007 Series bonds were issued using a Municipal Property Corporation (MPC) and were utilized to expand wastewater utility infrastructure. The 2003 Series bonds were also refinanced to take advantage of lower interest rates and lessen the debt service burden on the General Fund, General Government, Police, Parks and Recreation, and Fire and EMS development impact fee funds as well as the wastewater utility. The 2003 Series bonds were also issued using an MPC. To take advantage of reduced administrative and closing costs, the city took the opportunity to pair the refinancing of the 2003 Series bonds with an $18.9 million issuance for spring training facility clubhouse improvements. The new 2015 Series bonds do not use an MPC and are considered revenue obligation debt. The city does not plan on doing any additional borrowing in FY2016.

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	Outstanding Balance as of June 30, 2015
2007 Series Bonds: Wastewater Infrastructure	7/1/2032	39,365,000
2015 Series Bonds: 2003 Series Refinancing	7/1/2024	19,280,000
2015 Series Bonds: Clubhouse Renovations	7/1/2030	17,385,000
	Total	$76,030,000

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

Year Ending	2007 MPC		2015 (2003 Refinance)		2015 Clubhouse Bond		Total	
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	1,780,000	1,858,325	1,830,000	823,860	855,000	729,509	4,465,000	3,411,694
2017	1,865,000	1,772,668	1,905,000	751,050	895,000	688,000	4,665,000	3,211,718
2018	1,950,000	1,683,015	1,980,000	674,850	930,000	652,200	4,860,000	3,010,065
2019	2,045,000	1,589,133	2,040,000	615,450	960,000	624,300	5,045,000	2,828,883
2020-2024	10,800,000	6,411,400	11,525,000	1,737,850	5,425,000	2,491,600	27,750,000	10,640,850
2025-2029	12,115,000	3,699,868	-	-	6,815,000	1,101,150	18,930,000	4,801,018
2030-2032	8,810,000	661,500	-	-	1,505,000	75,250	10,315,000	736,750
Total	39,365,000	17,675,908	19,280,000	4,603,060	17,385,000	6,362,009	76,030,000	28,640,976

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	Series 2015 bonds	AA
Fitch Ratings	General obligation bond	A+
Fitch Ratings	Series 2007 bonds	A
Fitch Ratings	Series 2015 bonds	AA-

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 guaranteed by the full taxing authority of the municipality. A G.O. Bond requires the authorization of the voters and is usually repaid using a secondary property tax.

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 June 30, 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.

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Marley Park Community Facilities District

- **Marley Park Overview**
- **Resolution for Marley Park CFD**
- **State Forms for Marley Park CFD**

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. For FY2016, the city of Surprise will assess 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.

Uses by Category	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%**

Sources by Category	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%)**

Uses by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Marley Park Bond Debt Service	683,548	698,900	677,100	697,500	(1,400)	0%
Marley Park Comm Fac Dist	49,595	62,800	59,800	77,700	14,900	24%
Total Uses	**733,143**	**761,700**	**736,900**	**775,200**	**13,500**	**2%**

Sources by Fund	FY2014 Actual	FY2015 Adopted	FY2015 Estimate	FY2016 Budget	Change In Budget	% Change
Marley Park Bond Debt Service	641,510	687,000	682,700	672,000	(15,000)	(2%)
Marley Park Comm Fac Dist	48,682	62,800	63,000	59,200	(3,600)	(6%)
Total Sources	**690,192**	**749,800**	**745,700**	**731,200**	**(18,600)**	**(2%)**

RESOLUTION MPCFD2015-03

MARLEY PARK COMMUNITY FACILITIES DISTRICT

A RESOLUTION OF THE DISTRICT BOARD OF THE MARLEY PARK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT IN AMOUNTS SPECIFIED IN THE FILED STATEMENTS AND ESTIMATES; PROVIDING FOR CERTIFIED COPIES OF THIS RESOLUTION AND ORDER TO BE DELIVERED TO THE MARICOPA COUNTY BOARD OF SUPERVISORS AND THE ARIZONA DEPARTMENT OF REVENUE; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, on February 12, 2004, the Mayor and Council of the City of Surprise, Arizona (the "City"), adopted Resolution 04-51 forming Marley Park Community Facilities District ("MPCFD"), a community facilities district in accordance with Arizona Revised Statutes Section 48-701 et seq., as amended, as described in Exhibit "A" attached hereto and expressly made a part hereof;

WHEREAS, MPCFD is a special purpose district for purposes of Article IX, Section 19 of the Arizona Constitution, a tax-levying public improvement district for the purposes of Article XIII, Section 7 of the Arizona Constitution, and a municipal corporation for all purposes of Arizona Revised Statutes Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4, and 5, as amended, and [except as otherwise provided in Arizona Revised Statutes Section 48-708(B), as amended] is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City;

WHEREAS, a primary purpose for creating MPCFD was to finance certain public infrastructure needed for the development known as "Marley Park" through assessment of ad valorem taxes on all real and personal property within MPCFD;

WHEREAS, in accordance with Arizona Revised Statutes Sections 48-716 and 48-723, as amended, a special election was held on December 7, 2004, wherein the qualified electors of MPCFD voted to issue general obligation bonds in the maximum amount of $80,000,000 to cover costs of public infrastructure purposes and to levy and collect an annual ad valorem tax at a rate not to exceed thirty cents ($0.30) per one hundred dollars ($100) of assessed valuation for operation and maintenance expenses of MPCFD;

WHEREAS, in accordance with Arizona Revised Statute Section 48-716, the District Board of the MPCFD tentatively approved the budget and declared its intention to order the fixing, levying and assessment of the amounts to be raised by ad valorem taxes by Resolution MPCFD2015-01 on May 5, 2015; and

WHEREAS, in accordance with Arizona Revised Statute Section 48-716, at the conclusion of the public hearing held on June 2, 2015, the District Board of the MPCFD adopted the final budget by Resolution MPCFD2015-02.

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE MARLEY PARK COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

Section 1. That it is hereby ORDERED that, in FY2016, an ad valorem tax be fixed, levied, and assessed on the assessed value of all the real and personal property within the boundaries of MPCFD in the amounts set forth in the statements and estimates attached hereto and expressly made a part hereof as Exhibit "B".

Section 2. That certified copies of the Resolution and Order be delivered by U.S. Mail to the Maricopa County Board of Supervisors and to the Arizona Department of Revenue on or about July 1, 2015 (inasmuch as the tax levy must be filed by the Maricopa County Board of Supervisors on or before the third Monday in August).

Section 3. That if any provision in this Resolution is held invalid by a Court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.

Section 4. That this Resolution shall be effective after its passage and approval according to law.

RESOLVED by the District Board of the Marley Park Community Facilities District this 16th day of June, 2015.

Sharon Wolcott, Chairman, District Board
Marley Park Community Facilities District

ATTEST:

Sherry Aguilar, District Clerk
Marley Park Community
Facilities District

1499079.1-6/9/15

MPCFD 2015-03
RFLS 4662

EXHIBIT "A"

MPCFD Map and Legal Description

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY TO BE INCLUDED IN THE DISTRICT

PARCEL NO. 1:

The West half of the Southwest quarter of the Southwest quarter of Section 17, Township 3 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona;

Except The North 858 feet, the West 40 feet and the South 33 feet thereof.

PARCEL NO. 2:

The South 429 feet of the North 858 feet of the West half of the Southwest quarter of the Southwest quarter of Section 17, Township 3 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona;

Except the West 40 feet thereof.

PARCEL NO. 3:

The North 429 feet of the West half of the Southwest quarter of the Southwest quarter of Section 17, Township 3 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

Except the West 40 feet thereof.

PARCEL NO. 4:

The North half and the North half of the Southwest quarter and the Southeast quarter of the Southwest quarter and the East half of the Southwest quarter of the Southwest quarter, all in Section 17, Township 3 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

Except the West 40 feet, the South 33 feet of the said Southeast quarter of the Southwest quarter, the South 33 feet of the said East half of the Southwest quarter of the Southwest quarter, the North 40 feet of the West 660 feet and the North 33 feet and the East 33 feet of the said North half; and also

Excepting therefrom:

Commencing at the center of said Section 17, and the point of beginning;

Thence North 79 degrees 20 minutes 44 seconds West, a distance of 135.20 feet;

Thence North 89 degrees 55 minutes 57 seconds West, a distance of 534.50 feet;

Thence North 64 degrees 27 minutes 40 seconds West, a distance of 39.87 feet;

Thence North 18 degrees 20 minutes 48 seconds West, a distance of 65.00 feet;

Thence South 71 degrees 39 minutes 12 seconds West, a distance of 121.12 feet, to the beginning of a non-tangent curve;

Thence westerly along said curve, having a radius of 55.00 feet, concave southerly, whose radius bears South 83 degrees 13 minutes 36 seconds West, through a central angle of 135 degrees 40 minutes 15 seconds, a distance of 130.23 feet, to a point of intersection with a non-tangent line;

Thence North 52 degrees 26 minutes 30 seconds West, a distance of 23.49 feet;

Thence South 71 degrees 39 minutes 12 seconds West, a distance of 314.50 feet;

Thence North 18 degrees 20 minutes 48 seconds West, a distance of 74.24 feet;

Thence North 27 degrees 10 minutes 22 seconds East, a distance of 56.05 feet;

Thence North 72 degrees 41 minutes 32 seconds East, a distance of 488.97 feet, to the beginning of a curve;

Thence easterly along said curve, having a radius of 2407.00 feet, concave southerly, through a central angle of 38 degrees 33 minutes 43 minutes, a distance of 1619.99 feet, to the curve's end;

Thence South 68 degrees 44 minutes 45 seconds East, a distance of 422.19 feet, to the beginning of a curve;

Thence southeasterly along said curve, having a radius of 1808.71 feet, concave northeasterly, through a central angle of 11 degrees 35 minutes 13 seconds, a distance of 365.78 feet, to the curve's end;

Thence South 80 degrees 19 minutes 59 seconds East, a distance of 33.43 feet, to the east-west mid-section line of said section;

Thence along said east-west mid-section line, North 88 degrees 41 minutes 25 seconds West, a distance of 1582.37 feet, to the point of beginning, and also

Excepting therefrom:

Commencing at the center of said Section 17;

Thence along the north-south mid-section line of said section, North 00 degrees 04 minutes 03 seconds East, a distance of 488.59 feet, to a point of intersection with a non-tangent curve, and the point of beginning;

Thence leaving said north-south mid-section line, westerly along said curve, having a radius of 2513.00 feet, concave southerly, whose radius bears South 01 degrees 35 minutes 08 seconds West, through a central angle of 09 degrees 58 minutes 47 seconds, a distance of 437.71 feet, to a point of intersection with a non-tangent line;

Thence North 17 degrees 59 minutes 27 seconds West, a distance of 694.38 feet;

Thence North 89 degrees 42 minutes 07 seconds East, a distance of 282.54 feet; Thence South 00 degrees 17 minutes 53 seconds East, a distance of 406.51 feet; Thence North 89 degrees 42 minutes 07 seconds East, a distance of 535.78 feet; Thence South 00 degrees 17 minutes 53 seconds East, a distance of 85.88 feet;

Thence South 47 degrees 24 minutes 43 seconds West, a distance of 53.93 feet;

Thence South 04 degrees 21 minutes 31 seconds West, a distance of 116.48 feet, to the beginning of a non-tangent curve;

Thence westerly along said curve, having a radius of 2513.00 feet, concave southerly, whose radius bears South 04 degrees 21 minutes 31 seconds West, through a central angle of 02 degrees 46 minutes 23 seconds, a distance of 121.63 feet, to the point of beginning.

PARCEL NO. 5:

The North half and the Southwest quarter of Section 16, Township 3 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

Excepting therefrom the East 55 feet of the East half of the Northeast quarter of said Section 16, and also

Except the West 33 and the North 33 feet thereof; and also

Except the South 33 feet of the said Southwest quarter thereof.

EXHIBIT "B"

OFFICIAL BUDGET FORMS

MARLEY PARK COMMUNITY FACILITIES DISTRICT

SURPRISE, ARIZONA

Fiscal Year 2016

MARLEY PARK COMMUNITY FACILITIES DISTRICT

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

Fiscal Year		Sch	FUNDS							
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2015	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	62,800	673,900	0	0	0	0	736,700
2015	Actual Expenditures/Expenses**	E	0	62,800	674,600	0	0	0	0	737,400
2016	Fund Balance/Net Position at July 1***		0	18,500	25,500	0	0	0	0	44,000
2016	Primary Property Tax Levy	B	0	0	0	0		0	0	0
2016	Secondary Property Tax Levy	B	0	59,200	672,000	0		0	0	731,200
2016	Estimated Revenues Other than Property Taxes	C	0	0	0	0	0	0	0	0
2016	Other Financing Sources	D	0	0	0	0	0	0	0	0
2016	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2016	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
										0
2016	Total Financial Resources Available		0	77,700	697,500	0	0	0	0	775,200
2016	Budgeted Expenditures/Expenses	E	0	77,700	697,500	0	0	0	0	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 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 the current year from Schedule E.
** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

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	3.7400	3.7025
(3) Total city/town tax rate	3.7400	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.

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

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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	$	$	$	$

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.

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.

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		$	$	$	$	= $

Appendix

- **Property Tax Levy Resolution**
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RESOLUTION # 2015-61

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA LEVYING UPON THE ASSESSED VALUATION OF PROPERTY WITHIN THE CITY A CERTAIN SUM OF MONEY FOR FISCAL YEAR 2016 TO BE ASSESSED AGAINST THE VALUATION OF REAL AND PERSONAL PROPERTY FOR PRIMARY AND SECONDARY TAX PURPOSES

WHEREAS, the City Council is required by Arizona Revised Statutes A.R.S. §42-17253 to adopt an annual tax levy based upon the rate to be assessed per each One Hundred Dollars ($100.00) of assessed valuation of property within the City;

WHEREAS, the primary and secondary tax levy for Fiscal Year 2016 beginning July 1, 2015 must be adopted by resolution prior to the third Monday in August, and not less than fourteen days after adoption of the municipal budget;

WHEREAS, the municipal budget of the City of Surprise was adopted at a special meeting of the City Council held on June 2, 2015, at least fourteen days prior to the adoption of this Resolution 2015-56; and

WHEREAS, the City has computed tax rates at $0.7591 per One Hundred Dollars ($100.00) of assessed valuation to be levied and collected as primary taxes.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That there is hereby levied, as a primary property tax, $0.7591 per each One Hundred Dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise the sum of six million, seven hundred fifty thousand, two hundred dollars ($6,750,200.00) for the fiscal year ending on June 30, 2016.

Section 2. Any failure by the Maricopa County officials to properly return the delinquent tax list, irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings nor invalidate any title conveyed by any tax deed, any sale or proceeding pursuant thereto, the validity of the assessment or levy of taxes, nor the judgment of sale by which the collection of taxes may be enforced. All actions by officers de facto shall be valid as if performed by officers de jure.

Resolution #2015-61
RFLS #4663
06/15-UN5482Fr6

APPROVED AND ADOPTED this 16 day of June, 2015.

Sharon R. Wolcott, Mayor

Attest:

Sherry Aguilar, City Clerk

Approved as to form:

Misty Leslie, City Attorney

Resolution #2015-61
RFLS #4663
06/15-UN5482Fr6

RESOLUTION 2015-53

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA ADOPTING THE BUDGET FOR FISCAL YEAR 2016.

WHEREAS, in accordance with the provisions of Arizona Revised Statute, Sections §42-17101 *et. seq.*, the Council of the City of Surprise (the "City Council") did, on May 5, 2015, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the City of Surprise, Arizona;

WHEREAS, publication has been duly made as required by law of said estimates together with a notice that the City Council would meet on June 2, 2015, at City Hall, City Council Chambers for the purpose of hearing taxpayers and making tax levies as set forth in said estimates;

WHEREAS, in accordance with state law and following due public notice, the City Council met on June 2, 2015, at which time taxpayers were privileged to appear and be heard in favor of or against any of the proposed expenditures and tax levies; and

WHEREAS, it appears that the sums to be raised by taxation do not in the aggregate amount exceed that amount as computed according to Arizona Revised Statute §42-17051(A).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the statements and schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the budget of the City of Surprise, Arizona for the fiscal year July 1, 2015 through June 30, 2016.

APPROVED AND ADOPTED this 2nd day of June, 2015.

S. R. Wolcott

Sharon R. Wolcott, Mayor

Attest:

Sherry Aguilar, City Clerk

Approved as to form:

Misty Leslie, City Attorney

Resolution #2015-53
RFLS 4646
01/14-UN5482Fr6

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

Fiscal Year		Sch	FUNDS							
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2015	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	101,435,800	26,464,000	20,493,700	61,267,100	0	85,789,800	15,404,800	310,855,200
2015	Actual Expenditures/Expenses**	E	87,786,900	16,215,400	34,893,800	7,555,000	0	26,510,500	11,547,000	184,508,600
2016	Fund Balance/Net Position at July 1***		28,932,200	2,553,000	5,450,500	55,485,000	0	44,047,100	4,280,400	140,748,200
2016	Primary Property Tax Levy	B	6,750,200	0						6,750,200
2016	Secondary Property Tax Levy	B	0	2,416,600						2,416,600
2016	Estimated Revenues Other than Property Taxes	C	84,044,600	21,691,900	0	7,600,000	0	37,732,100	11,756,900	162,825,500
2016	Other Financing Sources	D	0	0	0	0	0	0	0	0
2016	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers In	D	6,137,500	0	7,714,600	5,347,000	0	4,051,300	0	23,250,400
2016	Interfund Transfers (Out)	D	6,881,300	645,000	73,400	1,014,400	0	14,636,300	0	23,250,400
2016	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
										0
2016	Total Financial Resources Available		118,983,200	26,016,500	13,091,700	67,417,600	0	71,194,200	16,037,300	312,740,500
2016	Budgeted Expenditures/Expenses	E	101,350,400	27,062,600	13,091,700	65,917,600	0	59,046,900	14,952,200	281,421,400

EXPENDITURE LIMITATION COMPARISON	2015	2016
1. Budgeted expenditures/expenses	$ 310,855,200	$ 281,421,400
2. Add/subtract: estimated net reconciling items	(10,494,700)	(10,494,700)
3. Budgeted expenditures/expenses adjusted for reconciling items	300,360,500	270,926,700
4. Less: estimated exclusions	24,252,200	24,252,200
5. Amount subject to the expenditure limitation	$ 276,108,300	$ 246,674,500
6. EEC 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 the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

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	$ 6,750,200
B. Secondary property taxes	2,384,700	2,416,600
C. Total property tax levy amounts	$ 8,898,300	$ 9,166,800
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	0.7591
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.7591	0.7591

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.

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
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	$ 2,220,900
	$ 2,083,200	$ 654,300	$ 2,220,900
Tourism			
Charges for Services/Other	$ 2,700	$	$
Local Sales Tax	182,800	198,400	215,200
	$ 185,500	$ 198,400	$ 215,200

* 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.

CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
Grants			
Charges for Services/Other	$ 5,596,500	$ 329,100	$ 9,148,900
	$ 5,596,500	$ 329,100	$ 9,148,900
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
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

* 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.

CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
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	$ 10,545,500	$ 21,691,900
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	$	$ 34,279,700	$
	$	$ 34,279,700	$
Total Debt Service Funds	$ 73,400	$ 40,896,900	$
CAPITAL PROJECTS FUNDS			
General Capital Fund			
Charges for Services/Other	$ 386,400	$ 50,000	$ 525,700
Local Sales Tax	3,210,200	1,487,000	1,567,500
	$ 3,596,600	$ 1,537,000	$ 2,093,200
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	$

* 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.

CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

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

* 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.

CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
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	$ 7,600,000
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	$	$

* 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.

CITY OF SURPRISE
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
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	$
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	$ 187,970,800	$ 162,825,500

* 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.

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				(4,347,000)
Vehicle Replacement Fund				(1,000,000)
Total General Fund	$	$	$ 6,137,500	$ (6,881,300)
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			3,436,600	
Vehicle Replacement Fund			1,910,400	
Total Capital Projects Funds	$	$	$ 5,347,000	$ (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	$	$	$ 23,250,400	$ (23,250,400)

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	1,983,400
City Manager	7,044,400	597,700	7,917,100	5,903,300
Community and Rec Services	15,934,700	(104,000)	15,613,900	16,295,200
Community Development	4,094,900	466,100	4,449,500	4,149,700
Economic Development				6,330,400
Finance	3,974,500	(259,600)	3,248,100	3,888,100
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	2,158,000
Information Services	4,620,900	(629,100)	3,845,400	4,225,200
Legal	2,005,600		1,923,200	2,034,600
Mayor & Council	404,300		371,600	378,400
Police	23,103,300		22,909,300	24,469,400
Public Works	6,857,400	359,600	6,596,600	7,055,800
Contingency	12,070,000	(556,800)		2,925,500
Total General Fund	$ 101,435,800	$	$ 87,786,900	$ 101,350,400
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	428,800
Fire-Emergency Services	7,100			4,200
Human Services				18,200
Police	14,700			12,400
Contingency	658,200			282,200
Municipal Court Enhancement				
City Court	320,000		330,000	85,000
Contingency	177,600			162,600
Neighborhood Revitalization				
Community Development	2,083,200	258,300	654,300	
Human Services				2,220,900
Tourism				
Community and Rec Services		50,000	75,000	345,100
Contingency	676,900	(50,000)		469,600
Grants				
Community and Rec Services	50,000		50,000	38,300
Fire-Emergency Services	46,700		47,800	151,300
Police	376,400	7,900	156,800	218,200
Public Works			23,000	371,500
General Operations	24,800			
Legal	67,100		51,500	78,000
Human Services				11,700
Contingency	5,031,500	(712,300)		8,279,900
SPD RICO				
Police	1,277,900		218,000	710,000
Contingency				120,300
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

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
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
LTAFII				
Public Works	350,000		346,700	350,000
Proposition 400				
Public Works	127,800		7,700	155,200
Contingency				12,100
Wildland Fire				
Fire-Emergency Services	140,000		116,900	143,700
HALO				
Fire-Emergency Services	158,000		133,700	168,900
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		8,396,700	8,579,100
Contingency	323,400			347,300
Street Lights Improvement District				
Public Works	2,531,800		2,439,800	2,520,400
Animal Seizure Bond Forfeiture				
Police	5,000			1,000
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		1,491,200	
Total Special Revenue Funds	$ 26,714,000	$ (250,000)	$ 16,215,400	$ 27,062,600
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

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
CAPITAL PROJECTS FUNDS				
General Capital Fund				
City Manager	$ 47,500	$	$ 47,500	$ 220,000
Community and Rec Services	2,550,000		90,000	2,960,000
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	375,000
Legal	500,000		115,000	385,000
Public Works	6,614,000	250,000	1,162,300	6,717,700
Contingency	2,823,600			
Transportation Improvement Fund				
Public Works	4,728,500		1,146,100	4,089,500
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
Contingency	338,900			
Roads of Regional Significance SPA 2, 4, 6				
Contingency	2,124,700			2,450,500
Roads of Regional Significance SPA 3, 5				
Finance	12,500			12,500
Contingency	6,500			10,800
General Government Development Fee 2012				
Finance	25,000			
Contingency	894,200			
General Government Development Fee Grandfathered				
Finance				25,000
Contingency				748,300
Police Development Fee				
Contingency	334,700			
Police Development Fee 2012				
Finance	25,000			25,000
Contingency	1,203,500			725,200
Police Development Fee Grandfathered				
Contingency				689,700
Parks and Recreation Development Fee				
Community and Rec Services	2,635,100		500,000	2,135,100
Contingency	593,200			
Parks and Recreation Development Fee 2012				
Finance	25,000			25,000
Contingency	1,066,100			
Parks and Recreation Development Fee Grandfathered				
Contingency				1,153,000
Public Works Development Fee				
Public Works	1,093,600		89,200	4,777,000
Contingency	8,232,600			4,427,800
Public Works Development Fee 2012				
Finance	25,000			25,000
Contingency	324,700			370,000
Fire & EMS Development Fee				
Contingency	68,200			
Fire & EMS Development Fee 2012				
Finance	12,500			
Contingency	1,077,100			
Fire & EMS Development Fee 2014				
Finance	12,500			12,500
Contingency	879,300			1,137,000
Fire & EMS Development Fee Grandfathered				
Finance				12,500
Contingency				1,159,700
Library Development Fee				
Contingency	4,388,500			4,358,700

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
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				
Finance	12,500			12,500
Contingency	7,300			1,400
2014 Government Construction Fund				
Community and Rec Services				18,900,000
Contingency	11,513,200			4,800
Total Capital Projects Funds	$ 61,017,100	$ 250,000	$ 7,555,000	$ 65,917,600
ENTERPRISE FUNDS				
Water Fund				
City Manager	$ 27,800	$	$ 29,800	$ 4,000
Economic Development				480,700
Public Works	9,286,400		7,125,700	11,626,000
Contingency	6,455,500			2,513,500
Water Development Fee				
City Manager	450,000			
Finance	8,400			8,400
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				
Finance	8,300			
Water Development Fee SPA1 2014 Law				
Finance				4,200
Contingency				284,000
Water Development Fee SPA2 2014 Law				
Finance				4,100
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			
Water Replenishment Development Fee SPA1 2014 Law				
Finance				4,200
Contingency				147,800
Water Replenishment Development Fee SPA2 2014 Law				
Finance				4,100
Contingency				105,700
Wastewater Fund				
City Manager	327,900		414,800	
Economic Development				481,900
Public Works	15,965,600		10,965,800	19,165,100
Contingency	19,555,700			3,239,100
Sewer Development Fee SPA1				
City Manager	25,000			
Finance	8,400			
Public Works	1,800,000		116,400	
Contingency	1,100,000			
Sewer Development Fee SPA2				
Finance	8,300			8,300
Contingency	351,700			311,500

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
Sewer Development Fee SPA3				
Finance	8,300			8,300
Contingency	39,800			41,100
Sewer Development Fee SPA4				
Contingency				1,000
Sewer Development Fee SPA1 2014 Law				
Economic Development				25,000
Finance				8,400
Public Works			183,600	1,500,000
Contingency				300,000
Sewer Development Fee SPA2 2014 Law				
Contingency				45,900
Sanitation				
City Manager				400
Public Works	8,473,900		5,993,100	10,844,700
Contingency	6,538,200			2,320,800
Total Enterprise Funds	$ 85,789,800	$	$ 26,510,500	$ 59,046,900
INTERNAL SERVICE FUNDS				
Risk Management Fund				
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	$	$ 184,508,600	$ 281,421,400

* 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
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	$ 1,983,400
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	$ 2,375,100
City Manager				
General Fund	$ 8,114,400	$ 179,900	$ 7,917,100	$ 5,903,300
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	$ 8,698,400	$ 6,127,700
Community Development				
General Fund	$ 4,094,900	$ 466,100	$ 4,449,500	$ 4,149,700
Neighborhood Revitalization	2,083,200		654,300	
Department Total	$ 6,178,100	$ 466,100	$ 5,103,800	$ 4,149,700
Economic Development				
General Fund	$	$	$	$ 7,330,400
Transportation Improvement				291,400
Water Operations fund				480,700
Sewer Operations				481,900
Sewer System Dev Fee SPA1 2014 Law				25,000
Department Total	$	$	$	$ 8,609,400
Finance				
General Fund	$ 3,974,500	$ (259,600)	$ 3,248,100	$ 3,888,100
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
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 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
Department Total	$ 4,224,500	$ (259,600)	$ 3,248,100	$ 4,138,100

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		47,800	151,300
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)	$ 17,375,100	$ 19,753,200
General Operations				
General Fund	$ 11,000,000	$ (139,000)	$	$ 2,080,800
General Capital Fund	2,823,600			
Vehicle Replacement Fund	3,954,900		2,564,100	4,512,200
Donations	658,200			282,200
Grants	5,056,300	(196,100)		8,279,900
RDS Regional sig. SPA 2,4 & 6	2,124,700			2,450,500
RDS Regional sig. SPA 3 & 5	6,500			10,800
General Govt Dev Fee 2012	894,200			
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 Dep Scholarship FD	5,900		3,000	3,600
Gov Debt Service 2000-2003			18,136,000	
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	
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	$ 34,468,600
Human Resources				
General Fund	$ 1,751,900	$ 294,400	$ 1,787,500	$ 2,158,000
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	$ 17,110,200
Information Services				
General Fund	$ 4,620,900	$ (629,100)	$ 3,845,400	$ 4,225,200
General Capital Fund	1,420,800		1,234,700	2,500,000
Department Total	$ 6,041,700	$ (629,100)	$ 5,080,100	$ 6,725,200
Legal				
General Fund	$ 2,005,600	$	$ 1,923,200	$ 2,034,600
General Capital Fund	500,000		115,000	385,000
Grants	67,100		51,500	78,000
Department Total	$ 2,572,700	$	$ 2,089,700	$ 2,497,600
Human Service and Community Vitality				
General Fund	$	$	$	$ 1,274,200
Donations				18,200
Grants				11,700
Neighborhood Revitalization				2,220,900
Department Total	$	$	$	$ 3,525,000

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)	$ 15,613,900	$ 16,295,200
General Capital Fund	2,550,000		90,000	2,960,000
Donations	443,300		446,900	428,800
Tourism	676,900		75,000	814,700
Grants	50,000		50,000	38,300
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		500,000	2,135,100
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		1,491,200	
2014 Government Constr				18,900,000
Department Total	$ 30,413,200	$ 92,100	$ 18,886,600	$ 46,142,500
Police				
General Fund	$ 23,103,300	$	$ 22,909,300	$ 24,469,400
General Capital Fund	263,000		263,000	375,000
Donations	14,700			12,400
Grants	376,400		156,800	218,200
SPD RICO Funds	1,277,900		218,000	830,300
SPD DEA Funds				16,500
SPD Towing Funds	375,100		342,600	202,300
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	$	$ 23,909,300	$ 26,914,800
Public Works				
General Fund	$ 6,857,400	$ 359,600	$ 6,596,600	$ 7,055,800
General Capital Fund	6,614,000		1,162,300	6,717,700
Vehicle Replacement Fund	338,900			
Highway User Revenue Fund	9,395,200		8,396,700	8,926,400
Grants			23,000	371,500
LTAF II	350,000		346,700	350,000
Proposition 400	127,800		7,700	167,300
Public Works Dev Fee	9,326,200		89,200	9,204,800
Transportation Improvement	5,232,100		1,146,100	4,382,600
Public Works Dev Fee 2012	324,700			370,000
Water Operations fund	15,741,900		7,125,700	14,139,500
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 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		10,965,800	22,404,200
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 SPA1 2014 Law			183,600	1,800,000
Sewer System Dev Fee SPA2 2014 Law				45,900
Sanitation Operations Fund	15,012,100		5,993,100	13,165,500
Streetlight Improvement District	2,531,800		2,439,800	2,520,400
Department Total	$ 125,982,200	$ 359,600	$ 46,274,000	$ 98,046,400
Total All Departments	$ 310,855,200	$	$ 184,508,600	$ 281,421,400

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.

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	$ 48,430,200	$ 7,167,200	$ 7,079,600	$ 4,303,600	= $ 66,980,600
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	292,800	7,900		6,700	307,400
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	$ 3,178,300	$ 338,800	$ 498,900	$ 353,600	= $ 4,427,600
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	$ 58,293,000	$ 8,272,400	$ 8,728,500	$ 5,374,100	= $ 80,726,000

RESOLUTION 2015-62

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, SETTING FORTH THE LEVY OF PROPERTY TAX RATES FOR STREET LIGHTING IMPROVEMENT DISTRICTS

WHEREAS, the provisions of Arizona Revised Statutes Section 48-616 require the governing body to levy taxes upon all property in municipal street lighting improvement districts necessary to pay the annual expenses of said districts;

WHEREAS, the City Council is required by Arizona Revised Statutes Section 42-17103 et seq. to hold a public hearing on or before the fourteenth day before the day on which it levies taxes, and the City council held such hearing on June 2, 2015; and

WHEREAS, the City has computed tax rates for Street Lighting Improvement Districts up to the maximum rate of $1.20 for each One Hundred Dollars ($100.00) of assessed valuation, as set forth on *Exhibit A* attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. For each Street Lighting Improvement District as set forth in *Exhibit A*, attached and incorporated herein, there is hereby levied an amount not to exceed the maximum rate of $1.20 on each One Hundred Dollars ($100.00) of assessed valuation, to be collected as provided by law and for the purpose provided by law.

APPROVED AND ADOPTED this 16 day of June, 2015.

Sharon R. Wolcott, Mayor

Attest:

Sherry Aguilar, City Clerk

Approved as to form:

Misty Leslie, City Attorney

Resolution #2015-62
RFLS 4664
06/15-UN5482Fr6

EXHIBIT “A”

Street Light Improvement Districts

Expense Estimates and Levy Rates

Fiscal Year 2016

Resolution #2015-62
RFLS 4664
06/15-UN5482Fr6

Street Light Improvement Districts
Expense Estimates and Levy Rates
Fiscal Year 2016

County Number / City District Name by Assessment Type		Net Assessed Value [1]	Estimated Expenses	Levy Amount	Levy Rate[2]
Ad Valorem					
23667	Asante Parcel 1.16	37,531	1,100	400	1.0658
23641	Asante Phase 1	2,515,539	46,200	30,100	1.1966
23183	Ashton Ranch I	2,325,483	12,500	12,000	0.5160
23238	Ashton Ranch II	2,692,024	13,900	13,300	0.4941
23355	Ashton Ranch III	2,451,068	15,600	15,200	0.6201
23358	Ashton Ranch IV	2,445,550	11,400	11,100	0.4539
23698	Autoshow East 1 #126 (Coulter Nissan)	749,693	1,300	1,400	0.1867
23682	Autoshow NW #114 SLID	2,690,822	500	0	0.0000
23468	Bell Pointe I	4,036,431	21,500	21,000	0.5203
23193	Bell West Ranch	1,654,721	7,400	7,100	0.4291
23323	Bell West Ranch 1A	2,233,712	10,300	9,800	0.4387
23351	Bell West Ranch 1B	1,375,973	7,000	6,600	0.4797
23424	Bell West Ranch II	2,425,862	9,600	9,200	0.3792
23461	Bell West Ranch III	2,243,956	9,700	9,300	0.4144
23660	Cactus Ward LDS NONTAX	0	0	0	0.0000
23194	Canyon Ridge West	8,269,952	12,100	11,900	0.1439
23537	City @ Surprise Ph 1	2,402,573	7,600	7,300	0.3038
23125	Continental at Kingswood Parke	3,715,081	11,600	11,100	0.2988
23456	Cotton Gin	2,702,927	14,500	14,000	0.5180
23330	Countryside	7,103,400	30,700	31,900	0.4491
23590	Desert Oasis Lancer 5 A5B14A	2,618,842	27,800	26,600	1.0157
23450	Desert Oasis No. 1	4,777,338	19,000	18,300	0.3831
23700	Desert Oasis Pcl 13A	330,040	6,900	3,900	1.1817
23706	Desert Oasis Pcl 14C	155,280	7,000	1,800	1.1592
23258	Greenway Parc #1	2,882,432	18,000	17,200	0.5967
23329	Greenway Parc #2	2,507,303	15,200	14,700	0.5863
23268	Greenway Parc #3	665,037	5,700	5,500	0.8270
23525	Greer Ranch North Ph1	4,662,430	24,400	23,600	0.5062
23555	Greer Ranch North PH2	1,967,522	6,600	6,400	0.3253
23460	Greer Ranch South	9,941,435	41,300	40,000	0.4024
23644	Johnson Townhomes	412,924	1,100	1,100	0.2664
23469	Kenly Farms	2,942,022	11,200	10,900	0.3705
13980	Kingswood Parke	8,833,872	34,500	33,200	0.3758
23319	Legacy Parc	5,329,461	23,600	22,800	0.4278
23356	Legacy Parc G,H,I	2,274,099	14,100	13,600	0.5980
23419	Legacy Parc Parcels e, f, & j	2,687,485	9,900	9,500	0.3535
23449	Litchfield Manor	12,166,561	50,200	48,200	0.3962
23457	Marley Park I, p 1-4	5,561,652	26,700	25,600	0.4603
23521	Marley Park Ph 1, P 5, 6	3,276,885	16,400	15,900	0.4852
23512	Marley Park Ph 1, P 7, 8	2,617,097	10,400	10,100	0.3859
23566	Marley Park Ph 2, 9,11,12	2,521,564	13,700	13,000	0.5156
23135	Mountain Vista	6,510,456	18,300	17,600	0.2703
23191	Mountain Vista II	6,181,753	11,300	10,900	0.1763
23239	Mountain Vista III	4,512,594	17,000	16,500	0.3656
23267	Northwest Ranch #1	3,550,260	8,200	8,000	0.2253

Street Light Improvement Districts
Expense Estimates and Levy Rates
Fiscal Year 2016

County Number / City District Name by Assessment Type		Net Assessed Value [1]	Estimated Expenses	Levy Amount	Levy Rate[2]
Ad Valorem					
23335	Northwest Ranch II	4,577,081	22,500	20,300	0.4435
23409	Orchards 1,2,3,4,5	6,735,225	27,900	27,000	0.4009
23686	Paradise #117 NONTAX	0	0	0	0.0000
23417	Parke Row	677,764	2,900	2,800	0.4131
23661	Quick Trip # 410	285,184	800	0	0.0000
23390	Rancho Gabriella - Phase I	7,737,728	27,100	26,000	0.3360
23401	Rancho Gabriella 2,3,4A-B	16,797,741	56,400	54,400	0.3239
23487	Rancho Gabriella Ph 2 pcl 11	968,130	3,500	3,500	0.3615
23536	Rancho Gabriella PH 3 pcl 17	1,078,013	3,500	3,500	0.3247
23336	Roseview Units 1-6	7,316,342	34,900	33,500	0.4579
23333	Roseview Units 5, 5a, 7, 8	4,520,083	18,600	18,000	0.3982
23542	Royal Ranch Unit 2, P7	1,721,044	6,400	20,600	1.1969
23524	Royal Ranch Unit 2, pcl 8	1,126,872	5,400	0	0.0000
23506	Royal Ranch Unit II, pcl 5,6,9	5,592,497	19,000	0	0.0000
23673	Santa Fe Ave #111	658,095	1,300	1,300	0.1975
23591	Sarah Ann Ranch	12,960,654	56,900	55,000	0.4244
23455	Sierra Montana Parcel 12	1,179,903	8,000	7,800	0.6611
23668	Sierra Montana Parcel 14	1,929,187	9,900	9,500	0.4924
23581	Sierra Montana Parcel 7	648,760	3,500	3,400	0.5241
23448	Sierra Montana Phase II	11,020,353	37,100	35,700	0.3239
23510	Sierra Verde Parcel 4	1,213,706	3,300	3,200	0.2637
23467	Sierra Verde Ph I	7,253,706	35,800	34,500	0.4756
23458	Summerfield @ Litchfields	1,106,488	4,900	4,600	0.4157
23110	Sun City Grand (DW)	37,464,164	266,100	257,200	0.6865
23174	Sun City Grand II	105,198,575	459,900	443,300	0.4214
23184	Sun City Grand III	5,114,968	30,600	29,700	0.5806
23338	Sun City Grand IV	72,963,404	152,400	148,900	0.2041
23414	Surprise Farms 1A	10,711,349	39,100	37,800	0.3529
23444	Surprise Farms 1B	12,004,595	57,600	55,600	0.4632
23498	Surprise Farms Ph 2	9,525,491	42,400	41,200	0.4325
23517	Surprise Farms Ph 3	6,568,728	35,500	35,200	0.5359
23582	Surprise Farms PH 4, Par 1-6	8,645,596	30,300	29,400	0.3401
23654	Surprise Farms Phase 5	4,684,291	13,800	13,300	0.2839
23683	Surprise Medical Plaza SLID	627,245	3,200	6,300	1.0044
23645	Surprise Pointe Comml Subdivision	9,602,097	12,200	12,100	0.1260
23653	Surprise Valley Station (Trader Joe's)	481,578	1,100	1,100	0.2284
23563	Sycamore Estates Par 13	3,476,632	23,900	22,900	0.6587
23405	Tash/Western Meadows	2,831,779	13,500	13,100	0.4626
23470	Veramonte	4,287,199	24,200	23,400	0.5458
23663	Westfield Commons	1,682,227	500	0	0.0000
23124	WestPoint Towne Center	14,527,334	67,000	68,700	0.4729
Total Ad Valorem			**2,345,900**	**2,241,400**	

Street Light Improvement Districts
Expense Estimates and Levy Rates
Fiscal Year 2016

County Number / City District Name by Assessment Type		# of Taxable Parcels[1]	Estimated Expenses	Levy Amount	Levy Rate[2]
Equal Apportionment					
23708	Autoshow East 2 #127 (L Miller Dodge)	1	1,300	500	500.00
23670	Commerce Park East #109 SLID	59	3,800	0	0.00
23671	Coyote Lakes #95 SLID	762	33,800	33,100	43.43
23662	Crescent Crown #82	2	2,100	2,000	1,000.00
23676	Kingswood Parke #105 SLID	47	1,700	1,700	36.17
23666	Marley Park Parcel 12	156	12,300	16,000	102.56
23790	Marley Park Phase 3	552	0	0	0.00
23665	Marley Park Plaza #91	7	1,300	0	0.00
23702	OTS Commercial B #123	4	2,100	2,000	500.00
23693	OTS Market Street #121	0	0	0	0.00
23674	Parkview Place #112	8	2,200	2,100	262.50
23434	Royal Ranch Unit I	545	19,800	19,000	34.86
23418	Sierra Montana Phase 1a	1,454	62,300	65,000	44.70
23692	Skyway Business Park #92	68	15,800	17,700	260.29
23669	Stadium Village Small A #107	8	7,000	5,300	662.50
23672	Stonebrook #103	164	4,600	4,200	25.60
23659	Surprse Farm Chrch 84 NONTAX	0	0	0	0.00
23694	Westgate #122	1	700	700	700.00
Total Equal Apportionment			**170,800**	**169,300**	
Grand Total			**2,516,700**	**2,410,700**	

[1] Net Assessed Value based on Maricopa County Assessor's Office 2015 February State Abstract report.

[2] Levy rate per $100 of assessed value for Ad Valorem assessments. Dollar levy per parcel for Equal Apportionment assessments.

CITY OF SURPRISE, ARIZONA
COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES
EFFECTIVE JULY 1, 2015

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 75% is spent for sports tourism facility development and improvement and 25% on marketing, studies, and special events.

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 measurable steps taken in striving towards achieving and maintaining the highest possible bond ratings. This will minimize borrowing costs, optimize access to credit, and demonstrate excellent financial stewardship on behalf of our 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.

39. 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 general obligation bonded indebtedness for all other purposes may not exceed six percent of the City's net secondary assessed valuation

40. The City will follow appropriate procedures with regard to obligations under continuing disclosure undertakings as identified by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

41. The City will follow appropriate procedures with regard to tax exempt obligations as identified by the Internal Revenue Code of 1986.

Minimum Fund Balance Policies

42. 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.

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

44. There is no effect 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.

45. 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 for the General Fund and the Highway User's Revenue Fund.

    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.

f. The Spring Training Ticket Surcharge Fund will have a minimum fund balance of $600,000. Any excess fund balance remaining as of June 30 shall be used for debt service in lieu of the General Fund contribution.

46. 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

47. 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).

48. 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).

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

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

51. 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.

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.

FUND DESCRIPTIONS

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. The following outlines all of the funds utilized by the city.

- General Fund – The primary operating fund of the city. Any activity that is not accounted for in another fund is placed in the general fund.

- Special Revenue Funds – These funds account for specific non-capital and non-debt service revenue sources that are restricted or committed for specific purposes.
  - *Donations* – This fund is set up to monitor revenues and expenditures associated with donated funds including sponsorships. City policy restricts the use of these funds.
  - *Employee Dependent Scholarship* – This fund is used to track employee dependent scholarships awarded to the dependents of current city of Surprise employees. A share of vending machine proceeds and interest earnings fund these scholarships. City policy restricts the use of these funds.
  - *Grants and Contingency* – This fund is used to track grant activity and maintains excess budget authority to allow for unforeseen grants that may be received throughout the year.
  - *Highway User Revenue Fund (HURF)* – This fund is used to account for revenues and expenditures that are legally restricted to expenditures for transportation and the construction, repair, and maintenance of highways and streets.
  - *Municipal Court Enhancement* – This fund is used to track revenue associated with fines dedicated to Municipal Court technology improvements. City ordinance #30-19 and§12-113 restricts the use of these funds.
  - *Municipal Court FARE* – This fund is used to track revenue and expenses related to the Surprise City Court's participation in the Fines and Restitution Enforcement (FARE) program. [A.R.S. §41-2421(K)]
  - *Municipal Court JCEF* – This fund is used to track revenue and expenses related to the Surprise City Court's participation in the Judicial Collection Enhancement Fund (JCEF) program. (A.R.S. §12-113)
  - *Municipal Court MFTG Fund* – This fund is used to track revenue and expenses related to the Surprise City Court's participation in the Municipal Fill the Gap (MFTG) program. [A.R.S. §41-2421(K)]
  - *Neighborhood Revitalization* – This fund is used to track all revenues and expenditures associated with the city's neighborhood revitalization program. This program is funded through a combination of federal, state, and local funds. City policy, grant agreements, and contractual obligations restrict the use of these funds.
  - *Police Department DEA* – This fund is used to discretely track funds received from participation on Drug Enforcement Activity (DEA) task forces in the Greater Phoenix area. The use of these funds is limited to approval by the disbursing program manager and is generally related to purchase and maintenance of departmental equipment not included in the general operating budget.
  - *Police Department RICO* – This fund is used to discretely track funds received from participation in the Maricopa County Attorney's Office Anti-Racketeering Influenced and Corrupt Organizations (RICO) task force.
  - *Police Department Towing Fund* – This fund is used to track activity in the police department for vehicle impounds. The use of these funds is limited to administrative management of the vehicle impound program.
  - *Street Lighting Districts* – Approximately 100 Street Light Improvement District Funds (SLIDs) have been established by ordinance to provide a centralized location for the collection of taxes from properties located within a respective district. These proceeds are legally restricted to the payment of electricity to operate the street lights within that district.
  - *Tourism* – This fund is used to track all restricted and committed revenues associated with the city's hotel/motel transaction privilege tax (bed tax). These funds are used to support tourism within the city. City policy and state statute restrict the use of these funds.
  - *Net Premium Seating* – This fund is used to account for revenues and expenditures related to a ticket surcharge on the sale of spring training tickets in premium seating areas. These funds are used to offset expenditures related to requests made by the Texas Rangers or Kansas City Royals.
  - *Spring Training Ticket Surcharge* – This fund is used to account for the ticket surcharge on the sale of spring training tickets. These funds are assigned to future facility operational improvements at the stadium.
  - *SB1398 Fines* – The city received funds from the state of Arizona pursuant to A.R.S. §12-116.04, which established funding to pay for the purchase of officer safety equipment.

- *Arizona Lottery Fund* – The city received funds from the state of Arizona pursuant to A.R.S §28-8131, which established funding to be used to support transit operations, facilities, and equipment purchases.
- *Proposition 400* – For this fund, Proposition 400 was passed by the voters of Maricopa County, which authorized the continuation of a countywide, half-cent sales tax for regional transportation improvements. The city receives funding for capital improvement projects and transportation operations as part of the Regional Transportation Plan.
- *Wildland Fire* – This fund is used to separately manage funds related to the city's deployment on wildland fire operations. The city is reimbursed for overtime and backfill costs incurred when Surprise Fire deploys red card certified firefighters on state or federal fires.
- *HALO* – The city is a participating partner in an intergovernmental agreement with the city of Glendale to cooperatively provide necessary firefighter paramedics, emergency medical services, and special operations personnel services in support of the Helicopter Air-Medical Logistics Operations (HALO) program. The fire department is reimbursed for the costs associated with providing these services.
- *Ambulance Contract* – This fund is used to separately manage funds related to the establishment of an ambulance at one of the fire stations during peak activity times. The fire department provides some staffing for the ambulance and reimbursement for the overtime and all other costs is associated with this contract.

- Debt Service Funds – The funds were established to account for debt service payments associated with the bonds issued in 2000, 2003, 2007, and 2015.
  - *2000-03 Governmental Debt Service* – This fund is used to track the debt service payments made by the governmental funds for the 2003 bond refunding.
  - *2000-03 Proprietary Debt Service* – This fund is used to track the debt service payments made by the enterprise funds for the 2003 bond refunding.
  - *2007 Proprietary Debt Service* – This fund is used track the debt service payments made by the Proprietary Funds for the 2007 bond issuance.
  - *2015 Governmental Debt Service* – This fund is used to track the debt service payments made by the governmental funds for the 2003 bond refunding and the 2015 clubhouse improvements.
  - *2015 Proprietary Debt Service* – This fund is used track the debt service payments made by the enterprise funds for the 2003 bond refunding.

- Capital Project Funds – These funds are used to track the activities related to the collection and expenditure of funds dedicated to capital acquisition.
  - *Fire and EMS Development Impact Fee Fund* – The fund is used to account for the inflow of fire development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on fire services caused by growth.
  - *General Government Development Impact Fee Fund* – This fund is used to account for revenues and expenditures associated with general government development impact fees assessed to fund infrastructure and other expenditures for growth-related general government projects.
  - *General Capital Projects* – This fund is used to account for construction sales tax revenue and expenditures relating to the acquisition of capital items.
  - *Library Development Impact Fee Fund* – This fund is used to account for library 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 increased demand on library services due to growth.
  - *Parks and Recreation Development Impact Fee Fund* – This fund is used 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 due to growth.
  - *Police Development Impact Fee Fund* – This fund is used to account for the inflow of police development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on police services due to growth.
  - *Public Works Expansion Development Impact Fee Fund* – This fund is used 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 work services due to growth.

- *Roads of Regional Significance Special Planning Area 2, 4, and 6* – The fund for planning areas 2, 4, and 6 is used to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or on-time items directly related to the increased demand on roadways due to growth.
- *Roads of Regional Significance Special Planning Area 3 and 5* – The fund for planning areas 3 and 5 is used to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or on-time items directly related to the increased demand on roadways due to growth.
- *163rd Avenue Development Impact Fee Fund* - This fund is used to account for the inflow of 163rd Avenue 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 163rd Avenue due to growth.
- *Transportation Improvement* – This fund is used for revenues and expenditures that are legally restricted to expenditures of existing roadway corridor improvements and the related costs of the construction of new roadways.
- *Vehicle Replacement* – The fund is used to track funding set aside for future vehicle replacement costs.
- *2015 Stadium Government Construction* – This fund is used to track the capital expenses using the 2015 bond proceeds for clubhouse improvements.

- Enterprise Funds – These funds are used to account for the business-type activities of a government. These are activities which are financed and operated in a manner where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
  - *Water Operations* – These funds account for the operation of the water treatment and distribution to some of the residents and commercial users of the city.
  - *Water Systems Development Fee* – These funds were established to account for the inflow of water system development fees levied on new residential and commercial construction. The fees can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on the water system due to growth.
  - *Water Replenishment Development Fee* – These funds were established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. The fees can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on the water services due to growth.
  - *Wastewater Operations* – This fund accounts for sanitary sewer services provided to the residential and commercial users of the city.
  - *Wastewater Systems Development Fee* - These funds were established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. The fees can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services.
  - *Sanitation Operations* – This fund accounts for trash collection services provided to residential and some commercial users of the city.

- Internal Service Funds – These funds are used to report any activity that provides goods or services to other funds, departments, or divisions of the city, or to other governments, on a cost-reimbursement basis. The goal of an internal service fund is to measure the full cost of providing goods or services for the purpose of fully recovering that cost through fees or charges.
  - *Healthcare Self Insurance* – This fund provides a mechanism whereby health insurance related expenses are monitored and health insurance reserves are established. City policy restricts the use of these funds.
  - *Risk Management* – This fund provides a mechanism whereby all risk related (e.g. general liability) expenditures are monitored and insurance reserves are established. City policy restricts the use of these funds.

- Fiduciary Funds – These funds are used to track the city's non-expendable trust activities for outside agencies.
  - *Firefighter's Pension Fund* – This fund is used to account for the assets of the city's volunteer firefighter pension and trust. The Mayor and City Council act as the governing board and city staff perform all administrative and accounting functions for this fund. However, the city no longer has any volunteer firefighters and, in lieu, is providing an alternative pension and benefits for ineligible PSPRS firefighters.

Summary of Sources and Uses for Major Funds and Other Funds in the Aggregate

	General Fund (Major Fund)			Special Revenue Funds (Aggregate)		
Sources	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**
Local Sales Tax	34,196,814	37,154,700	39,012,500	177,312	198,400	215,200
State Shared	27,521,507	29,133,900	29,862,900	7,023,790	7,413,600	7,727,200
Charges for Services/Other	10,469,593	10,922,500	10,085,200	2,964,084	2,933,400	13,749,500
Property Tax	6,340,641	6,513,600	6,750,200	2,229,591	2,380,200	2,416,600
Franchise Fees	5,197,956	4,920,900	5,084,000	-	-	-
Development Impact Fees	-	-	-	-	-	-
Total Operating Revenue	**83,726,511**	**88,645,600**	**90,794,800**	**12,394,777**	**12,925,600**	**24,108,500**
Borrowing	-	-	-	-	-	-
Transfers In	5,891,078	5,802,100	6,137,500	295,553	-	-
Total Sources	**89,617,589**	**94,447,700**	**96,932,300**	**12,690,330**	**12,925,600**	**24,108,500**
Uses						
Operating Expenses						
Mayor & Council	388,180	371,600	378,400	-	-	-
City Manager	2,041,609	7,917,100	2,703,300	-	-	-
Legal	1,720,978	1,923,200	2,034,600	32,914	51,500	78,000
City Clerk	572,790	446,200	459,500	-	-	-
Finance	2,895,653	3,248,100	3,888,100	-	-	-
Human Resources	1,479,017	1,787,500	2,158,000	-	-	-
Information Services	4,018,682	3,845,400	4,225,200	-	-	-
General Operations	141	-	255,300	3,000	3,000	3,000
Economic Development	-	-	6,330,400	-	-	-
Community Development	7,021,796	4,449,500	4,149,700	1,259,131	654,300	-
City Court	1,884,010	1,839,300	1,983,400	139,627	191,000	156,100
Police	19,913,529	22,909,300	24,469,400	547,041	737,000	1,069,600
Fire-Emergency Services	15,337,671	16,839,200	17,664,400	241,261	482,000	691,200
Human Service & Comm. Vitality	-	-	1,174,200	-	-	2,250,800
Comm. & Recreation Services	14,161,718	15,613,900	16,125,200	735,321	720,500	517,100
Public Works	6,251,712	6,596,600	6,866,800	8,156,676	11,173,700	11,083,200
Water Services	-	-	-	-	-	-
Wastewater Services	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Total Operating Expenditures	**77,687,486**	**87,786,900**	**94,865,900**	**11,114,971**	**14,013,000**	**15,849,000**
Capital	62,665	-	3,559,000	574	2,202,400	1,238,100
Debt	187,005	-	-	110	-	-
Contingency	-	1,038,200	2,925,500	-	500	9,975,500
Transfers Out	1,589,802	4,350,500	6,881,300	300,173	-	645,000
Total Uses	**79,526,958**	**93,175,600**	**108,231,700**	**11,415,828**	**16,215,900**	**27,707,600**

Summary of Sources and Uses for Major Funds and Other Funds in the Aggregate

	Debt Service Funds (Aggregate)			Capital Projects Funds (Aggregate)		
Sources	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**
Local Sales Tax	-	-	-	4,452,652	3,353,100	3,488,500
State Shared	-	-	-	-	-	-
Charges for Services/Other	54,836	35,000	-	1,284,697	600,000	1,823,000
Property Tax	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-
Development Impact Fees	-	-	-	4,364,420	4,141,600	3,909,700
Total Operating Revenue	**54,836**	**35,000**	**-**	**10,101,769**	**8,094,700**	**9,221,200**
Borrowing	(0)	40,861,900	-	-	-	-
Transfers In	11,946,250	27,571,400	6,905,500	309,552	34,845,200	9,398,300
Total Sources	**12,001,086**	**68,468,300**	**6,905,500**	**10,411,321**	**42,939,900**	**18,619,500**
Uses						
Operating Expenses						
Mayor & Council	-	-	-	-	-	-
City Manager	-	-	-	50,000	336,700	-
Legal	-	-	-	-	115,000	385,000
City Clerk	-	-	-	-	-	-
Finance	-	-	-	189,539	-	250,000
Human Resources	-	-	-	-	-	-
Information Services	-	-	-	-	250,000	-
General Operations	-	-	-	1,227,210	2,564,100	4,512,200
Economic Development	-	-	-	-	-	316,400
Community Development	-	-	-	64,060	-	-
City Court	-	-	-	-	-	-
Police	-	-	-	72,000	43,000	-
Fire-Emergency Services	-	-	-	15,030	37,000	-
Human Service & Comm. Vitality	-	-	-	-	-	-
Comm. & Recreation Services	-	-	-	-	-	-
Public Works	-	-	-	2,137,109	697,100	3,021,100
Water Services	-	-	-	162,610	205,000	307,300
Wastewater Services	-	-	-	30,060	-	-
Sanitation	-	-	-	-	-	-
Total Operating Expenditures	**-**	**-**	**-**	**3,947,618**	**4,247,900**	**8,792,000**
Capital	-	-	-	6,528,235	5,288,400	44,284,700
Debt	6,168,829	34,893,800	6,832,100	163,684	-	-
Contingency	-	-	5,450,500	-	-	21,211,600
Transfers Out	27,422	39,541,500	73,400	12,045,748	11,163,000	5,461,900
Total Uses	**6,196,251**	**74,435,300**	**12,356,000**	**22,685,285**	**20,699,300**	**79,750,200**

Summary of Sources and Uses for Major Funds and Other Funds in the Aggregate

	Enterprise Funds (Aggregate)			Internal Service Funds (Aggregate)		
Sources	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**
Local Sales Tax	-	-	-	-	-	-
State Shared	-	-	-	-	-	-
Charges for Services/Other	33,278,381	34,702,200	36,110,900	10,986,735	11,599,500	11,756,900
Property Tax	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-
Development Impact Fees	-	-	-	-	-	-
Total Operating Revenue	**33,278,381**	**34,702,200**	**36,110,900**	**10,986,735**	**11,599,500**	**11,756,900**
Borrowing	-	-	-	-	-	-
Transfers In	1,350,659	-	809,100	-	-	-
Total Sources	**34,629,040**	**34,702,200**	**36,920,000**	**10,986,735**	**11,599,500**	**11,756,900**
Uses						
Operating Expenses						
Mayor & Council	-	-	-	-	-	-
City Manager	-	444,600	4,400	-	-	-
Legal	-	-	-	-	-	-
City Clerk	-	-	-	-	-	-
Finance	2,346	-	-	(7)	-	-
Human Resources	-	-	-	10,306,436	11,547,000	11,314,200
Information Services	-	-	-	-	-	-
General Operations	-	-	-	-	-	-
Economic Development	-	-	962,600	-	-	-
Community Development	312,615	-	-	-	-	-
City Court	-	-	-	-	-	-
Police	-	-	-	-	-	-
Fire-Emergency Services	-	-	-	-	-	-
Human Service & Comm. Vitality	-	-	-	-	-	-
Comm. & Recreation Services	252	-	-	-	-	-
Public Works	-	-	-	-	-	-
Water Services	6,363,865	7,070,600	7,486,000	-	-	-
Wastewater Services	7,685,003	9,710,400	9,894,600	-	-	-
Sanitation	6,259,941	5,993,100	8,694,700	-	-	-
Total Operating Expenditures	**20,624,022**	**23,218,700**	**27,042,300**	**10,306,429**	**11,547,000**	**11,314,200**
Capital	1,812,048	1,310,500	15,560,500	-	-	-
Debt	(350,792)	-	809,100	195	-	-
Contingency	-	-	8,073,400	-	-	3,638,000
Transfers Out	5,829,947	13,163,700	10,188,800	-	-	-
Total Uses	**27,915,225**	**37,692,900**	**61,674,100**	**10,306,624**	**11,547,000**	**14,952,200**

Summary of Sources and Uses for Major Funds and Other Funds in the Aggregate

	Agency Funds (Aggregate)			All Funds		
Sources	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**	**FY2014 Actual**	**FY2015 Estimate**	**FY2016 Budget**
Local Sales Tax	-	-	-	38,826,778	40,706,200	42,716,200
State Shared	-	-	-	34,545,297	36,547,500	37,590,100
Charges for Services/Other	298,868	334,000	-	59,337,194	61,126,600	73,525,500
Property Tax	-	-	-	8,570,232	8,893,800	9,166,800
Franchise Fees	-	-	-	5,197,956	4,920,900	5,084,000
Development Impact Fees	-	-	-	4,364,420	4,141,600	3,909,700
Total Operating Revenue	**298,868**	**334,000**	**-**	**150,841,877**	**156,336,600**	**171,992,300**
Borrowing	-	-	-	-	40,861,900	-
Transfers In	-	-	-	19,793,092	68,218,700	23,250,400
Total Sources	**298,868**	**334,000**	**-**	**170,634,969**	**265,417,200**	**195,242,700**
Uses						
Operating Expenses						
Mayor & Council	-	-	-	388,180	371,600	378,400
City Manager	-	-	-	2,091,609	8,698,400	2,707,700
Legal	-	-	-	1,753,892	2,089,700	2,497,600
City Clerk	-	-	-	572,790	446,200	459,500
Finance	-	-	-	3,087,531	3,248,100	4,138,100
Human Resources	298,534	334,000	-	12,083,987	13,668,500	13,472,200
Information Services	-	-	-	4,018,682	4,095,400	4,225,200
General Operations	-	-	-	1,230,351	2,567,100	4,770,500
Economic Development	-	-	-	-	-	7,609,400
Community Development	-	-	-	8,657,602	5,103,800	4,149,700
City Court	-	-	-	2,023,637	2,030,300	2,139,500
Police	-	-	-	20,532,570	23,689,300	25,539,000
Fire-Emergency Services	20,963	-	-	15,614,925	17,358,200	18,355,600
Human Service & Comm. Vitality	-	-	-	-	-	3,425,000
Comm. & Recreation Services	-	-	-	14,897,291	16,334,400	16,642,300
Public Works	-	-	-	16,545,497	18,467,400	20,971,100
Water Services	-	-	-	6,526,475	7,275,600	7,793,300
Wastewater Services	-	-	-	7,715,063	9,710,400	9,894,600
Sanitation	-	-	-	6,259,941	5,993,100	8,694,700
Total Operating Expenditures	**319,497**	**334,000**	**-**	**124,000,023**	**141,147,500**	**157,863,400**
Capital	-	-	-	8,403,522	8,801,300	64,642,300
Debt	-	-	-	6,169,031	34,893,800	7,641,200
Contingency	-	-	-	-	1,038,700	51,274,500
Transfers Out	-	-	-	19,793,092	68,218,700	23,250,400
Total Uses	**319,497**	**334,000**	**-**	**158,365,668**	**254,100,000**	**304,671,800**

APPENDIX
Personnel Schedule

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Budget	Change from FY2015
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
Sports Tourism & Campus Operations	18.1	22.0	21.0	21.0	0.0
Aquatics	0.0	1.0	2.0	2.0	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
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	8.3
Total	0.0	0.0	0.0	8.3	8.3
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
Solid Waste	0.7	0.0	0.0	0.0	0.0

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Budget	Change from FY2015
Finance					
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	9.0
Revenue (Tax & License)	4.0	4.0	6.0	6.0	0.0
Budget & Management	0.0	0.0	0.0	5.0	5.0
Purch. & Mats. Manangement	0.0	0.0	0.0	4.0	4.0
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	3.0
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	2.0
Senior Services	0.0	0.0	0.0	1.5	1.5
Neighborhood Services	0.0	0.0	0.0	5.8	5.8
Total	0.0	0.0	0.0	9.3	9.3
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

APPENDIX
Personnel Schedule

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Budget	Change from FY2015
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	46.0	46.0	48.0	49.0	1.0
Investigations	26.0	25.0	24.0	33.0	9.0
Patrol	109.0	111.0	112.0	106.0	(6.0)
Total	181.0	182.0	184.0	188.0	4.0
Public Works					
Engineering Services	10.3	15.0	14.0	14.0	0.0
Facilities Management	15.2	16.0	15.0	16.0	1.0
Vehicle Maintenance	11.2	12.0	12.0	12.0	0.0
Transit	9.0	0.0	0.0	0.0	0.0
Project Management	1.0	1.0	1.0	1.0	0.0
Traffic Engineering	12.3	11.0	7.0	8.0	1.0
Streets	28.0	28.0	34.0	33.0	(1.0)
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
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

Department/Division	FY2013 Adopted	FY2014 Adopted	FY2015 Adopted	FY2016 Budget	Change from FY2015
Water Services					
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.

Carryforward Is budget authority from the prior fiscal year that is re-appropriated in the current fiscal year.

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.
EPCOR	Edmonton Power Corporation - One of the drinking water service providers within the Surprise special planning areas.
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 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.

TOC

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