

**CITY OF SURPRISE, ARIZONA
FY2006 BUDGET**

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COUNCIL MEMBERS

MAYOR JOAN H. SHAFER – Mayor@surpriseaz.com



Mayor Joan Shafer has set a record for “firsts” since 1990, when she was the first woman elected to the Surprise City Council. In 1994, she became the first woman mayor and the first elected mayor of the City of Surprise. After a string of two-year terms, she was re-elected in 1999 to a four-year term as mayor. Shafer is best known for her, “The Mayor is In” forums in local grocery stores where she informally disseminates information and listens to the concerns of her constituents. It’s an idea copied by mayors nationally, even internationally.

Shafer worked as a medical records librarian at several Phoenix area hospitals and, for nearly 25 years, volunteered her time working with youth. She is a U.S. Navy veteran having served during the Korean War.

The widow of a Phoenix firefighter and arson investigator, Shafer enjoys spending time with her two children, five grandchildren and two cats. The Sun City Grand resident also likes reading and swimming. Shafer’s vision for Surprise is “a City where diverse population come together in harmony and where services are sufficient to meet the needs.”

Shafer’s term expires in June 2007. She is elected at-large.

VICE-MAYOR DANIEL ARISMENDEZ – danny.arizmendez@surpriseaz.com



A former Surprise City Council member, Danny Arismendez was elected in 2003 to a four-year term as the representative of the Mulberry District (4). He previously served on the Council from 1989 to 1995 when all members were elected at-large.

A native of the area, Arismendez moved to Surprise from El Mirage in 1982. He opened his business, Sun Cities Appliance, in June of 1979 and serves on the finance committee of St. Theresita Catholic Church in El Mirage.

A resident of the City’s Original Townsite, Arismendez said he is “grateful and thankful” for a second opportunity to serve the residents of Surprise and especially his district. “There are a lot of things I didn’t get done the first time around,” he said. “I can do a good job. I can make a difference. If I can do something, I will do something.”

He was instrumental in bringing a swimming pool to the Original Townsite. The \$2 million Hollyhock Community Pool opened in July 2004. He is also interested in stepping up rehabilitation and beautification efforts in his district.

Arismendez and his wife, Becky, have six children and three grandchildren. He enjoys playing golf and watching Phoenix Suns, Diamondbacks and ASU football games.

The Mulberry District encompasses the majority of the Original Townsite, from Bell Road south to Greenway Road between Dysart Road and Jerry Street.

Arismendez’s term expires in June 2007.

GWYN FORO – gwyn.foro@surpriseaz.com



Gwyn Foro, representative of the Palo Verde District (6), was elected to her first four-year term on the Surprise City Council in May 2005.

Foro was born into a Navy family, is a Navy veteran, and has worked for the Phoenix Police Department since 1990. She earned a Bachelor of Science degree in Justice Studies from Arizona State University and a Master of Arts degree in Human Resources from Ottawa University.

She has traveled extensively both in the United States and abroad. Foro has lived in Rose Garden since 2001 and shares her home with her mother and several geriatric cats. Her hobbies include designing stained glass and mosaics which she often donates to charity fundraisers.

According to the District 6 councilwoman, long-range planning is one of her many strengths; along with project analysis and decision-making.

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

Foro's term expires in June 2009.

JOE JOHNSON – joe.Johnson@surpriseaz.com



Joe Johnson, a Surprise resident for seven years, represents the Palm District (5). Elected to the City Council in a September 2004 recall election.

Johnson, a small business owner, has lived in Arizona for 31 years. A New York native and graduate of Moon Valley High School, he attended Glendale Community College and Arizona State University where he majored in business, minored in mechanical drawing and played on the tennis team.

He has worked as a human resources manager for an agricultural chemical company and as a supervisor for a large air conditioning firm before starting his own business, Custom Air Design Inc. The father of a junior high and high school student, Johnson has been active in the Dysart Unified School District, serving on subcommittees and as a founding member and immediate past president of Parents Plus, a parent/teacher organization at Willow Canyon High School.

Johnson said he wants Surprise to be a destination - a City where people can live, work and play. "Right now people are leaving here to go to work, to go to the mall...they're conducting their day outside of Surprise," he said. "I would like to see us doing everything here." As a result, his goals are to attract more family entertainment venues to Surprise, as well as high-end industrial employers such as Honeywell or Motorola.

Transportation is one of Johnson's main concerns and, he said, public safety (police and fire departments) should keep pace with the City's growth. In his spare time, Johnson plays tennis and coaches the Willow Canyon Varsity Girls Tennis Team.

The Palm District encompasses the northwest portion of the Original Townsite, the northern portion of West Point Towne Center, The Orchards and Kingswood Parke.

Johnson's term expires in June 2009.

GARY “DOC” SULLIVAN – doc.Sullivan@surpriseaz.com



Gary “Doc” Sullivan, representative of the Mesquite District (3), was elected to his first four-year term on the Surprise City Council in May 2003.

Sullivan moved to Surprise in June of 2001 from San Diego, California where the avid bowler traded a years-long career in the mortgage business for a 10-year stint managing bowling centers for Sports Arenas Inc. and AMF Bowling.

A resident of Greenway Parc I, Sullivan quickly became involved in the community. He is a member of the Greenway Parc homeowners’ association and architectural review committee, the Surprise Economic Development Advisory Board and Future Focus II, a group formed to provide direction on implementation of the City’s general plan.

He supports Luke Air Force Base and its mission. “We must stop encroachment on Luke,” said Sullivan, who witnessed first-hand the impact of the Gulf War on military towns in California. “If Luke closes, it could be catastrophic for local businesses.” He is also concerned about education and the maintenance of City streets.

Sullivan and his wife, Stephanie, have been married more than 33 years and have two grown sons. For the time-being, he’s putting his bowling hobby on hold to devote the time to City business. He wants residents to know he welcomes their input and he will return phone calls. The Mesquite District includes Mountain Vista Ranch, Ashton Ranch, Surprise Farms, Northwest Ranch, Countryside, Cotton Gin, Mountain Gate, Rancho Gabriela, Legacy Parc, Sierra Montana, Roseview, Marley Park, T.A.S.H., the southern portion of West Point Towne Center and the southwestern portion of the Original Townsite.

Sullivan’s term expires in June 2007.

MARTHA BAILS – martha.bails@surpriseaz.com



Martha Bails, who represents the Cottonwood District (2), began her first four-year term on the Surprise City Council in June 2003.

Bails moved to Surprise in 1999 from Hawthorne, California where she spent 33 years working for Rockwell International, retiring in 1996 from her job as an executive planning advisor responsible for the design and maintenance of procurement systems. She also served as a member of the Hawthorne City Council from 1994-96.

A resident of Sun City Grand, Bails quickly became involved in her new community, volunteering one day a week in the emergency room of nearby Del E. Webb Memorial Hospital, collecting stuffed animals for the Surprise Police and Fire Departments through the Sun City Grand Singles Club, and finally, landing an appointment to the Surprise Planning and Zoning Commission in April 2000, most recently serving as chairperson of the seven-member group. “I like to participate and be active, rather than sit there and be a number,” she said. “I’ve always been interested in politics, budgets and spending – where the taxpayer’s money goes.”

Bails supports low density development for Surprise and her primary goal as a council member is to help the City Council and/or voters determine the City’s growth rate. “I would also

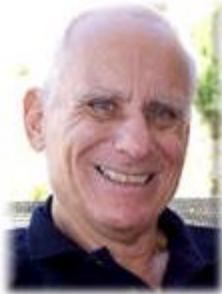
like the City to rethink its position of no more senior communities because of the demands on the school district, and particularly in light of Luke Air Force Base's position that no new schools be built in the flight path," she said. Bails is also concerned about transportation issues.

She wants residents to know they can call anytime. "I respect everyone's opinion and hopefully they respect mine even though we might not agree," Bails said. "Although I represent a district, the decisions I make impact the entire City." Bails has one grown son and, in her spare time, enjoys traveling and needlepoint.

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

Bail's term expires in June 2007.

CLIFF ELKINS – cliff.elkins@surpriseaz.com



Cliff Elkins, a Surprise resident since July 1997, represents the Acacia District (1). He was elected to the City Council in a September 2004 recall election. His current term expires in June of 2009.

Elkins, a graduate of Georgetown University's School of Foreign Service, has an extensive background in transportation issues. He spent 15 years in the steamship business representing ship owners and managing cargo operations before moving to Washington D.C. where he worked as a transportation economist on various international projects.

In 1967, Elkins moved to Albany, NY where he worked as a planner for the New York State Department of Transportation, and helped to author the state's master plan for transportation. He later returned to Washington, D.C. as Associate Deputy Director of the American Association of State Highway & Transportation Officials, and Staff Director of the House Transportation, Commerce & Tourism Subcommittee. After a 10-year stint as a lobbyist, he worked as a regional manager for Holiday Retirement Corporation.

Since moving to Surprise, the Sun City Grand resident has served as a member of the Parks and Recreation Advisory Board and helped with the management of adult programs for ASU West.

Elkins says Surprise has "great, great potential," but it's critical to seek long term solutions for transportation. "Obviously the City can't do everything, but we've got to be on the cutting edge with the County - with Maricopa County Department of Transportation (MCDOT)," he said.

A competitive race walker who officiates up to 500 games a year in a variety of sports, Elkins also favors continued development of recreational opportunities in the City, as well as employment centers. Elkins and his wife Claire, have six children and 12 grandchildren. Claire is a real estate agent.

The Acacia District includes Arizona Traditions, Happy Trails, West View Estates, the area northwest of the Beardsley Canal, including Saguaro Acres, Saguaro View, Happy Valley, Martin Acres and the portion of Sun City Grand west of the Estrella Freeway (Loop 303), and the portion of Sun City Grand east of the Estrella Freeway and bounded by Mountain View, Sunrise and Clearview Boulevards.

Elkins's term expires in June 2009.

City of Surprise, Arizona FY2006 City Managers Budget Message



Beyond Expectations

To the Honorable Mayor and City Council:



The City Administration is pleased to once again present a balanced and sustainable budget for Fiscal-Year 2006 prepared in accordance with the Home Rule option re-affirmed by the Citizens of Surprise in March 2003. It is through this confidence in the City that we are able to provide the service level that our citizens have come to expect.

The total proposed FY2006 Budget is \$335,852,600, which reflects a 72% increase over last year. This budget continues to address growth, stabilization and maintenance of existing City facilities, programs, services and commitments while developing the concept of “Getting Ahead of the Curve”.

The Mayor and City Council through the City Manager have identified five goals for the FY2006 Budget. To develop these goals a series of focus groups were held with Surprise Department Directors, randomly selected groups of business owners/developers; local high school students; resident retirees and residents who are in the workforce. The results were remarkably similar and each group came up with the same strategic areas to be developed.

The strategic areas that the City will be focusing on that served as the basis for the City Managers recommended FY2006 budget are:

- Transportation
- Public Safety
- Local Economy
- City Parks and Amenities
- City Operations

This budget addresses these goals by funding major projects, adding staff and setting programs in place that will implement these goals for Surprise residents, visitors and business owners. These goals and our continuing need to ensure that everything we do is sustainable in the long run have guided the development of this budget. Adherence to these goals and the concept of “Getting Ahead of the Curve” are extremely important as the City continues to grow at an unprecedented rate. Last fiscal year the City issued 7,763 single-family residential building permits, it is anticipated that for FY2006 that number will remain around 7,000 new single-family homes representing an increase of about 15,000 residents over the next 12 months. It is our intent to continue to provide the level of service our current residents have come to expect to this rapidly expanding population base.

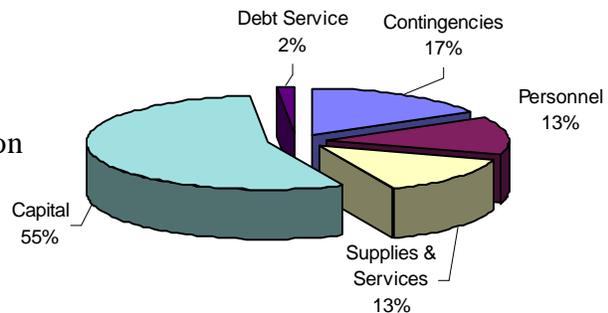
To deal with this phenomenal rate of growth the City will spend time throughout the upcoming fiscal year continuing to develop the five goals into a more definitive, strategic plan for the community. This process will include information from the Funding the General Plan project and additional input from Mayor and Council, staff and residents. The information gathered will provide strategic policy direction for future years. All departmental master plans included in this budget, or proposed for the future will follow the development of the Citywide Strategic Plan and will link development of their goals and objectives to those contained in the Citywide Strategic Plan and funded through the budget.

As a newly developing city, resources continue to be heavily targeted towards capital infrastructure and the operating costs associated with it. This trend continues into FY2006 with capital and other one-time expenditures composing 81% of the total budget for FY2006. This is a trend that the City expects to continue for several years as the development boom progresses.

Although the capital budget continues to dominate how the City spends its funds, the increasing population base and this intensive capital investment are having a significant impact on the operating budget. Although representing only 19% of the City’s total budget, operational expenditures continue to grow and represent a significant investment in our residents. Operational expenditures are programmed to increase by 39% over FY2005 estimates to a total of \$62.4 million. The increased operational budget has been planned, and given the continuing growth of the City, is sustainable.

This year’s **\$335,852,600** expenditure limitation budget, includes:

1. \$43,996,300 for Personnel Costs
2. \$45,033,700 for Supplies & Services
3. \$184,766,100 for Capital/Depreciation
4. \$ 5,961,700 for Debt Service
5. \$56,094,800 for Contingencies



Economic and Fiscal Condition:

All projections for the national, state and local economy show signs of continued growth and strength. As a city on the fringe of the metropolitan area, the local economy, fuelled by both residential and commercial construction, continues to steam ahead at an unprecedented pace. Projections developed by the Community Development Department indicate that the City will continue to see over 6,000 new homes constructed within the City of Surprise each year for at least the next five-years. These estimates are based on currently approved and platted lots and do not include any new developments.

As the national and state economies continue to strengthen, it is anticipated that the local market will also continue to thrive. Due to rapid residential growth in the City, retail and commercial development continues to follow the rooftops. It is this retail development that will provide the City with a reliable, long term, source of revenue.

In recent years, our residents have seen the addition of Target, Wal-Mart, Lowes, Home Depot, Kohls and most recently Best Buy. In addition to these and many other retail outlets, dining establishments are opening throughout the City offering our residents a variety of dining experiences. In the months and years to come residents can anticipate the arrival of



Sam's Club, a regional mall, an auto mall and too many new restaurants and hotels to mention.

This growth has led to a 9% increase in the projected local retail and restaurant transaction tax collection. The increased number of retail establishments, apartment complexes and rental homes has led to a substantial increase in the

collection of real estate rental transaction taxes which have increased by 350% over the last two years to an estimated \$3.5 million for FY2006. In order to provide dedicated funding for the overall goal of transportation, the City Council increased the construction portion of the transaction tax from 2.2% to 3.7%. This 1.5% rate increase will be allocated to a separate fund and has been dedicated to transportation improvements. With this dedicated increase, collections from the construction market now account for approximately 61% of the total transaction tax collection. Absent this dedicated increase construction continues to make up 48% of the total local transaction tax collection.

A continued strong housing market, overall population growth, retail development and continuing commercial construction within the City of Surprise ensure that the City's fiscal condition will remain strong as the overall state and national economy continue to strengthen. However, it must be noted that despite the positive economic outlook, the City continues to take a conservative, yet realistic, approach to all revenue projections for FY2006 and beyond.

Financial Strategies:

Balanced Growth

The growth in the past few years has been phenomenal. The rooftops are bringing needed commercial, retail and dining opportunities to the City. Construction transaction tax and user fees derived from these rooftops are a one-time source of revenue and city administration realizes that the City cannot count on them as a long term, stable base of revenue.

To this end the City has begun to aggressively implement an economic development program to increase the mix of residential, commercial, retail and industrial construction within the City of Surprise. It is the intent of the City to ensure that Surprise is a healthy community with a balanced local economy in which people are able to live, work and play.

In the past year this strategy has paid off through the location of new commercial and industrial complexes within the City. Two manufacturing plants that will be opening in the next 12 months will create nearly 1,000 local jobs over the next five years.

Sustainability

The City Council and city administration recognize the need to assure a reserve fund for future revenue shortfalls due to unforeseen economic downturns. Approximately 49% of General Fund operating revenue comes from construction related activities, with that in mind the following policy guidelines have been implemented to assist in assuring an adequate fund balance and sustainable operating expenditures:

1. The equivalent of two months in operating revenue will be placed in reserve as an economic stabilization fund in all operating funds. (\$14,782,400)
2. Allocate 25% of main construction related transaction taxes to subsidize general fund operations and 75% to subsidize one-time expenditures and capital construction and acquisition. (\$13,500,000 total)
3. Allocate 100% of collections from the 1.5% construction transaction tax to transportation improvements. (\$12,200,000)
4. Maintain a minimum debt service reserved fund balance equal to one year of non-G.O. debt service payments. (\$5,661,100)

The reserve amounts have not been programmed for expenditure and are only available for use within the confines of our expenditure limits. All remaining estimated sources have been programmed for use, \$56,094,800 is listed as Contingency in various funds, which means that it has not been allocated for any specific activity. Although not allocated to a specific purpose in FY2006, these funds are a critical component of the City's five-year capital improvement plan. Any excess of revenues over expenditures will be carried forward into future budgets to establish a beginning Fund Balance. As a non-recurring revenue source, beginning fund balances are only to be used to fund capital or other one-time projects.

The major theme of the City's budget and financial forecasts is that construction and growth is a one-time activity and that the City cannot rely on revenues generated by it in the long term. In order to maintain services at a sustainable level in the long-term one-time revenues from construction related activities must be used for one-



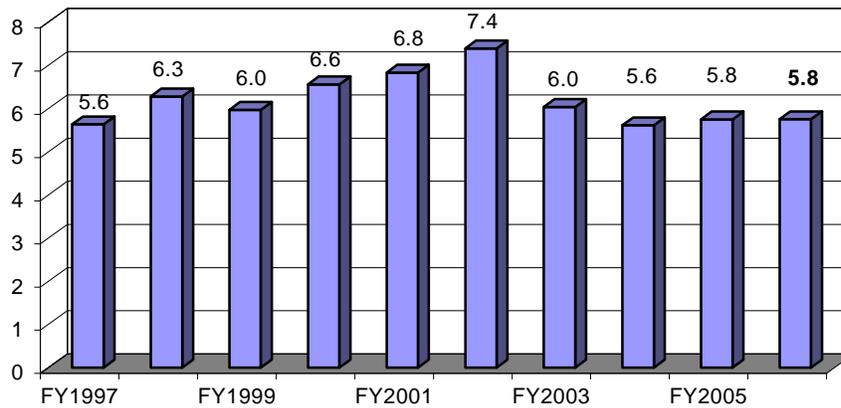
time expenditures and operational expenses directly related to the activity. This philosophy for long-term sustainability combined with adequate reserves to deal with short-term revenue fluctuations is crucial to maintain the service levels our residents have come to expect.

New\Increased Demands for Service

During the coming year we are once again faced with the challenge to handle and budget for growth while ensuring that the City develops as a place in which people want to live, work and play. Increases in population, tax base, commercial and retail activity and the City’s economic development efforts must continue to provide additional revenue to offset the costs related to both continuing and expanding services. The development of a citywide strategic plan will enable the city to concentrate our efforts and our limited resources on those services that are most needed and desired by our residents.

Intensive concentration of our resources in the building of our City’s infrastructure continues to define the budget for FY2006. However, the operational costs of these facilities and other existing infrastructure are becoming a larger factor for the current, and future, budgets. In addition to the new facilities that have come on line the City must also maintain existing facilities and infrastructure. As a relatively new city maintenance costs have historically been low, however as our streets and facilities age, maintenance is becoming more costly. The City Council has committed to maintain not only our service levels but our facilities and infrastructure as well.

**City of Surprise, AZ
Employees per 1,000 Residents**



In addition to the large investment in capital construction and maintenance, there is also the need to prepare for the ongoing operational costs of those facilities and systems. In order to continue providing service to the City’s expanding population and infrastructure base it is crucial that the City’s workforce keep pace. For FY2006, a total of 88.27 FTE new positions have been recommended for council approval. With these new positions the City of Surprise will have an authorized employee base of 657.4 F.T.E. positions.

Getting ahead of the curve and maintenance of sustainable service levels is the driving force behind this budget and the implementation of Councils goals. In the environment of unprecedented growth that the City of Surprise is in, maintenance does not mean zero growth. In order to continue providing the same service levels to an ever-expanding service base additional capital, positions and expenditures are required. All new positions and the vast majority of capital items have been approved to maintain existing levels of service or to position the city to more effectively predict and manage growth.

Budget Highlights

In order to ensure long-term sustainability the City needs to know what services we provide, why we provide them and if they are the services that our residents want and need. Many of the positions and projects that are funded in this budget are intended to answer these and other questions concerning how the City of Surprise does business. The FY2006 budget is based on five goals that have been crafted to address the needs of the residents. These goals will be further defined during our strategic planning process and the following gives some examples of what the City will be doing over the next twelve months to address these goals.

Transportation

One-time and Capital

- Development of **dedicated funding** sources. 1.5% Construction Transaction Tax, Regional Transportation Development Fee, General Obligation Bonding.
- Intersection of **Dysart & Grand**. This is one of the busiest intersections within the City, this project will add right turn lanes and a traffic control island.
- **Planning & design** of transit infrastructure and arterial road capacity. FY2006 will be spent fleshing out the council adopted transportation plan and designing the increased arterial capacity that will be needed. Actual construction will begin late in the fiscal year or early next fiscal year.
- **Bridge** over the Agua Fria River at Deer Valley road. Partnering with Maricopa County and the City of Peoria this project represents the City's share of this regional transportation need. Every effort will be made to speed up the design and construction of this alternative east/west corridor.
- Year two of the **Bell Road** transportation improvement project. This \$10.0 million project will improve the overall appearance and flow of the busiest road in the City of Surprise.
- Planning, design & construction of ten **signalized intersections**. With the increasing population several intersections now warrant traffic signals. Precise locations will be determined as warrants reflect need.

Operations

- Funding is included to bring the **Grand Avenue Express Route Bus** through the City of Surprise for our first fixed route transit stop.
- Increased activity at Federal, State and regional level for shared funding and cooperative projects. Funding is in place for a **federal transportation lobbyist** and full-time **management assistant** in the governmental relations department.

- An **Associate Engineer** position has been approved to be dedicated to the implementation of the short-term action plan and all transportation related CIP projects.
- Continued funding of the annual **\$1.5 million street maintenance** project. This project ensures that all City streets are in good condition and maintained properly to ensure long life.
- Inclusion of **Traffic Operations Center (TOC)** in the Public Safety Building. When complete the TOC will control all traffic signals and be able to respond quickly and decisively to traffic issues as they arise.

Public Safety

One-time and Capital

- Design and construction of **two fire stations**. These fire stations will be constructed concurrently and will be completed by the end of June 2007. Included in the total budget for these projects is all equipment and vehicles.
- A replacement **ladder truck** is funded and the City will be purchasing our first **ladder tender** to ensure that the life expectancy of the new ladder truck is extended for as long as is practical.
- Preliminary funding for a **joint training center** for fire/emergency services. It is intended that the City of Surprise will partner with other west valley cities in constructing and operating a state of the art emergency services training center.
- Planning funds are programmed for the development of a **city radio system** or a joint project with other west valley cities.
- Design, purchase and install hardware and software for a high-demand back-up system for the critical Police **CAD/RMS system**.
- Patrol vehicle **GPS equipment**. This hardware interfaces with our CAD and allows dispatch to see the locations of the patrol vehicles at all times.

Operations

- Funding for the hiring of **15 firefighters** for one of the new fire stations to be constructed. Firefighters will be hired in groups of five each quarter beginning in the second quarter of FY2006. Each group will go through training and full staffing for both fire stations will be achieved by April of 2007.
- The addition of **two patrol squads** (14-Officers and two Sergeants) will allow the Police department to continue to maintain their current level of service.
- In order to ensure that the police department is able to get ahead of the curve a crime/traffic analyst has been approved. This position will analyze data and ensure that all resources are being used effectively and that needs are met in a timely manner.

- Development of a **Fire Department Strategic Plan** that is in-line with the goals and objectives that will be laid out and adopted as part of the Citywide strategic plan.
- Implementation of a radio and mobile data terminal (MDT) replacement program. This **technology replacement program** will replace all mobile equipment on the same schedule as the vehicles that they are installed in.

Local Economy

One-time and Capital

- Additional funding for **economic development incentives**. This program has been used in the past year to assist companies that would like to locate in Surprise.
- Completion of a **tourism study**. The intent of this study is to determine what visitors, residents and businesses expect out of tourism and what can be done to target resources appropriately.
- Re-authorized funding for the **minor repair and beautification program**. This program assists homeowners in improving their property thereby revitalizing the overall community.

Operations

- Expansion of the **Small Business Retention and Development** program. A full time economic development specialist will be dedicated to this program.
- With our recent population growth the City is now eligible to pursue **Entitlement City** status with HUD for CDBG & Home Funding.
- Recruiting and **targeted marketing** efforts aimed at locating a **resort** within Surprise taking advantage of the natural beauty of the White Tank Mountains.

Parks & Amenities

One-time and Capital

- Construction of **Dream Catcher Park**. This park will be a state of the art multi-purpose recreational facility designed specifically for adaptive recreation programs and for use by people with disabilities in an inclusive environment.
- Planning and construction of the **Surprise Tennis and Racquet Center**. This facility will be a tournament level racquet center offering 25 tennis courts as well as racquetball and pickle ball courts.
- Full funding for Phase I of the Heritage Grant Funded Lizard Run Park project. This project will transform a wash that runs through the Original Townsite into a landscaped trail with recreation stops, ramadas and restrooms.

- Planning funds for the potential **expansion of the NW Regional Library**. Based on the outcome of this study this project may transform into the construction of an additional library facility within the City.
- Continued expansion of the City's inventory of **neighborhood and regional parks**. Most of these parks are associated with new developments.

Operations

- Planning and implementation of an **adaptive recreation program**. This program will serve people with disabilities and ensure that our recreational programs and facilities are based on the philosophy of inclusion.
- Addition of a **project/manager planner** to oversee construction of new parks and recreational facilities and to participate in the development agreement/planning process for all new developments. This position will be responsible for the update and implementation of the Parks and Recreation Master Plan.
- The addition of 6.0 FT **groundskeeper** positions and 1.0 FT **recreation coordinator** to maintain current and expanding recreation programs. These positions were funded through a reduction of nearly **25,000 part-time hours**.
- Implementation of a **parks equipment replacement program**. Inclusion of large parks maintenance equipment in the City's vehicle replacement program will ensure that the City is maintaining equipment properly and is positioned to continue to provide current level of services in the future.
- Overall **20% expansion** in youth and adult recreation programs due entirely to growth of the City.

City Operations

One-time and Capital

- Design and construction of a new **City Hall** to be located at Surprise Center. This project will be designed during the current fiscal year with anticipated completion of the facility in late calendar year 2007.
- Funding is in place for all **broadcast equipment** to be utilized in the City's new Broadcast Center located within the Public Safety Building at Surprise Center.
- Expansion of the **parks & recreation administrative offices** to accommodate the rapidly increasing number of programs offered.
- Continued investment in **information technology and software**. Expansion of the City's internal network, GIS system and the Website are fundamental to the success of the city in the long term. Technology improvements will ensure that we are responsive to the needs of the residents.

Operations

- Full funding for a **city-wide strategic plan** that will more fully developed the goals that this budget is based on and all future decisions will be tied to.
- Establishment of an annual **city managers departmental operational audit** program. Each year the City will contract with an outside agency to conduct an operational audit on one or two departments to increase responsiveness, efficiency and effectiveness.
- Funding is included for the **mid-decade census** to be completed by the Maricopa Association of Governments. The results of this census will serve as the basis for state shared revenue distributions
- Approval of several **new analyst positions** throughout the City to look at operations, data and results. These positions are intended to assist departments and the city managers office in the decision making process by providing accurate and timely information. These positions are a key component to get us ahead of the curve.
- The addition of a **code enforcement** supervisor and expanded funding for code enforcement.
- **Communication improvements** throughout the City including the broadcast, closed captioning and Web Cast of all council meetings.
- The addition of several front line positions to allow field and support departments to **continue providing service to our residents**. Included in this are sanitation drivers, street crews, Water and Sewer maintenance positions and administrative support personnel.

Comprehensive Document

Budgeting is only part of the larger planning process that the City of Surprise has embarked on. It is the strategic planning process that establishes where the Council would like the City to go and establishes what the overall city goals are. The budget provides funding for the activities that will allow the City to achieve these goals, and spells out the organizational and financial operations for each of the City's departments. The budget will be used by all departments, and city management, to tie together the services that are being provided with the overall goals of the City Council.

It is through the budget that Council allocates resources to fund it's priorities and that the overall performance of the City will be measured. The budget may be used by the public, developers, rating agencies and other organizations to identify priorities, services, performance and undertakings planned for this, and future, fiscal years as well as the underlying philosophies that guide them. It is the budget that connects long term strategic planning with the services that the City provides on a daily basis.

City of Surprise, Arizona



SURPRISE
ARIZONA

FY2006 Adopted Budget

In order to gauge our success at achieving our goals and objectives the budget includes expanded performance measures for several departments and activities of the City. Without developing measures of effectiveness it is impossible to gauge the success or failure of funded programs. It is our goal to fund only those programs and activities that are beneficial to our residents and that are proven to be successful at meeting their stated goals and objectives in relation to the City's overall goals and objectives. The City will continue to develop and enhance our performance reporting in order to ensure that the public's limited resources are spent in an efficient, effective and responsive manner.

Summary

The City continues to be challenged by growth and the accompanying need to meet our citizen's demands to meet our stated goals of transportation, public safety, local economy, parks & amenities and city operations. The demands for additional services, programs and projects far out reach our means. Therefore, the council and management have had to make some difficult decisions on funding recommendations. These decisions followed long and intense deliberations and are based solely on the goals and objectives that we are committed to meeting in order to address the needs of our citizens and community, now and into the future.

Throughout the year the Council has reaffirmed our mission and the overall vision of the community as a City where its diverse residents can Live, Work, and Play. This message and the following summary will give you insight into the FY2006 budget, how it relates to the overall City vision, the process that got us here and an idea of where we are going.

Acknowledgments:

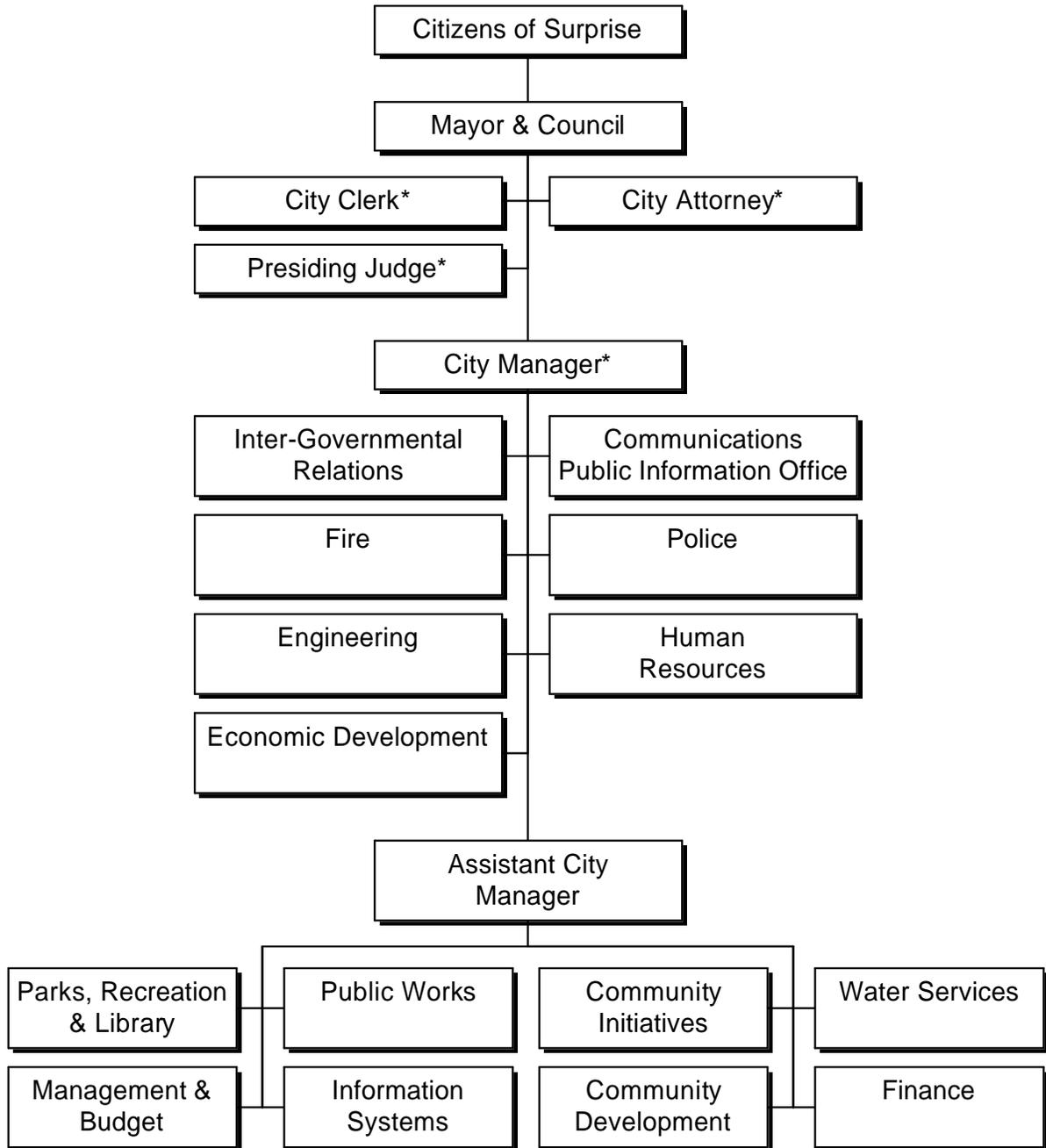
It is only through the tireless efforts of every member of the City Council and City staff that the process of adopting a budget and the production of a document such as this can be accomplished. Given the rate of change occurring within the City of Surprise, this process was once again extremely difficult and there are far too many people to thank to single them all out individually.



Jim Rumpeltes City Manager



CITY OF SURPRISE ORGANIZATIONAL CHART FY 2006



***Appointed by Council**



City of Surprise, Arizona
Budget Calendar
FY2006 Budget

<u>Start Date</u>	<u>Activity</u>
December	City Manager, Department Heads and Council discuss policies, goals and objectives – “How to get ahead of the curve”
January 7	Post Budget Request Database and Instructions on Network
January 10	Budget Kick-off Session in Council Chambers
<u>February 14</u>	<u>All Budget Requests Due</u> – Review and compile requests
Ongoing	Review and Revise Budget Requests with Departments
March 2 - 18	Management Team Budget Review <ol style="list-style-type: none"> 1. CIP Review with Capital Intensive Departments 2. Budget Review with Departments by Service Area
March 16 - 23	Management Team budget recommendations available for review
April 8	Review of Final Tentative Budget with City Manager
April 15	Distribute Budget Documents to Council
April 22	Council Retreat - Presentation of Recommended Budget to Council
May 25	Truth-in-Taxation 1 st notice published
June 1	Truth-in-Taxation 2 nd notice published
June 9	Public Hearing on Truth-in-Taxation, Tax Levy, and Tentative Budget – Council Adoption of Tentative Budget
June 23	Public Hearing on Final Budget – Council Adoption of Final Budget
July 14	Adopt Property Tax Levy

History of Surprise

Surprise, located just 25 minutes west of downtown Phoenix along U.S. Route 60/State Highway 93, was founded in 1929 and incorporated in 1960. The name “Surprise” came from Surprise, Nebraska, hometown of the city’s founder, Homer C. Ludden. What was once a small farming village now encompasses more than 70 square miles, including urban and commercial developments, ranches and industrial parks. The once irrigated farmlands and orchards are now affordable real estate for people and industry who wish to live, work and play in a progressive city. Surprise strikes the perfect balance between the need of residential community and the growth of its business and industrial sections.

Over the past 40 years, Surprise has grown from 500 residents to a city of over 100,000 people in 2005. The city offers a broad range of living styles, from small family subdivisions to a number of secluded

Surprise also offers a number of retirement communities that address the needs and lifestyles of active adults. There are a number of recreation facilities including several beautiful golf courses. Beginning in 2003, the City of Surprise became the Major League Baseball Spring Training home of the Texas Rangers and Kansas City Royals. Industrial growth zones have been carefully selected to operate competitively, but harmoniously, with the residential community.

Year	Housing Units	End of the Year Population	Percentage Change
2000	18,823	39,093	N/A
2001	22,150	57,590	47.32%
2002	25,250	65,650	14.00%
2003	29,407	76,458	16.46%
2004	35,141	91,367	19.50%
2005	40,975	106,535	16.60%
2006	46,909	121,963	14.48%
2007	52,943	137,652	12.86%
2008	58,093	151,042	9.73%
2009	62,925	163,605	8.32%
2010	67,446	175,360	7.18%
2011	71,707	186,438	6.32%
2012	75,528	196,373	5.33%
2013	79,266	206,092	4.95%
2014	83,065	215,969	4.79%
2015	86,927	226,010	4.65%
2016	90,736	235,914	4.38%
2017	94,378	245,383	4.01%
2018	98,130	255,138	3.98%
2019	101,652	264,295	3.59%
2020	105,215	273,559	3.51%

*Population was estimated by the City of Surprise Community and Economic Development Department

MUNICIPAL SERVICES

Excellence in municipal services is a City of Surprise standard. Surprise is a city that operates under the Council/Manager form of government. An atmosphere of positive, quality growth prevails. The city management team addresses all service areas in an efficient and professional manner. The city’s Mission and Value Statements are as follows:

Mission

The mission of the City of Surprise is to enhance the quality of life through the dedicated and efficient management of our resources.

We Value

- Our Citizens
- Honesty and Integrity
- Community Pride and Sense of Commitment
- Professionalism and Teamwork
- Mutual Respect

Statistical Information City of Surprise, Arizona

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 (est.)	106,535	245%	N/A	N/A	N/A

Source: U.S. Census Bureau

Estimates: 2005 Surprise Community & Economic Development Department

Median Household Income

Year	Median Household Income	Percentage Change
1990	\$21,750	
1995	\$26,443	22%
2000	\$44,156	67%
2003	\$50,472	14%

Source: U.S. Census Bureau

Median Age

Year	Median Age	Percentage Change
1980	20.3	
1985	24.19	19.16%
1990	33.0	62.56%
1995	41.7	26.36%
2000	46.1	10.55%
2003	45.3	-1.73%

Source: U.S. Census Bureau

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

Date	Incorporated Square Miles (Approximately)
1960	1.0
1970	1.0
1980	1.67
1990	62.62
1997	67
2000	72
2005	76



City of Surprise, Arizona

FY2006

Budget Summary

Why have we prepared a budget?

The City must adopt an expenditure limitation budget on an annual basis that is enforced under state law for the City as a whole. According to the Arizona Department of Revenue, individual departments and projects may exceed their budgets as long as total City expenditures do not exceed the adopted budget total. For the City of Surprise the adopted FY2006 budget is \$335,852,600.

As presented the budget is designed to allow as much flexibility as possible, while still imposing guidelines, to each department to implement Council goals and objectives. To this end the budget is itemized at the departmental level for operating expenditures and the project level for capital expenditures. The current budget provides expenditure allocations by Fund, Department, Division, Project and Expenditure Categories. For the operational budget it is the expenditure categories that management will use to monitor a departments fiscal responsibility and their success at planning out their year. These budget categories are made up of individual program line items and budget requests were submitted and detailed by both program and line item. For capital projects the budget will be monitored on a project basis.

The budget format includes details of position titles and staffing levels by department and division. Each tab divides the document into major service areas. Departments have provided written detail of their mission, goals and objectives, budget highlights, and other pertinent information. This document is intended to provide insight into the operating policy of the City as well as demonstrating our commitment to fiscal responsibility and the needs of the citizens.

Citizens and the general public may use the budget as a document that demonstrates the planned activities of the city for the next twelve months. The document will also give insight as to the policies and procedures that guide the economic growth of the city, this fiscal year and into the future. The budget represents not only a detailed twelve-month plan, but also a framework for the future.

City of Surprise – Financial Policies

Each year the city council re-affirms the financial policies/guidelines that are utilized in the development of the budget. These policies are intended to ensure that the long-term desires of the council will be met within the financial constraints of the City. These policies are the foundation of the budget process each year.

- The budget process is intended to weigh all competing requests for City resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process should be discouraged.
- Ongoing revenues should fund ongoing expenditures. One-time sources of revenues should not be used to fund ongoing activities.

- A diversified and stable revenue system should be developed to protect programs from short-term fluctuations in any single revenue source.
- No revenues should be dedicated for specific purposes, unless required by law, Council Policy or generally accepted accounting practices (GAAP). All non-restricted revenues should be deposited in the General Fund and appropriated by the budget process.
- User fees and charges should be examined annually to ensure that they recover all direct and indirect costs of service, unless full cost recovery would be excessively burdensome on citizens receiving service and approved by the City Council. Rate adjustments for enterprise operations (Water, Water Replenishment, Sewer, and Solid Waste Management) should be based on five-year fund plans.
- Development fees for capital expenses attributable to new development should be updated bi-annually to ensure that fees match development-related expenses.
- Grant funding should be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant moneys should be budgeted in separate Program cost centers, and the service program should be adjusted to reflect the level of available funding. In the event of reduced grant funding, City resources should be substituted only after all program priorities and alternatives are considered during the budget process.
- Revenue and expenditure forecasts should be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, service levels and capital improvements. The forecast should encompass five years and should be updated annually.
- Council contingency funds are used when additional funds are necessary to offset *unexpected* expenditure increases; and when *unanticipated* and/or inadequately budgeted events threaten the public health or safety. All requests for use of contingency require written justification explaining the fiscal impact, which is reviewed by Management & Budget and approved by the City Manager, prior to requesting Council approval.
- An Economic Stabilization Reserve should be maintained as part of each operating fund balance to help offset operating revenue sources which are most susceptible to changes in the economy. The ultimate goal is for the Economic Stabilization Reserve balance to be equal to two months of operating revenues.
- Reserve funds are not budgeted. Reserve funds are "savings" which are intended to offset shortfalls in revenues during the course of the fiscal year.
- Debt, other than voter approved general obligation debt, requires reserves equal to one year of debt service payments.
- The operating budget is adopted at the department level, as presented in schedule E of state budget forms, and the Capital Improvement Plan is adopted at a project level. Any transfers between departments, funds, or projects and out of contingency require City Council approval. All requests for adjustment require written justification explaining the fiscal impact, which is reviewed by Management & Budget and approved by the City Manager, prior to requesting Council approval. In accordance with adopted budget transfer policies and procedures.

- Comparison of service delivery should be made to ensure that quality services are provided to our citizens at the most competitive and economical cost. Departments should identify all activities that can be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives should be performed continually.

Employee Needs Assessments:

In FY2002 an outside consulting firm was hired to work with staff to perform a comprehensive compensation and classification study to ensure not only external competitiveness, but also internal equity. As part of this council adopted pay plan an annual market review is to be conducted on all benchmark positions. The results of this review determine whether a position will receive a cost of living allowance (COLA) within their existing pay range or if a position will receive a market adjustment moving the position to a higher pay range.

Due to numerous changes in the market and the administration of this plan, a complete update of the City's compensation plan is necessary. As the City of Surprise continues to grow it has become apparent that the philosophy behind our current pay plan ensures some degree of market competitiveness, it completely ignores internal equity, extreme changes in the market, and the explosive growth and complexity of the City as an organization. For FY2006, council has suspended our current pay plan and guaranteed that all employees will receive an annual merit increase and a COLA regardless of their position within the existing pay plan range.

Funding is included in this budget to complete a comprehensive classification and compensation study for the City of Surprise. Preliminary work, began in FY2005, established the focused framework for the new compensation and classification study emphasizing retention, recruitment and high performance. Upon completion of this study, the results will be presented to Council for adoption and implementation. It is anticipated that implementation will occur in FY2007.

Budget Process:

The budget process is ongoing year round, however the formal budget process begins with the distribution to departments of a budget packet that includes an outline of the budget schedule, citywide goals, current policy direction, year-to-date expenditures and revenues, and all applicable budget forms. Shortly after the distribution of the budget packet a budget introduction session is held with all department heads and any staff with budget responsibility.

Department's prepare their requests and an initial meeting is held with budget staff for a technical review of their request. Budget staff prepares a detailed analysis of the budget request summarizing the financial and policy implications of the request, as well as stating any special issues that need to be addressed. This summary report, along with a detailed budget request, is given to the management review team that consists of budget staff, the Assistant City Manager and the City Manager. Department heads individually present their capital and operating requests to the management review team.

The management review teams decisions are made available to departments following each meeting, departments are given the opportunity to review budget recommendations and appeal any potential oversights in the recommended budget. Following this appeal, the City Manager's recommended draft budget is presented to Council for review and discussion at a Council retreat. During the retreat the City Manager and budget staff present the recommended budget to council and illustrate the link between the budget and their objectives. Department heads are present at this meeting to answer any specific questions that the council may have.

As a result of the Council retreat, revisions are made to the draft budget, and the City Managers' recommended tentative budget is presented to council for adoption at a regular Council meeting. Following adoption of the tentative budget it is published for two consecutive weeks in the local paper. A public hearing is then held on the budget, after which the council votes on the final budget adoption. Budget adoption adheres to all statutory hearings, publications and requirements. The property tax is levied at least fourteen days after the final budget has been adopted following all Truth in Taxation requirements.

City of Surprise voters approved an Alternative Expenditure limitation (Home Rule Option) on March 20th, 2003. In adhering to the city's expenditure limitation, once the limit has been approved by adoption of the tentative budget, total expenditures cannot exceed the total appropriated for all funds. For FY2006 the Council adopted a Tentative Expenditure Limitation budget of \$335,852,600 thus setting the ceiling for all expenditures. The budget calendar summarizes the steps involved in adopting the Budget.

Budget Amendments:

On July 8, 2004 council adopted revisions to the city's budget transfer policy that specifies the approval levels required for all types of budget transfers. During the fiscal year, transfer requests are submitted to Management & Budget to process through the appropriate level of approval and to make the actual budget transfer. Transfers can only be made pursuant to the council policy if the funds are unencumbered and available. The full transfer policy is in the appendix of this document.

Budget Basis:

The budgets of general government type funds (for example, the General Fund and HURF) are prepared on a modified accrual basis. Briefly this means that obligations of the City (for example outstanding purchase orders) are budgeted as expenditures, but revenues are recognized only when they are measurable and available.

The Enterprise Funds (Water/Sewer/Replenishment/Sanitation) also recognize expenditures as encumbrances when a commitment is made (e.g. through a purchase order). Revenues, on the other hand, are recognized when they are obligated to the city (for example, water user fees are recognized as revenue when bills are produced).

In all cases (General Government Funds and Enterprise Funds) when goods and services are not received by year end the encumbrances lapse unless re-budgeted as a carry-forward into the next budget year.

The Annual Audited Financial Statements (Audit) shows the status of the city's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the city prepares it budget. Exceptions are as follows:

- Compensated absences are accrued as earned by employees (GAAP) as opposed to being expensed when paid (Budget).
- Capital Outlays within the Enterprise Funds are recorded as assets on a GAAP basis and expensed on a budget basis.

Due to expenditure limitation statutes it is vital that all possible expenditures and corresponding revenues are identified in the budget document. It is also essential that these expenditures be closely monitored to ensure that they are being spent for the purpose identified in the budget and that the corresponding revenue is adequate. It is for this reason that a detailed accounting structure has been established to record revenues and expenditures at a level of detail far greater than what is shown in this document.

Funds:

State law only requires the existence of two funds, the General Fund and the Highway Users Revenue Fund (HURF). All other funds of the City have been created by agreement, ordinance, contract, or desire to provide balance sheet accounts for tracking purposes. To the extent feasible the City has attempted to limit the number of funds to comply with GAAP.

**City of Surprise, AZ
Summary of Major Revenues & Expenditures
FY2006**

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds
REVENUES					
Local Sales Tax	36,800,000	0	0	12,200,000	0
State Shared Revenue	7,750,300	2,639,400	0	0	0
Building & Zoning Fees	10,356,000	0	0	0	0
Property Tax	4,063,300	611,300	1,091,700	0	0
Franchise Fees	1,925,000	0	0	0	0
Engineering Fees	2,550,000	0	0	0	0
Community & Recreation Services Fees	1,010,400	1,415,000	0	0	0
Court Revenue	1,015,000	0	0	0	0
Development Fees	0	0	0	51,269,100	0
Other	1,366,600	25,841,400	1,500	14,121,600	1,000
Service Collection Fee	19,000	0	0	0	0
Transfers In	0	8,826,800	0	28,385,300	0
Total Revenues	66,855,600	39,333,900	1,093,200	105,976,000	1,000
EXPENDITURES					
Current					
Community & Recreation	6,037,000	5,541,500	0	1,922,300	0
Community Development	4,568,900	40,000	0	341,800	0
General Government	9,394,400	2,212,000	0	166,400	0
Non-Departmental	4,564,000	815,300	0	5,550,200	88,200
Public Safety	21,060,200	130,000	0	1,083,200	0
Public Works	4,381,700	6,126,800	0	1,433,100	0
Water Services	79,000	0	0	1,803,500	0
Capital & Depreciation	20,000	26,325,900	0	154,124,100	0
Debt Service	0	0	1,156,700	4,805,000	0
Contingencies	500,000	4,165,000	0	35,247,200	0
Transfers Out	31,620,000	0	0	5,592,100	0
Total Expenditures	82,225,200	45,356,500	1,156,700	212,068,900	88,200
REVENUES OVER (UNDER) EXPENDITURES	(15,369,600)	(6,022,600)	(63,500)	(106,092,900)	(87,200)
OPERATING RESERVES	10,805,700	684,500	0	5,661,100	0
FUND BALANCES , beginning of year	15,369,600	6,022,600	63,500	106,092,900	87,200
FUND BALANCES , end of year	0	0	0	0	0

The following briefly outlines the funds and fund groups utilized by the City as shown in the preceding schedule.

- General Fund – The primary operating fund of the City. Any activity that does not belong to another fund is placed in the general fund.
- Special Revenue Funds – These funds account for specific non-capital revenues that are restricted for specific purposes.
 - *Campus Operations* – This fund was established to track all revenues and expenditures associated with the City of Surprises Spring Training Complex. These funds are restricted by contract.
 - *Vehicle Replacement* – This newly established fund provides a mechanism whereby funds are set aside for the future replacement of fleet vehicles. City Policy restricts the use of these funds.
 - *Transit* – The transit fund tracks all revenues and expenditures associated with providing transit services within the City of Surprise. Included in this fund are federal transit dollars as well as city dedicated transportation funds. City Policy and State Law restrict the use of these funds.
 - *Highway User Revenue* – This is the only fund, besides the general fund, which is required by Arizona State law. HURF is used for tracking non-transit transportation related activities.
 - *10% Set-Aside* – This fund was established when the city first implemented a property tax. 10% of the total primary property tax must be set aside for use in the Original Townsite. City Policy restricts the use of these funds.
 - *Donations* – This fund is set up to monitor revenues and expenditures associated with donated funds. City Policy restricts the use of these funds.
 - *Municipal Court Enhancement* – Established in FY2003 this fund tracks revenue associated with fines dedicated to court technology improvements. City Policy restricts the use of these funds.
 - *Neighborhood Revitalization* – 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.
 - *Scholarship* – Employee dependent scholarships awarded to the dependents of current City of Surprise employees. Donations and interest earnings fund these scholarships. City Policy restricts the use of these funds.
 - *Street Light Improvement District(s)* – Fifty-one (51) SLID’s have been established by ordinance to provide a centralized location for the collection of taxes from properties located in the district. These proceeds are legally restricted to the payment of electricity to operate the streetlights within the district.
 - *Community Facilities District* – One (1) CFD has been established by ordinance to provide a centralized location for the collection of taxes from properties located in the district. These proceeds are legally restricted to the payment of debt service and operations associated with capital infrastructure improvements within the district.

- Debt Service Fund – This fund is used to track those activities relating to the issuance and repayment of General Obligation debt.
- Capital Projects Funds – These funds are used to track the activities related to the collection and expenditure of funds dedicated to capital acquisition.
 - Capital Projects – This fund provides a mechanism whereby all risk related expenditures are monitored and insurance reserves are established. City Policy restricts the use of these funds.
 - Development Fee Funds – These funds have been established to track all revenues and expenditures associated with Development fees. Each development fee is levied to maintain the current level of service for a specific purpose (i.e. fire, police, parks, etc...) and is restricted to that specific purpose. City Policy and State Law restricts the use of these funds.
 - Municipal Property Corporation – The MPC capital Projects fund serves as a clearinghouse for the payment of debt service on MPC bonds, monitoring of bond proceeds and the expenditure of those and related funds. City Policy, State Law and Contractual obligations restrict the use of these funds.
 - Transportation Improvement Fund – This fund has been established to track the proceeds of the dedicated 1.5% construction transaction tax premium. City policy restricts the use of these funds to capital projects which will improve the overall transportation and/or transit system in and around Surprise.
- Permanent Funds – These funds are used to track the City’s non-expendable trust activities for outside agencies. Currently the City has only the firefighters pension fund.
- 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 and its component units, 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.
 - Risk Management – This fund provides a mechanism whereby all risk related expenditures are monitored and insurance reserves are established. City Policy restricts the use of these funds.
- 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 (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Sources of Funds:

The City has three primary sources of funding. The first of these is through **revenues** generated by a variety of different activities. Such activities include but are not limited to state shared revenue, charges for service, user fees, taxes, and development fees. This year the city is projecting \$195,861,400 in revenues relating to all funds, included in this amount is both one-time and ongoing revenue.

The second source of funding is from *fund balance*, which are prior years excess revenue carried forward into the current fiscal year (savings). For the second year in a row this source of funding is expected to be tapped to offset capital expenditures. The programmed beginning fund balance for all funds is \$139,991,200. The large available fund balance is due exclusively to the investment in infrastructure that the City of Surprise has committed to. The FY2006 budget includes approximately \$69.1 million in rollover capital projects.

The final source is *borrowing*. Borrowing can be done through a variety of methods; leases and lease purchase agreements can be entered into without affecting the City’s debt limit. The debt limit applies in instances where the City desires to issue “General Obligation” (G.O.) bonds. These bonds are backed by the full faith and power of the City, and are to be repaid from Secondary Property Taxes. G.O. bonds can only be issued when approved by a vote of the People of Surprise. There is a further limitation on G.O. bonds of 6% & 20% of assessed valuation. The 20% limitation can only be used for water, wastewater, open space preserves, parks, and recreational facilities. All other purposes fall under the 6% limitation. For FY2006 the following table shows the City’s anticipated G.O. debt capacity.

City of Surprise, AZ			
FY2006 Legal General Obligation Bond Capacity			
		<u>6% Limitation</u>	<u>20% Limitation</u>
Secondary Assessed Valuation		598,537,327	598,537,327
Limitation	X	6%	20%
G.O. Bond Limit	=	<u>35,912,240</u>	<u>119,707,465</u>
Less Outstanding G.O. Debt	-	<u>0</u>	<u>4,353,867</u>
Available Debt Capacity	=	<u>\$35,912,240</u>	<u>\$115,353,598</u>

Anticipated borrowing during FY2006 totals \$20.0 million associated with the recently formed Marley Park Community Facilities District. As a separate legal entity any debt issued by the CFD does not count towards the City’s Debt limit. With the continued growth and strengthening of the City’s financial position it is the intent of the City to have the current bond rating of A+ reviewed and potentially increased to AA-.

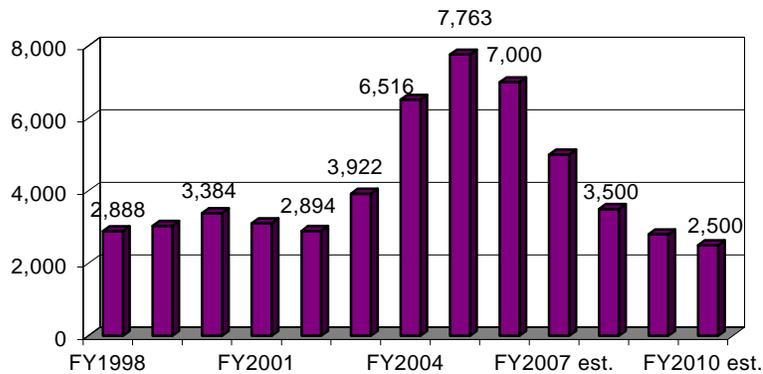
In addition to the revenue sources described above *Inter-fund transfers* represent a reallocation of resources between funds that do not impact the bottom line of the expenditure limitation budget. For FY2006 inter-fund transfers have been programmed at \$37,070,100 and are detailed in the appendix of this document as part of the state required budget adoption forms.



City of Surprise, Arizona
Revenue Sources
FY2006 Budget

For FY2006 general fund revenue is expected to increase by 24% over the FY2005 budget and 9% over the FY2005 estimate. Construction continues to fuel the local economy of Surprise. From FY1998 through FY2002 an average of 255 new single-family homes were constructed each month, in late FY2003 the number of new homes being constructed increased to 459 per month and increased to 629 in FY2005. Community Development projections show that a high level of home starts will continue for the foreseeable future based on currently platted and approved lots. This is the most conservative projections that the City has as there is no factor for new developments that have yet to be platted and approved. City projections that account for additional development reflect permit issuance to remain above 7,000 annually through 2010.

Single Family Building Permits Issued
 by Fiscal Year



Source: City of Surprise, Community Development

In addition to new home construction, increased commercial and retail development, state shared revenue and program income account for the continued revenue growth within the general fund. This new level of residential and commercial construction is also leading to increased collections of development fees, engineering fees, permit fees and all other construction related revenue. Homes continue to be relatively affordable so it is not anticipated that the dramatic rise in home prices will affect the construction of new homes in outlying valley cities such as Surprise.

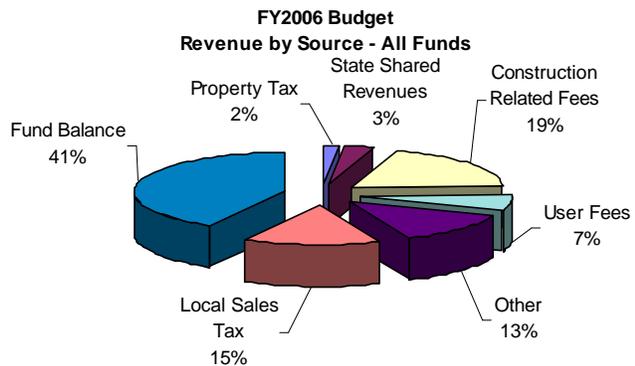
Enterprise fund revenues are determined exclusively by a combination of the number of users and the rate that is charged. These fees were adjusted over a three-year period beginning in FY2001, for FY2006 all enterprise funds are recovering their own costs and no rate increases are planned. Enterprise funds are examined on an annual basis to ensure that their fees continue to cover all costs of doing business.

As presented, the FY2006 budget has expenditures equal to revenues, however \$55,953,700 of expenditures are currently programmed as un-obligated contingencies. \$6,784,200 of this amount is completely unrestricted and may be used to offset unanticipated expenditures or additional council approved projects. The remaining \$49,169,500 of contingencies are in restricted special revenue or capital funds. All transfers of funds from any contingency account, requires both city manager and council approval.

Revenue sources for the City of Surprise are divided into seven main areas:

1. **Beginning Fund Balance/Retained Earnings (\$139,991,200)** – Beginning fund balances are revenues carried forward from the previous fiscal year (savings). Funds that remain unspent at year-end due to expenditure savings or increased revenue collections are brought forward as a beginning fund balance. If a fund overspends a negative fund balance is brought forward. Council has established a policy mandating that beginning fund balance may only be used to fund capital or one time expenditures. This balance does not include unbudgeted operating reserves of \$20.4 million.

2. **Construction Related (\$64,175,100)** – Revenues that are collected or earned by the City that are directly related to the level of construction activity. Although these revenues will continue to occur on an annual basis for as long as the city continues to grow, it is imperative to understand that they are one-time revenues. Examples of construction related revenue include: Building Permit fees, Engineering fees and Development Fees. The construction portion of the local sales tax is included as part of local taxes and will generate approximately \$30.2 million in FY2006, including \$12.2 million that has been dedicated for transportation improvements.



3. **Local Taxes (\$49,000,000)** – Local taxes are the largest source of general fund revenue. These revenues are generally re-occurring with little or no external restrictions on their use. Examples of local taxes are sales tax, property tax and franchise fees. As previously stated approximately 62% of the local sales tax is directly related to construction and is included in this category.

4. **Other Revenues (\$44,458,900)** – Included in this category are grants, audit, building rent, internal service payments, court revenue, program revenue, Community Facility District (CFD) Bonding and other miscellaneous revenue. Also included in this category is \$5.0 million in unforeseen grants. Unforeseen grants is a budget authority mechanism that allows the city to spend new revenues that were not foreseen at the time of budget preparation.

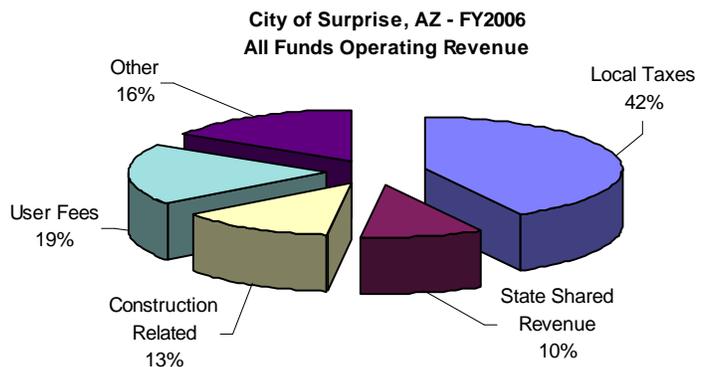
5. **User Fees (\$22,071,400)** – User fees are revenues associated with the provision of utility services by the city. The City of Surprise provides water, sewer, replenishment and sanitation services. A small portion of this source is associated with administration of the Street Light Improvement Districts that have been established throughout the City.
6. **State Shared Revenue (\$10,389,700)** – State shared revenues are distributed to Cities and towns based generally on the population at the last census or special census. Included in this category are State Sales Tax, State Income Tax, Highway User Revenue, Local Transportation Assistance Fund and Vehicle License Tax.

The following pages will explain in detail the major revenue sources of the City, underlying assumptions and financial trends.

Operating Revenues

Operating Revenues are estimated at \$101,804,400 for FY2006. Local taxes are the largest category of operating revenue for the City of Surprise composing 42% of total operating revenue. Included in this total is both sales and property tax, the non-dedicated construction portion of local sales tax is included as an operating revenue and composes nearly half of this total. Following local taxes is the user fee category that is mainly associated with utility services and makes up 13% of operating revenue. The other category consists mainly of internal service payments including MPC rent revenue and Insurance premium revenue. Included in the other category is \$5.0 million in unforeseen grants. Unforeseen grants is a budget authority mechanism that allows the city to spend new revenues that were not foreseen at the time of budget preparation.

Construction related revenue such as building permits and engineering fees makes up 13% of operating revenue. State shared revenue accounts for approximately 10% of total operating revenue.



The following information will summarize all major revenues by fund and major source as well as provide a brief history and basis of the city’s revenue projection.

The differentiation between operating revenues and total revenues is extremely important in the high growth mode that the City is in. The City must ensure the long-term sustainability of all services and programs and it is this differentiation of our revenue that lets us know if we are doing that. For FY2006 operating revenue is covering all operating expenditures, this ensures that the city is in structural balance.

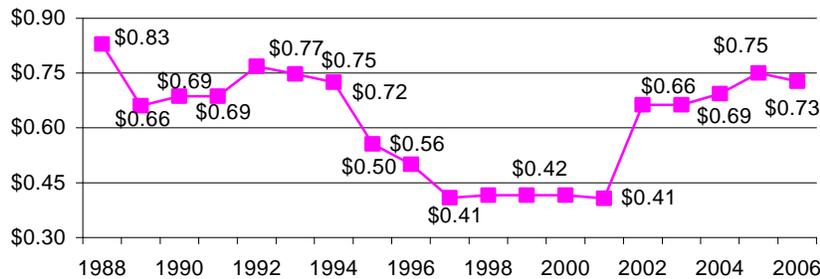
General Fund

The General fund revenue estimate of \$65,628,100 represents an increase of \$6,091,700 (9%) over the FY2005 Estimate of \$59,536,400 and 18% over the FY2005 Adopted Budget. This increase is mainly due to increases in local tax revenues generated mainly by increased non-construction sales taxes. Revenue sources within the general fund not itemized below constitute a relatively small portion of total general fund revenue (2.1%). General Fund revenue accounts for 41% of all revenue earned by the City.

Primary Property Taxes

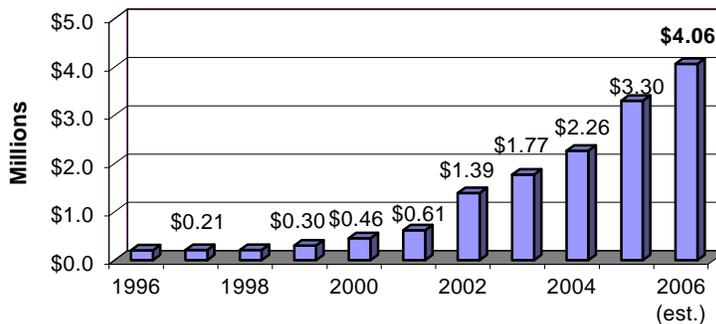
The FY2006 Primary Property tax levy is estimated at \$4,063,300. At this levy amount the tax rate decreases \$0.0224 per \$100 of assessed value to \$0.7277. This tax rate keeps the City of Surprise's Primary Property Tax Rate at the maximum amount allowable under Arizona law. The owner of a \$200,000 home in the City of Surprise will pay approximately \$145.54 in primary property tax to the City, a decrease of \$4.48 from FY2005.

**City of Surprise, AZ
Primary Property Tax Rates
FY1988 - FY2006**



Increased collections, combined with a decreased tax rate, are the direct result of a \$117.9 million increase in the assessed valuation of the City of Surprise. 81% of this increase in assessed valuation is directly attributable to new growth. The City estimates a 25% increase in this revenue source over FY2006.

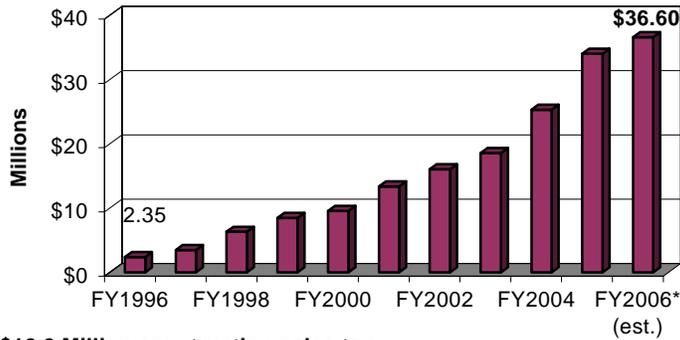
**City of Surprise, AZ
Primary Property Tax Collection**



Local Sales Tax

Currently set at 2.2% (3.2% for hotel/motel & restaurants) the local sales tax is anticipated to generate approximately \$36,600,000 in FY2006. Approximately 49% of this amount is directly related to construction and will continue to represent a significant share of the collection as long as the housing boom continues. Retail trade is expected to increase 9% over the projected FY2005 collection and represents approximately 23% of the total collection. The continued influx of retail development such as Best Buy Co., Borders and Ross will provide the City of Surprise with increased sales tax growth as construction levels off.

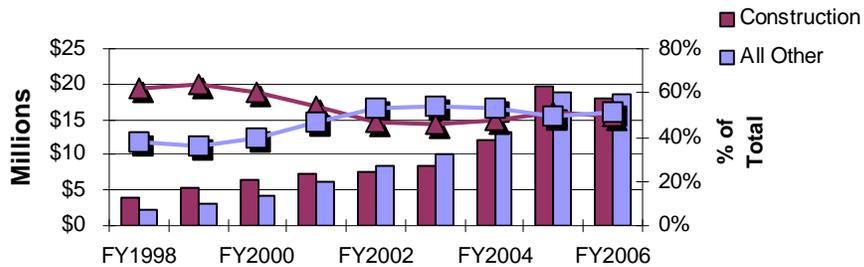
Local Sales Tax Collections*



*Excludes \$12.2 Million construction sales tax dedicated for Transportation Enhancement

Although sales tax collections related to non-construction activities such as retail, restaurant & real estate continue to grow as a percentage of the total, the local construction market continues to be the driving force behind the City's sales tax revenue. This revenue source is one-time in nature and the city relies on it substantially. As the City's retail and restaurant base increases, there will be less reliance on construction related revenue. Council has made the policy decision to recognize the one-time nature of this revenue source and set aside 75% of construction related sales tax collection for use on one-time expenditures only. The graph below shows a comparison of construction sales tax collection and all other sales tax collections.

**City of Surprise, AZ
Sales Tax Collection
Construction* vs. All Others**

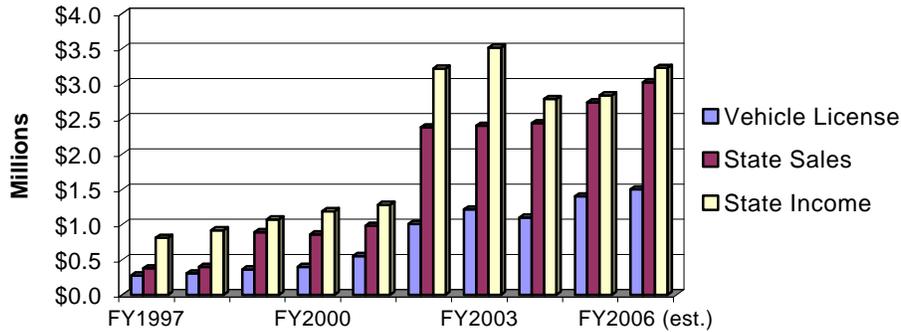


*Excludes \$12.2 million construction sales tax dedicated for Transportation Enhancement

Intergovernmental Revenue

Intergovernmental revenue represents 11.3% of general fund operating revenues. The three major sources of general fund intergovernmental revenue are State Shared Income Taxes (\$3,228,500), State Shared Sales Tax (\$3,021,800) and Vehicle License Tax (\$1,500,000). For FY2006 state shared revenues have increased by \$776,500 or 11%. All three of these revenue sources are based on population and the City is anticipating a large increase in these distributions in FY2007, following the Maricopa Association of Governments (MAG) mid-decade census.

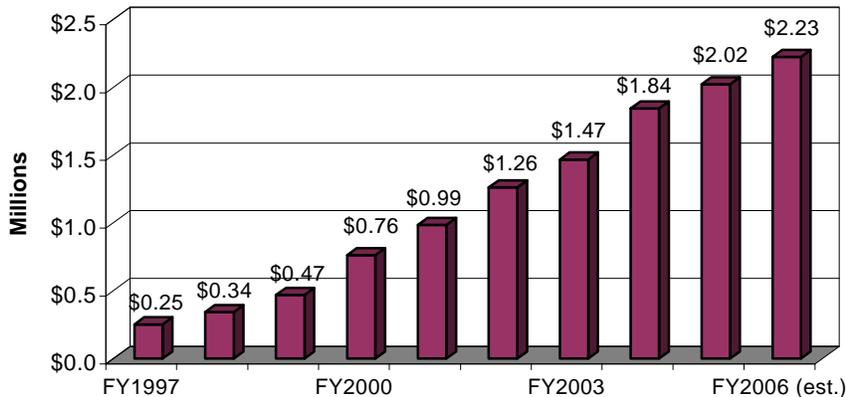
State Shared Revenue - FY2006



Licenses & Permits

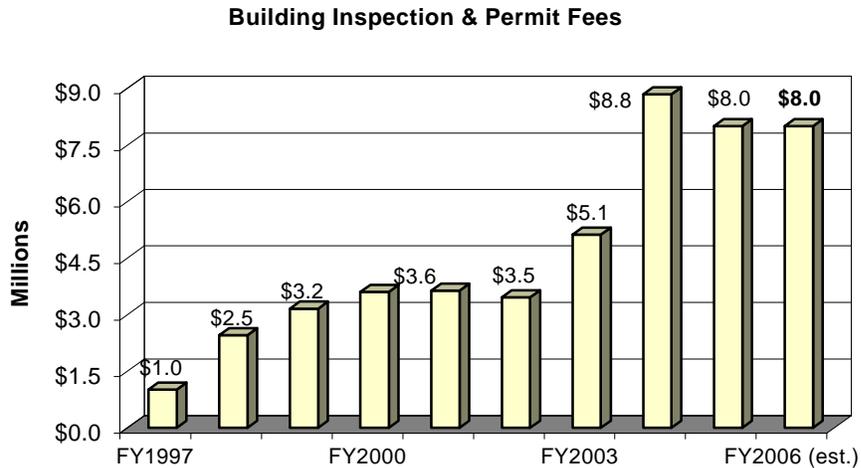
Licenses and permits consist of franchise agreements with APS, COX Cable, Southwest Gas, Arizona American Water Works and the sale of business licenses. This revenue source is directly related to gross sales of the franchised companies and the number of businesses located in the City, as such it is estimated that this revenue source will increase by 10% over the FY2005 estimate to \$2,225,000.

Licenses & Permits



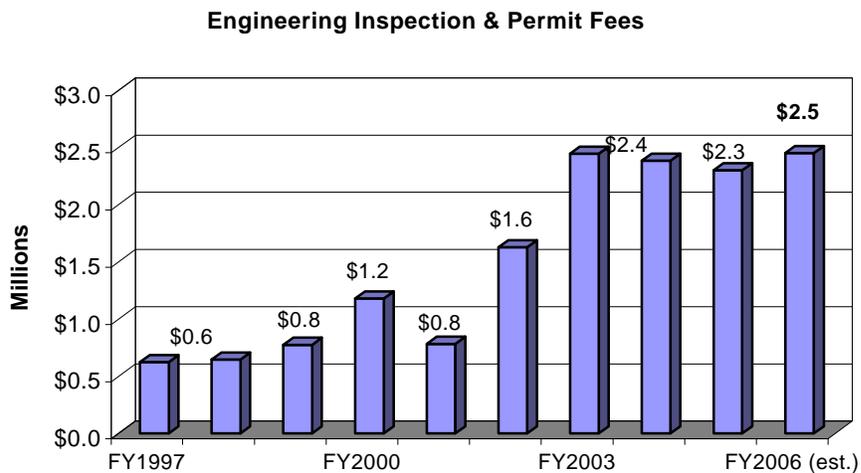
Building Inspection Fees

New home construction is anticipated to remain relatively constant at 7,000 SFR permits. Revenue is anticipated to remain constant at the FY2005 Estimate of \$8.0 million. ICBO valuation schedules will remain unchanged for FY2006 pending the outcome of a cost allocation study. As such projected revenues of building inspection fees are equal to the FY2005 estimate of \$8,000,000. The City estimates no increase in this revenue source over the FY2005 estimate.



Engineering Inspection & Permit Fees

The Engineering department will continue to perform its tasks at a high level as retail construction attempts to catch up with the explosive growth that has been seen in the City of Surprise. Projected revenues of Engineering Inspection & Permit fees are expected to increase 6.5% over the FY2005 Estimate of \$2.3 million. It is estimated that this revenue source will bring in \$2,450,000 in FY2006.

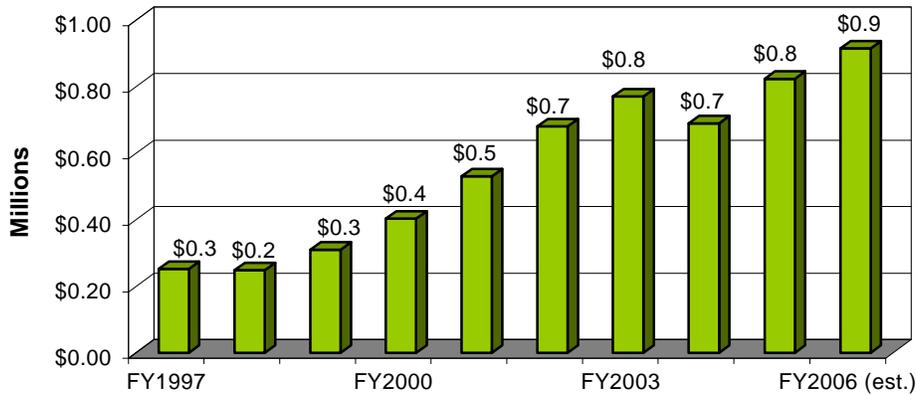


Overall general fund user fees that include engineering inspection fees, building inspection fees, permit review etc... are projected to remain relatively constant at \$12,705,000.

Fines, Forfeitures & Penalties

Fines, forfeitures and penalties consist of all court-imposed fines issued by the City Court. With a full-time judge and enhanced court collection capabilities revenues in this category continue to grow steadily. The city estimates that this revenue source will grow 11% over the FY2005 collections to \$915,000.

Fines, Forfeitures & Penalties



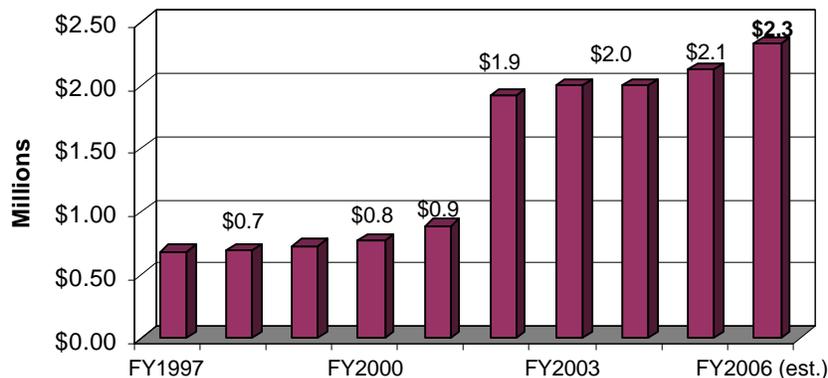
Special Revenue Funds

The City of Surprise has formed several special revenue funds to account for the proceeds of restricted funds. Including Street Light Improvement Districts (SLIDS), there are over 50 special revenue funds that comprise 5.7% of total revenue. The following are summaries of the major special revenue funds utilized by the City.

Highway Users Revenue Fund (HURF)

Beside the general fund, HURF is the only other fund that the city is required by law to maintain. This revenue source is commonly known as the gasoline tax, however there are a number of transportation related fees that are placed in the Highway Users Fund for distribution by the State.

Highway Users Revenue Fund (HURF)

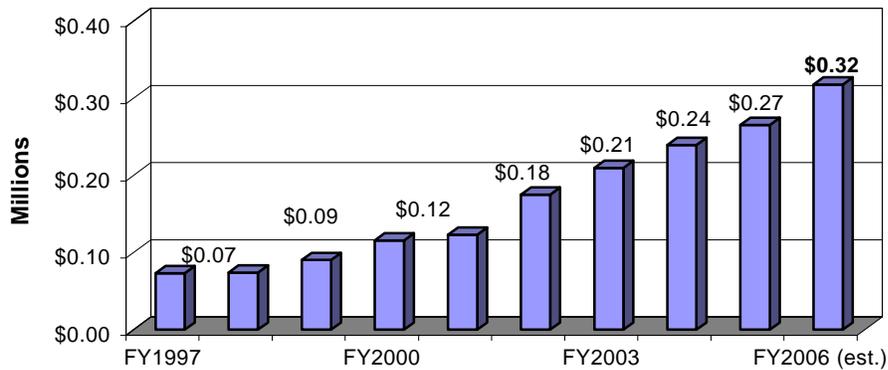


The distribution of this revenue is based on population and county of sales origin. There is a state constitutional restriction that requires that HURF funds be spent on highway and street purposes. For FY2006 HURF revenues have increased by \$201,200 or 9.4%. As a population based shared revenue the City is anticipating a large increase in this distribution in FY2007, following the MAG mid-decade census.

Transit

The City of Surprise established its transit services as a special revenue fund in FY2001 utilizing transfers from HURF, User Fees and grants as a funding source. Beginning in FY2004 the City established its Local Transportation Assistance Fund (LTAF) as a dedicated source of revenue for transit services. LTAF is state shared lottery revenue proceeds that are to be used for any transportation related activity. Prior to FY2004 these funds were programmed in the HURF budget. According to state revenue estimates LTAF will increase by 19.8% to \$317,800. LTAF is the only state shared revenue that is adjusted annually based on population projections.

Local Transportation Assistance Fund (LTAF - Lottery)

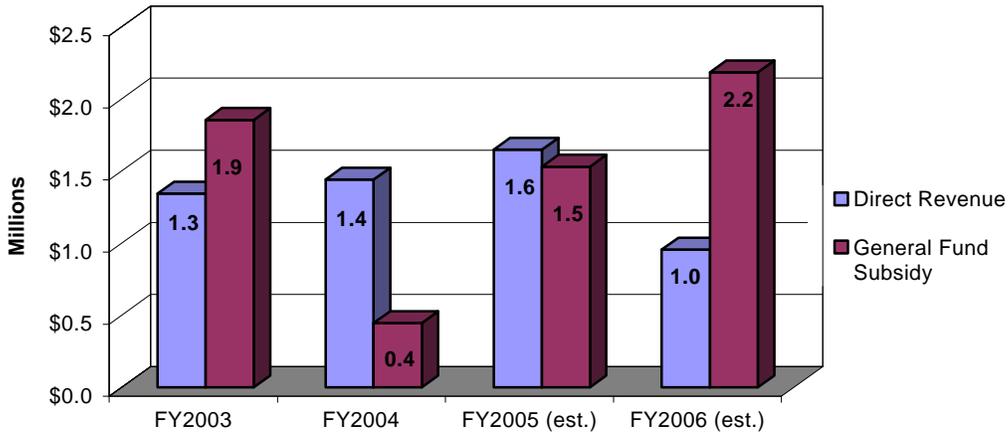


Campus Operations

The Campus Operations fund has been established by the City to account for the operational activities associated with Spring Training and the Sports Campus located at Surprise Center. Included in the revenue estimate is the City’s share of the ticket and concession revenue that is distributed from the Sundancer Organization. For FY2006 \$0.96 million of revenue directly related to the operation of the campus has been programmed along with a general fund subsidy of \$2.2 million for a total budget of \$3.14 million. The general fund subsidy is adjusted to reflect the actual amount necessary to balance the fund. For FY2005 the general fund subsidy programmed at \$1.7 million is estimated to require \$1.5 million due to increased direct revenue collections.

Per the contract with the Teams rent will be reduced from \$309,000 to \$50,000 for FY2006. This change and some modifications to other revenue line-items have contributed to the decrease in estimated direct revenue collections.

Campus Operations



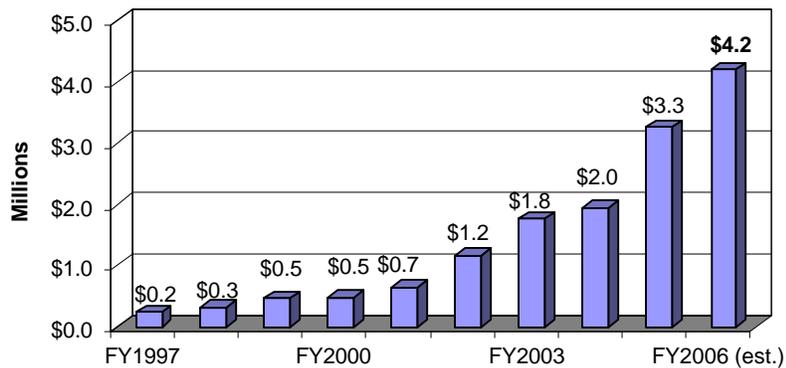
Enterprise Funds

Revenues of enterprise funds are established to cover all costs associated with providing a specific service. The rates of the water, sewer and sanitation funds were last increased in FY2004 as part of the final increase of a phased three-year ramp up of rates for the sanitation and sewer funds. Both the water fund and the water replenishment fund had fees established in the initial year of the program to support their operations. Under the current adopted rates all enterprise funds are self-sufficient. Although the enterprise funds are self-sufficient in terms of **direct** operating costs, there are no indirect costs currently being charged. A complete indirect cost study and rate study will take place in FY2006 to ensure that the rates charged are commensurate with the total cost of providing these services.

Sanitation

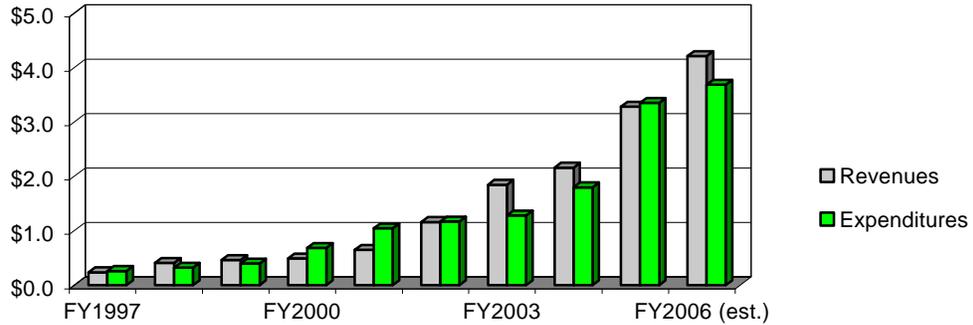
The sanitation department is projected to be servicing 29,000 residences each month by the end of the fiscal year for a monthly fee of \$12.50. At this fee and service level, sanitation is anticipated to generate revenue of \$4,200,000 in FY2006, a 29% increase over the FY2005 estimate of \$3,255,000.

Sanitation Fee Collections



Revenues are anticipated to cover expenditures so there is no rate increase anticipated for FY2006, at the current rate the sanitation fund is self-supporting and will not require a general fund subsidy.

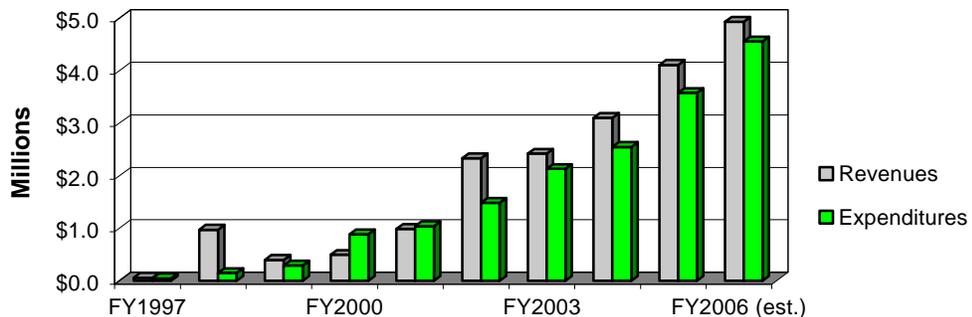
Sanitation Fund Comparison of Revenues/Expenditures
(excluding General Fund Subsidies)



Water Fund

It is anticipated that the Water Utility will service 13,800 accounts per month using a total of 79.0 million gallons of water per month by the end of the fiscal year. As presented both the water services base rate and the usage rate will remain constant at \$12.20 per month and \$2.25 per 1,000 gallons of water used. Under the rate structure adopted by council in FY2002 it was mandated that the water fund be self-sufficient. With the new growth the water fund continues to cover its own costs under the existing rates. It is estimated that these two fees will generate \$4,927,000 in revenue; an increase of 20% over the FY2005 projected year-end actual

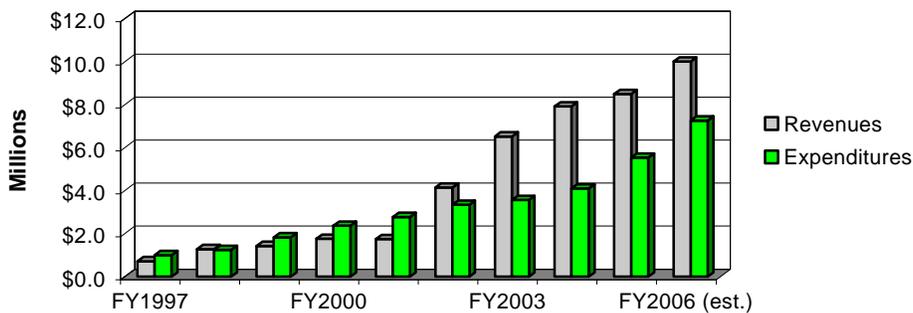
Water Enterprise Fund Comparison of Revenues/Expenditures
(Excludes General Fund Transfers)



Sewer Fund

It is anticipated that the Sewer Utility will service 40,300 connections per month by the end of FY2006. As presented the sewer services base rate will remain at \$21.75 per month for single family residential connections (rates also remain constant for RV's, commercial and multi-family accounts). The current rate is anticipated to generate revenue of \$9,850,000 in FY2006, a 23% increase over the estimated FY2005 year-end actual. At this proposed rate the sewer operations fund will be self-sufficient and beginning to accumulate funds for capital replacement.

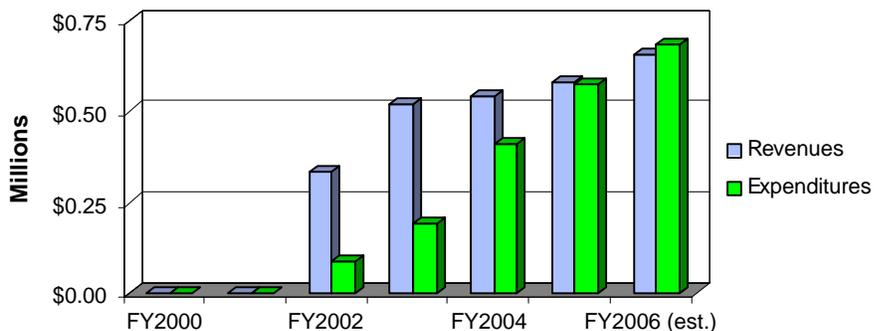
Sewer Enterprise Fund Comparison of Revenues/Expenditures
(Excludes General Fund Transfers)



Water Replenishment Fund

The water replenishment operations fund is utilized to cover the costs of required replenishment operations. Under the water replenishment rate structure adopted in FY2002, a base monthly charge of \$0.90 will apply to all water and sewer customers. An additional usage charge of \$0.25 per 1,000 gallons of water used will apply to all metered water customers. As a recently developed fee it is anticipated that this service will continue to be self-supporting utilizing its beginning fund balance. The water replenishment fee is forecasted to generate \$656,000 in revenue, a 13% increase over the estimated FY2005 year-end actual.

Replenishment Fund Comparison of Revenues/Expenditures



Other Revenue

Revenue not detailed above covers a relatively small portion of total revenue and when necessary are detailed throughout the individual department or fund budgets.



City of Surprise, Arizona

City Council FY2006 Budget

Mission Statement:

The Council is the legislative body of the City of Surprise. It is comprised of seven elected officials, six Council Members (one of whom is appointed Vice Mayor), and the Mayor. The Council's primary responsibility is to set policy for the City of Surprise.

Goals/Objectives:

- Ensure that the community is a place where its diverse residents can Live, Work, and Play
- Ensure the balanced growth of the City of Surprise.
- Increase Citizen awareness and participation in the community.
- Ensure the continued high level of services that citizens have become accustomed to.

Department Budget:

The Mayor/Council budget of \$505,900 represents a 37.5% overall increase from the FY2005 adopted budget of \$367,800. The increase is due primarily to salary adjustments for the Mayor and Council Members. A significant portion of the Mayor/Council budget is for community relations items. The Administrative Assistant position was transferred to the City Clerk's Department to better reflect actual duties and expenditures. This budget will continue to allow the council to provide policy guidance to the City Manager and to play an active role in the Community.

City of Surprise City Council Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Personnel	116,397	125,802	160,700	153,600	272,000	69.3%
Supplies/Services	116,027	117,146	207,100	174,600	233,900	12.9%
Capital	0	0	0	0	0	0.0%
sub-Total	<u>232,424</u>	<u>242,948</u>	<u>367,800</u>	<u>328,200</u>	<u>505,900</u>	<u>37.5%</u>
Arts Commission	0	93,300	105,800	105,800	142,700	34.9%
Total	<u>232,424</u>	<u>336,248</u>	<u>473,600</u>	<u>434,000</u>	<u>648,600</u>	<u>37.0%</u>
Revenues						
General Fund Subsidy	232,424	242,948	367,800	328,200	505,900	37.5%
Total	<u>232,424</u>	<u>242,948</u>	<u>367,800</u>	<u>328,200</u>	<u>505,900</u>	<u>37.5%</u>

Position Summary					
Mayor/City Council					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Mayor	1.0	1.0	1.0	1.0	0.0
Vice-Mayor	1.0	1.0	1.0	1.0	0.0
Council Member	5.0	5.0	5.0	5.0	0.0
Administrative Assistant	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	<u>8.0</u>	<u>8.0</u>	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>

Capital:

No capital items have been programmed for this department.



City of Surprise, Arizona

City Manager
 FY2006 Budget

Mission Statement:

The City Manager's Office is organized, managed and dedicated to providing high quality professional service to the City Council, all departments of City Government, and the citizens of the City of Surprise.

Divisions:

City Manager & Assistant City Manager:

The City Manager's office is responsible for insuring that operations are running effectively throughout the entire organization. To that end, the Department focuses on funding programs to achieve Council goals through strategic planning, process improvement assessments, and improving internal and external customer service. The Department manages an organization that continues to be in transition and is experiencing rapid growth. The Assistant City Manager Division continues to provide administrative oversight to frontline services departments.

Position Summary					
City Manager's Office					
Fiscal Year 2006					
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>change</u>
City Manager	1.0	1.0	1.0	1.0	0.0
Assistant City Manager	2.0	1.0	1.0	1.0	0.0
Deputy City Manager	0.0	0.0	1.0	1.0	0.0
Assistant to City Manager	1.0	0.0	1.0	1.0	0.0
Executive Assistant	2.0	1.5	2.0	2.0	0.0
Intern	<u>0.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	<u>6.5</u>	<u>3.5</u>	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Accomplishments:

Community:

- Continued to attend community gatherings and neighborhood meetings on a consistent basis

Organizational:

- Guided the City departments in establishing their department goals in line with the City's broad goals and established priorities in the areas of Transportation, Public Safety, Local Economy, Parks and Amenities, Efficient and Effective City Operations, and Customer Service. These goals are reflected in the various department sections throughout this document.

- Continued moving the City forward in both technology and personnel.
- Continued strategic planning processes for community and organizational growth.
- Continued communication with all employees through the use of newsletters, staff meetings, shift briefings, brown bag luncheons, and the sharing of notes from senior staff meetings with all staff.

Regional:

- Continued to establish and maintain regional connections to position Surprise as a major presence in the valley including the school district, MAG, Regional and state organizations and other cities.
- Continued ongoing relationships with the command staff at Luke Air Force Base

Department Budget:

The City Manager’s Office Budget of \$775,700 represents an increase of 3.2% over the FY2005 adopted budget of \$751,400. Of this amount \$690,000 (89%) is for salaries and fringe benefits. The remaining budget is to provide supplies and services essential to the operations of this administrative function.

City of Surprise City Manager Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department - Summary</u>						
Personnel	641,110	444,581	656,200	564,200	690,000	5.2%
Supplies/Services	55,291	92,121	95,200	96,200	85,700	-10.0%
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>696,401</u>	<u>536,702</u>	<u>751,400</u>	<u>660,400</u>	<u>775,700</u>	<u>3.2%</u>
<u>Division Summary</u>						
City Manager	352,390	400,252	538,500	467,900	561,900	4.3%
ACM - Administration	144,674	136,451	212,900	192,500	213,800	0.4%
ACM - Field Services	<u>199,337</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>696,401</u>	<u>536,702</u>	<u>751,400</u>	<u>660,400</u>	<u>775,700</u>	<u>3.2%</u>
Revenues						
General Fund Subsidy	<u>696,401</u>	<u>536,702</u>	<u>751,400</u>	<u>660,400</u>	<u>775,700</u>	<u>3.2%</u>
Total	<u>696,401</u>	<u>536,702</u>	<u>751,400</u>	<u>660,400</u>	<u>775,700</u>	<u>3.2%</u>

Capital:

No capital funds are programmed for this fiscal year.



City of Surprise, Arizona
Government Relations
FY2006 Budget

Mission Statement:

The Government Relations Department provides representation for the City of Surprise at the local, regional, state and federal levels on all issues that impact the City of Surprise and it's residents.

Accomplishments:

- Continued to coordinate intergovernmental regional meetings and represent the city at the regional and state level.

Budget Summary:

The Director of Governmental Relations works closely with the city manager, mayor and council on regional issues that have an impact on the City. The League of Arizona Cities handles the majority of direct legislative activities.

The total budget amount of \$231,600 programmed for FY2006 represents a \$111,200 (92.4%) increase over the FY2005 budget. The increase is primarily due to the addition of a full time Management Assistant position. With the elimination of a 0.5 FTE Intern position, this represents a net increase of 0.5 FTE positions as indicated in the table below. As with most administrative activities the majority (70%) of the programmed budget is for personnel related expenditures. The remaining (30%) is for supplies and services to effectively operate the government relations' activities of the city. The large increase in Supplies & Services includes a \$50,000 one-time expenditure to provide a federal lobbyist to lobby at the federal level for transportation funding for the City and operating supplies and equipment for the new Management Assistant position.

City of Surprise Government Relations Fiscal Year 2006						
	FY2003	FY2004	FY2005	FY2005	FY2006	Budget
Expenditures	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	<u>Change</u>
Personnel	98,694	72,498	101,900	96,800	161,900	58.9%
Supplies/Services	19,628	8,309	18,500	18,500	69,700	276.8%
Capital	0	0	0	0	0	0.0%
Total	<u>118,322</u>	<u>80,807</u>	<u>120,400</u>	<u>115,300</u>	<u>231,600</u>	<u>92.4%</u>
Revenues						
General Fund Subsidy	<u>118,322</u>	<u>80,807</u>	<u>120,400</u>	<u>115,300</u>	<u>231,600</u>	<u>92.4%</u>
Total	<u>118,322</u>	<u>80,807</u>	<u>120,400</u>	<u>115,300</u>	<u>231,600</u>	<u>92.4%</u>

Position Summary					
Government Relations					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Director of Governmental Relations	1.0	0.0	1.0	1.0	0.0
Intern	0.5	0.0	0.5	0.0	(0.5)
Management Assistant	0.0	0.0	0.0	1.0	1.0
Government Relations Liason	<u>0.0</u>	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	0.0
Total	<u>1.5</u>	<u>1.0</u>	<u>1.5</u>	<u>2.0</u>	0.5

Goals & Objectives:

Transportation

- Continue to lobby bills at the state legislature on behalf of Surprise. Specifically related to transportation and protection of HURF funds.
- Expand our regional and federal coalition for transportation improvements and increase meeting attendance as related to transportation.
- Increase information and contact with residents and Council on transportation initiatives through:
 - Development of IGR webpage
 - Expand e-mail list by partnering with the Communications Department
 - With the Communications Department, develop storylines on transportation issues to get story to active residents and county and state representatives.
- Increase internal coordination on the City’s transportation efforts to ensure that Surprise is maximizing regional funding and pursue state and federal funding.
- Ensure that all applicable MAG communities are staffed with city representatives.

Public Safety

- Be proactive with proposed legislation facing public safety departments and increase meetings with Police and Fire departments during legislative session to formulate and advocate the city’s position on bills
- Regional Public Safety Training Facility ? work with Fire Department as well as other West Valley cities and work with Grants Division on pursuing homeland security funding.

Local Economy

- Advocate for proposed legislation that would benefit the City’s economic development opportunities and viability and advocate for economic development opportunities and funding.
- Promote the positive highlights for business growth in Surprise and increase awareness of arts and culture in Surprise.

Parks & Amenities

- Engage in proposed legislation that would increase recreation amenities for residents.

Efficient & Effective City Operation

- Maximize use of the recently budgeted Management Assistant position for the department and improve efficiency of department's operation.
- Remain abreast of City operation, Council initiatives and operations and projects in the City Manager's office and increase public art projects in the City according to the Arts & Cultural Strategic Plan and enhance organizational leadership.

Customer Service

- Communicate key intergovernmental issues with residents IGR webpage and expand Citizen involvement in the legislative process and regional issues.
- Involve Council and staff in development of the city's legislative agenda and increase bill tracking and communication to internal departments on proposed legislation that affect city operations.

Government Relations Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Percentage of items on City's legislative agenda which went in the City's favor	86%	86%	87%	90%
Percentage of Council meetings during legislative session that presentations are made to Council concerning progress in the City's legislative agenda	75%	75%	77%	80%

City of Surprise, Arizona



SURPRISE

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FY2006 Adopted Budget



City of Surprise, Arizona
Communications
FY2006 Budget

Mission Statement:

Through the dissemination and sharing of information, to help create a sense of community throughout the entire city – uniting neighborhoods, cultures and age groups.

Divisions:

Public Information - Oversees the general overall operations of the department.

Broadcast - Maintains the government access channel and related activities

Web - Maintains the City website and related activities.

Budget Highlights:

The Communications Department of the City of Surprise acts as a clearinghouse for outgoing mass communications and serves as a consult to city departments and the City Council on media-related issues. The Communications Department is charged with keeping lines of communication open between City Hall and the residents, merchants and stakeholders of Surprise. This is accomplished through the dissemination of news releases, newsletters, brochures, flyers, Surprise11, the City's government access TV channel and the City's website at www.surpriseaz.com.

The office will continue to improve upon and expand these methods of information delivery. The Communications Department will continue its close relationship with the Dysart Unified School District, local charter schools, the Northwest Valley Chamber of Commerce, Arizona League of Cities and Towns, Westmarc, MAG, Maricopa County and the Arizona Office of Tourism to ensure the flow of information is timely, accurate and concise.

Accomplishments:

- *Surprise Progress* was presented its third consecutive Award of Excellence by 3CMA at its annual convention in Anaheim, CA.
- Designed and produced new collateral materials for City promotions, marketing initiatives and public information needs.
- Created several public information campaigns i.e., West Nile Virus, monsoon storms, electricity crisis and amended sign code.
- Began airing live and videotape-delayed coverage of City Council, Planning & Zoning Commission meetings on Surprise11.
- Added Closed Captioning services to Surprise11 and Assisted Listening Devices in Council Chambers for people with hearing disabilities.
- Produced first TV ads promoting Spring Training and other activities at Surprise Recreation Campus.

- Created and activated City's first intranet *Inside Surprise*. Worked closely with Forms Committee to place all City forms on intranet.

Department Budget:

The Communications Department's budget of \$764,300 represents a 31% increase from the FY2005 budget of \$584,100. Personnel costs increase by 31% primarily due to the reclassification of an Administrative Assistant position to a Management Assistant position and a Public Information Specialist to a Public Information Officer position.

Position Summary Communications - PIO					
	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Communications Director	1.0	1.0	1.0	1.0	0.0
Public Information Officer	0.0	0.0	1.0	1.0	0.0
Public Information Specialist	1.0	1.0	0.0	0.0	0.0
Management Assistant	0.0	0.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	0.0	0.0	0.0
Web Master	0.0	0.0	1.0	1.0	0.0
Video Production Specialist	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>3.0</u>	<u>3.0</u>	<u>5.0</u>	<u>5.0</u>	<u>0.0</u>

Supplies and Services are programmed at \$335,800 reflecting an increase of 31% over last fiscal year. This increase is primarily due to the programming of operating supplies and equipment for the new positions and consulting services and computer supplies and equipment for enhancement to the broadcast and web divisions. This will allow such enhancements as closed captioning and web casts of the Council meetings.

City of Surprise Communications Fiscal Year 2006						
Expenditures	<u>FY2003 Actual</u>	<u>FY2004 Actual</u>	<u>FY2005 Budget</u>	<u>FY2005 Estimate</u>	<u>FY2006 Budget</u>	<u>Budget Change</u>
Department Summary						
Personnel	188,988	221,334	327,300	297,700	428,500	30.9%
Supplies/Services	170,163	185,303	256,800	257,800	335,800	30.8%
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>359,151</u>	<u>406,637</u>	<u>584,100</u>	<u>555,500</u>	<u>764,300</u>	<u>30.9%</u>
Division Summary						
Public Information	359,151	406,637	506,800	483,900	492,400	-2.8%
Broadcast	0	0	77,300	71,600	140,600	81.9%
Web	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>131,300</u>	<u>0.0%</u>
Total	<u>359,151</u>	<u>406,637</u>	<u>584,100</u>	<u>555,500</u>	<u>764,300</u>	<u>30.9%</u>
Revenues						
Surprise Store Sales	19,270	15,949	25,000	25,000	25,000	0.0%
General Fund Subsidy	<u>339,881</u>	<u>390,688</u>	<u>559,100</u>	<u>530,500</u>	<u>739,300</u>	<u>32.2%</u>
Total	<u>359,151</u>	<u>406,637</u>	<u>584,100</u>	<u>555,500</u>	<u>764,300</u>	<u>30.9%</u>

Capital:

Capital programmed for FY2006 totals \$550,000 as outlined in the table below. Capital items are centered around improved broadcast capabilities for the City.

City of Surprise Communications - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Surprise11 Broadcast Center (485)	21412-145-112-39411-20623	500,000
Computer Supplies & Equipment	21112-145-834-39431-29999	23,500
Surprise11 Van & Equipment	21412-145-834-39421-29999	<u>26,500</u>
	Total Capital	<u>550,000</u>

Goals & Objectives:

Public Safety

- Through the use of televised and printed public service announcements, increased public awareness of safety measures residents can take to avoid becoming a crime victim, and encourage them to partner with Surprise Police for a safer community by reporting suspicious activity.

Efficient & Effective City Operations

- Begin e-commerce initiative by placing the Surprise City Store on-line. Visitors to the on-line Surprise City Store will be able to purchase City logo merchandise on-line and/or request collateral materials.
- Implement a “training video package” to be made available to all city departments. That will aid in efficient and effective City operations.
- Bring production of the annual City map in-house, giving the City the ability to control timeliness, accuracy and inventory, eliminate the Sun City West map and replace advertising space with pertinent City information.

Customer Service

- Launch *Surprise Progress Plus* and produce six issues in 2005-2006. This one-line newsletter, a supplement to the bi-monthly Surprise Progress print version, will be posted to our website and e-mailed to a subscriber list allowing us to deliver more timely news and information to many of our residents
- Plan needs for broadcast center which will serve as the backbone for the customer services provided by the broadcast division to all City employee’s and residents.
- Begin web casting to expand the service of the Broadcast and Web divisions and to enhance customer service by enabling residents to access video on demand.

- Begin original programming to educate and inform our residents on a wide variety of topics including: Public Safety, Transportation, Parks & Amenities, and to Provide Customer Service.
- Inform the public as to what is currently happening in their City with current news events and available recreational events.
- Begin e-commerce initiative by placing the Surprise City Store on-line. Visitors to the on-line Surprise City Store will be able to purchase City logo merchandise on-line and/or request collateral materials.
- Double the size, redesign and rename the Newcomer booklet to include a comprehensive listing of City services.

Communications Performance Measures	Actual 2002	Actual 2003	Actual 2005	Target 2006
Number of services added to web site	10	12	14	16
Number of pages expanded and redesigned for <i>Surprise Progress</i>	12	12	16	16
Expand Surprise11	166 slides	200 slides + video	Live coverage of meetings.	Locally produced programming (1)
News releases produced and distributed (Calendar Year)	120	128	140	160
Circulation of <i>Surprise Progress</i> (Calendar Year)	25,000	29,000	36,000	45,000
E-Newsletter <i>Surprise Progress Plus</i>	n/a	n/a	0	6
Website Visits (Calendar Year)	155,000	334,900	715,200	750,000
Contributions made in joining the Chamber of Commerce campaign to promote local businesses	Directory, <i>Surprise Life</i> , phone directory, newcomer kits	Directory, <i>Surprise Life</i> , phones book, newcomer kits and map.	Directory, <i>Surprise Life</i> , phones book, newcomer kits and map.	Same as 2005, add expanded "Buy in Surprise" marketing campaign.
Produce City map	n/a	n/a	n/a	1
Develop story ideas for local newspapers	n/a	n/a	n/a	5 per month



City of Surprise, Arizona
City Attorney
FY2006 Budget

Mission Statement:

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

Divisions:

- Civil - tasked with providing legal services to the City Council and city staff including preparation of ordinances, resolutions, contracts and legal opinions.
- Criminal - provides legal assistance to the police and prosecutes cases. The general division represents 60% of the total department budget, with the remaining 40% for criminal.

Position Summary					
City Attorney's Office					
FY 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
City Attorney	1.0	1.0	1.0	1.0	0.0
Chief Deputy City Attorney	0.0	0.0	1.0	1.0	0.0
Deputy City Attorney	3.0	3.0	1.0	2.0	1.0
Assistant Deputy City Attorney	0.0	0.0	1.0	2.0	1.0
Legal Assistant	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Secretary	1.0	1.0	1.0	1.0	0.0
Legal Clerk	0.0	1.0	1.0	2.0	1.0
Intern	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.0</u>	<u>(0.7)</u>
Total	<u>7.7</u>	<u>8.7</u>	<u>8.7</u>	<u>11.0</u>	<u>2.3</u>

Accomplishments:

- Continued to provide prompt, competent and professional legal support to the Mayor and Council as well as all city departments.
- Continued the prosecution of an increasing number of misdemeanor and traffic cases filed in Surprise Municipal Court.
- Assisted in the negotiation and drafted the agreements with multiple developers for the delivery of services in exchange for major infrastructure improvements.

Department Budget:

The City Attorney’s Office provides in-house legal work, prompt and knowledgeable legal services and advice to the Council and all City departments, preparing legal forms for departmental use, and insuring compliance with applicable laws.

The department budget of \$1,042,200 represents an overall increase of 42 % increase from last year. The increase is primarily due the programming of 3.0 additional positions as indicated in the table below. The net increase is 2.3 FTE due to the elimination of the 0.7 FTE Intern position. This includes an additional prosecutor and legal clerk added to the criminal division and an additional attorney for the civil division to accommodate the rapid growth and demand in these areas. Personnel costs account for 82% of the department’s budget. The remaining 18% of the budget is for the necessary operating supplies and services to operate the department. Programmed into the services area is \$34,500 that was increased to accommodate all legal services with exception of SLIDS and \$24,000 for Spillman prosecution software that will provide case tracking capabilities tied to the Police Department’s Spillman system.

City of Surprise City Attorney's Office Fiscal Year 2006						
<u>Expenditures</u>	<u>FY2003 Actual</u>	<u>FY2004 Actual</u>	<u>FY2005 Budget</u>	<u>FY2005 Estimate</u>	<u>FY2006 Budget</u>	<u>Budget Change</u>
<u>Department Summary</u>						
Personnel	548,162	537,041	637,500	596,400	856,600	34.4%
Supplies/Services	107,250	94,351	95,700	71,700	185,600	93.9%
Capital	0	0	0	0	0	0.0%
Total	<u>655,412</u>	<u>631,392</u>	<u>733,200</u>	<u>668,100</u>	<u>1,042,200</u>	<u>42.1%</u>
<u>Division Summary</u>						
General	655,412	425,487	441,300	387,800	628,100	42.3%
Criminal	0	205,905	291,900	280,300	414,100	41.9%
Total	<u>655,412</u>	<u>631,392</u>	<u>733,200</u>	<u>668,100</u>	<u>1,042,200</u>	<u>42.1%</u>
<u>Revenues</u>						
General Fund Subsidy	655,412	631,392	733,200	668,100	1,042,200	42.1%
Total	<u>655,412</u>	<u>631,392</u>	<u>733,200</u>	<u>668,100</u>	<u>1,042,200</u>	<u>42.1%</u>

Capital:

No capital items have been programmed for this department.

Goals & Objectives:

- Continue to provide consistent and timely review and preparation of ordinances, resolutions, contracts and written legal opinions as well as assistance in handling matters identified by officials as priority projects.
- Continue to provide consistent and timely prosecution of the increasing number of misdemeanor and traffic cases in the Surprise Municipal Court.

- Continue foster a more cohesive working relationship both within and without the department.
- Work on more clearly delineating a role for the Deputy City Attorney, Civil Division.
- Continue to monitor the City Attorney's Office ongoing operations budget to determine where money can be saved in the future.
- Continue to assist the City Manager's Office and the Mayor and Council with developing new policies and amending existing policies in order to bring the City of Surprise to the next level.

City of Surprise, Arizona



SURPRISE
ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
 City Clerk
 FY2006 Budget

Mission Statement:

The City Clerk’s Office strives to provide correct and complete City records, official documents, etc. to the general public, City staff and other governmental agencies in a proficient and professional manner. We pledge to faithfully execute the duties of the City Clerk’s Office to the best of our ability as prescribed by law. We are committed to following the City Clerk’s “Code of Ethics” and vow to follow the Municipal City Code on a daily basis.

Department Budget:

The Clerk’s Office continues to coordinate all council related activities and meetings, and prepares the agendas and minutes. Additionally, the city clerk handles all annexations to ensure legal compliance and proper accounting in population estimates and serves as the chief elections officer. The city clerk also attests to all official acts of the Mayor and Council.

The City Clerk’s budget of \$476,200 represents a decrease of 8.8% from the FY2005 budget of \$520,900. This decrease is primarily due to the reduction of one-time expenses of \$140,000 for election services that will not be required for FY2006. Due to an internal re-organization a 1.0 FTE Administrative Assistant position was transferred in to the City Clerk’s department as indicated in the table below. Personnel costs account for 81% of the total budget with the remaining 19% for supplies and services. Programmed in supplies and services are operating costs of the Administrative Assistant position that were transferred from the Council budget.

Position Summary					
Clerk's Office					
FY 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
City Clerk	1.0	1.0	1.0	1.0	0.0
Deputy City Clerk	2.0	2.0	2.0	2.0	0.0
Administrative Assistant	0.0	0.0	1.0	1.0	0.0
Secretary	1.0	1.0	1.0	1.0	0.0
Office Support Specialist	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>5.0</u>	<u>5.0</u>	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Accomplishments:

- Finished microfilming all City permanent documents to date. (Approximately 20,000)
- Created Council Agenda Timeline for the entire year for distribution to all departments.
- City Clerk completed final phase of the Certified Public Manager’s Program.

- Fifth year serving on the League of Cities & Towns Election Certification Committee and first year as a member of the Mentoring Program for new clerks.
- Continued updating the City Clerk section of the City website.
- Coordinated a special recall election.
- Coordinated City's first all mail ballot primary election.

City of Surprise City Clerk Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Personnel	262,704	289,401	311,400	309,900	383,600	23.2%
Supplies/Services	58,552	73,978	211,000	211,000	92,600	-56.1%
Capital	0	0	0	0	0	0.0%
Total	<u>321,256</u>	<u>363,379</u>	<u>522,400</u>	<u>520,900</u>	<u>476,200</u>	<u>-8.8%</u>
Revenues						
General Fund Subsidy	<u>321,256</u>	<u>363,379</u>	<u>522,400</u>	<u>520,900</u>	<u>476,200</u>	<u>-8.8%</u>
Total	<u>321,256</u>	<u>363,379</u>	<u>522,400</u>	<u>520,900</u>	<u>476,200</u>	<u>-8.8%</u>

Capital:

No capital items have been programmed for this department.

Goals & Objectives:

Efficient & Effective City Operations

- Preserve, maintain and post all documents in accordance with applicable laws.
- Monitor and maintain all council and citywide contracts and agreements and accurately process all resolutions, ordinances and annexations.
- Effectively administer all elections in a timely manner.
- Continue linking the City's permanent documents to the City website.

City Clerk Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Number of resolutions processed.	350	209	250	260
Number of ordinances processed.	35	31	38	40
Number of affidavit of publications processed.	150	320	468	530
Number of registered voters.	22,000	29,000	36,000	36,500
Number of elections held.	2	0	3	0
# Employees that can access scanned council packets on personal computers	25	35	50	60
# Permanent Documents Scanned	n/a	15,000	20,000	25,000
# Agreements Processed	75	87	179	185



City of Surprise, Arizona
Finance Department
FY2006 Budget

Mission Statement:

The Finance Department of the City of Surprise is a service organization dedicated to providing efficient, timely, accurate and responsible, accounting and stewardship of all City resources in an honest, courteous, professional and reliable manner.

Divisions:

- Administration - Offers support and leadership to all divisions within the Finance Department.
- Accounting - Establishes and maintains efficient accounting systems and controls and maintains reports of a fiscal or financial nature in accordance with city ordinances and policies adopted by Council, the law, and Generally Accepted Accounting Principals.
- Auditing - Facilitates and promotes voluntary compliance from vendors with the Business License and Tax Code.

Position Summary					
Finance Department					
FY 2006					
	<u>Actual</u> <u>FY2003 *</u>	<u>Actual</u> <u>FY2004 *</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Chief Fiscal Officer	1.0	1.0	1.0	1.0	0.0
Executive Assistant	0.0	0.5	0.0	0.0	0.0
Administrative Assistant	0.0	0.0	1.0	1.0	0.0
Accounting Manager	1.0	1.0	1.0	1.0	0.0
Accounting Clerk Supervisor	0.0	0.0	0.0	1.0	1.0
Budget Manager	1.0	1.0	0.0	0.0	0.0
Purchasing & Materials Manager	1.0	1.0	0.0	0.0	0.0
Senior Accountant	1.0	2.0	2.0	2.0	0.0
Accountant II	1.0	1.0	1.0	2.0	1.0
Accountant	1.0	1.0	1.0	1.0	0.0
Tax Auditor	1.0	1.0	1.0	1.0	0.0
Grants Administrator	1.0	1.0	0.0	0.0	0.0
Risk Coordinator	1.0	1.0	0.0	0.0	0.0
Accounting Technician	3.2	3.2	3.2	3.2	0.0
Accounting Clerk	2.0	2.0	2.0	2.0	0.0
Purchasing Clerk	1.5	1.5	0.0	0.0	0.0
Senior Budget Analyst	1.0	1.0	0.0	0.0	0.0
Intern P T	0.5	0.5	0.0	0.0	0.0
Cashier	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>18.2</u>	<u>19.7</u>	<u>14.2</u>	<u>16.2</u>	<u>2.0</u>

**Includes positions transferred to the Management & Budget Department*

Accomplishments:

- Through swaps of securities was able to generate \$735,000 in revenue without issuing debt or charging for services.
- Created an investment policy for the City of Surprise and hired an investment firm.
- Provided financial assistance in modifying Transaction Privilege Tax rates.
- Rewrote the City Business License & Utility Deposit Codes.
- Coordinated the implementation of positive pay to reduce check fraud.
- Obtained the Government Finance Officers Association Comprehensive Annual Financial Report Award for 2004.
- Initiated increased communication with Arizona American Water Co., obtained training on and online access to reports accessible through the Internet.

Department Budget:

The Finance Departments adopted budget of \$1,636,200 represents an overall increase of \$477,000 (41.1%) over the adopted FY2005 budget of \$1,159,200. This increase is primarily due to the salary and operating costs of 2.0 additional F.T.E. positions programmed for FY2006. This includes an Accountant II position to focus on utility billing and revenues and a Clerk Supervisor position to provide supervision in the areas of Payroll and Accounts Payable.

Other increases include the programming of \$125,000 for professional services to provide transportation development fees and overall development fee updates, \$70,800 to provide document imaging capabilities, \$20,000 to enhance the Department's computerized accounting system to better analyze accounting information using recognized best practices, \$20,000 to provide a general obligation bond rating review, and \$14,500 for new cashiering hardware & software. Remaining increases are due to growth and inflationary costs.

City of Surprise Finance Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Summary						
Personnel	655,910	725,478	915,900	855,100	1,054,300	15.1%
Supplies/Services	207,082	235,507	243,300	242,500	581,900	139.2%
Capital	0	0	0	0	0	0.0%
Total	862,992	960,985	1,159,200	1,097,600	1,636,200	41.1%
Division Summary						
Administration	133,398	210,801	215,200	202,300	401,300	86.5%
Accounting	595,350	604,812	667,800	638,100	851,400	27.5%
Auditing	134,244	145,372	276,200	257,200	383,500	38.8%
Total	862,992	960,985	1,159,200	1,097,600	1,636,200	41.1%
Revenues						
Audit Proceeds	155,292	1,595	200,000	200,000	200,000	0.0%
General Fund Subsidy	707,700	959,390	959,200	897,600	1,436,200	49.7%
Total	862,992	960,985	1,159,200	1,097,600	1,636,200	41.1%

Capital:

\$18,000 has been programmed to purchase document imaging equipment to decrease the need for hard copy filing of documents. This process is part of the City's financial software system and moves the City closer to a paperless process.

City of Surprise Finance - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Document Imaging	21412-142-111-39411-29999	<u>18,000</u>
	Total Capital	<u>18,000</u>

Goals & Objectives:

Transportation

- Recalculate Development Impact Fees to ensure that growth pays for itself.

Public Safety

- Recalculate Development Impact Fees to ensure that growth pays for itself.

Local Economy

- Maintain and improve educational classes in regards to business license and tax code.
- Improve quality and availability of brochures explaining tax and business licensing requirements for the public's reference.

Parks & Amenities

- Recalculate Development Impact Fees to ensure that growth pays for itself.

Efficient - Effective City Operation & Customer Service

- Perform cost analysis of utility operations including billing practices.
- Increase the City of Surprise General Obligation bond rating.
- Increase the accuracy and speed up the processing of cashiering functions by replacing existing cashiering system.
- Increase the use of ACH and other electronic payments.
- Maintain and improve educational classes in regards to business license and tax code.
- Improve quality and availability of brochures explaining tax and business licensing requirements for the public's reference.
- Implement document imaging software and processes to allow authorized personnel to see documents when researching immediately, and reduce paper retention.
- Implement a collection program to collect City of Surprise delinquent utility bills.

- Continue to enhance revenue collection and compliance through the increased performance of field audits and contact with the public and business community.
- Trace and record on an accrual basis monthly revenue, deposits and prepayments based on AAWC's submitted payment summaries and their detailed reports.
- Provide training and instructions to other department personnel to ensure the accuracy and appropriateness of payroll, accounts payable and travel related records.
- Train personnel responsible for cash and treasure management elements in automated access allowing us to expedite and maintain bank reconciliations, cash balances and wire payments faster and more accurately.
- Provide training to all City departments so they can look up financial information and run reports independent of the finance department.

Finance Department – Administration Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Bond Rating (General Obligation)	A+/A+	A+/A+	A+/A+	AA-/AA-
Percentage of Financial Policies & Procedures Completed or Improved	35%	35%	35%	40%
Payroll transmissions completed on schedule	99%	99%	100%	100%
Accounts payable completed on schedule	95%	95%	100%	100%
Accounts Payable Postings	23,869	24,546	21,758	26,000
W-2's Issued	523	638	704	750
General ledger processed by 5 th working day of the month	99%	97%	92%	100%
Project Tracking reports finished by 7 th working day of the month	95%	100%	100%	100%
Refunds and Funds collected based on examinations	\$155,292	\$110,000	0*	\$200,000
Number of transaction privilege tax examinations completed	12	5	10	30
Business licenses issued within 14 days	98%	97%	97%	98%
Total Business Licenses as of June 30 th	0	2,867	3,882	7382
Annual Renewal Notices Processed as of June 30 th .	0	2,356	2,941	3,800
Number Receipts Processed - Cashier	0	12,986	15,522	18,000



City of Surprise, Arizona
 Management & Budget Department
 FY2006 Budget

Mission Statement:

The Management & Budget Department provides comprehensive budget, procurement & materials management, research, risk management, and grant services to all customers, including accurate and timely dissemination of information, expert advice, guidance and assistance in order to enhance all processes within the City.

Divisions:

- Management & Budget - Provides comprehensive budget, research, and grant services to all customers.
- Purchasing & Materials Management - Provides service & expertise in the area of materials procurement and materials handling and disbursement.
- Risk Management - Protects the City against loss through risk management, loss control and safety programs.

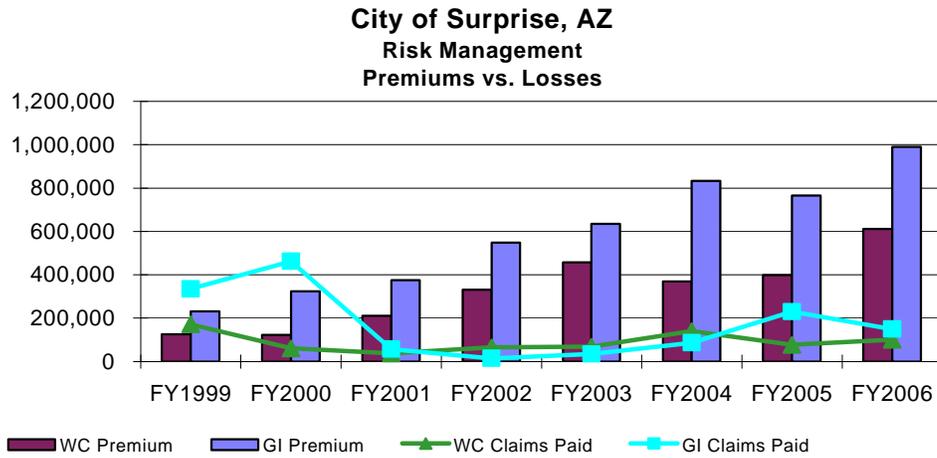
Position Summary					
Management & Budget Department					
	<u>Actual*</u> <u>FY2003</u>	<u>Actual*</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Management & Budget Director	0.0	0.0	1.0	1.0	0.0
Purchasing & Materials Manager	0.0	0.0	1.0	1.0	0.0
Contract Officer	0.0	0.0	1.0	1.0	0.0
Risk Coordinator	0.0	0.0	1.0	1.0	0.0
Senior Management & Budget Analyst	0.0	0.0	1.0	2.0	1.0
Management & Budget Analyst	0.0	0.0	0.0	1.0	1.0
Grants Administrator	0.0	0.0	1.0	1.0	0.0
Buyer	0.0	0.0	1.0	1.0	0.0
Purchasing Clerk	0.0	0.0	1.5	1.5	0.0
Office Support Specialist	0.0	0.0	0.5	0.5	0.0
Intern	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	<u>0.0</u>	<u>0.0</u>	<u>9.0</u>	<u>11.0</u>	<u>2.0</u>

**Included in Finance Department*

Accomplishments:

- Awarded the GFOA’s Distinguished Budget Award for fifth consecutive year.
- Continued improvement of revenue and expense reports.
- Began meeting quarterly with Assistant City Manager and Departments to review capital projects.

- Updated the Purchasing web page to allow vendors to download formal solicitations and to provide information on opportunities to do business with the City.
- Documented cost-savings from July 2004 to February 2005 exceeded \$957,300.
- Implemented a paperless-electronic purchasing system.
- Developed and Implemented a Fleet Safety Program



- An OSHA compliance inspection was performed for the entire City. The Risk Management Division took full responsibility for the oversight of the inspection and responded to all inquiries and citations.
- Coordinated all activities of Disability Advisory Commission
- Completed ADA Audit of City Facilities

Budget Summary

The Management & Budget department has an adopted budget of \$2,903,000. The department consists of 11.0 FTE positions a net increase of 2.0 FTE positions over FY2005. Programmed for FY2006 are 2.0 additional budget analysts to accommodate the increasing service demands placed on the department.

The budget represents a 37% increase over the FY2005 budget of \$2,117,100. Of this amount 69% (excluding \$1,671,800 for Risk Management Insurance Premiums) is for personnel cost. The increase is primarily due to the personnel costs and operating and equipment needs of the additional budget analyst positions. The remaining 31% is for the necessary operating supplies and services required for the activities of the department. Included is a carry-over of funds to complete an indirect cost study that will provide a means to obtain the true cost of programs throughout the City. The remaining funds provide for office supplies, travel and training, dues and membership subscriptions and other operating needs.

City of Surprise Management & Budget Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Department Summary						
Personnel	440,858	476,891	660,500	629,100	848,800	28.5%
Supplies/Services	748,522	1,071,538	1,456,600	1,435,900	2,054,200	41.0%
Capital	0	0	0	0	0	0.0%
Contingencies	0	0	209,900	0	0	-100.0%
Total	<u>1,189,380</u>	<u>1,548,429</u>	<u>2,327,000</u>	<u>2,065,000</u>	<u>2,903,000</u>	<u>24.8%</u>
Division Summary						
Management & Budget	247,855	266,473	321,600	301,700	510,300	58.7%
Purchasing	160,135	175,424	337,000	307,600	348,400	3.4%
Risk Management	<u>781,390</u>	<u>1,106,532</u>	<u>1,668,400</u>	<u>1,455,700</u>	<u>2,044,300</u>	<u>22.5%</u>
Total	<u>1,189,380</u>	<u>1,548,429</u>	<u>2,327,000</u>	<u>2,065,000</u>	<u>2,903,000</u>	<u>24.8%</u>
Revenues						
Insurance Premiums	781,390	1,106,532	1,668,400	1,455,700	2,044,300	22.5%
General Fund Subsidy	<u>407,990</u>	<u>441,897</u>	<u>658,600</u>	<u>609,300</u>	<u>858,700</u>	<u>30.4%</u>
Total	<u>1,189,380</u>	<u>1,548,429</u>	<u>2,327,000</u>	<u>2,065,000</u>	<u>2,903,000</u>	<u>24.8%</u>

Capital:

There is no capital programmed for this fiscal year.

Goals & Objectives:

Transportation

- Increase awareness concerning Safety and Liability issues on City street construction sites (and other sites)
- Facilitate all procurement associated with the transportation needs of the city.
- Facilitate the RFQ process for planning and design services associated with implementation of the Transportation Action Plan.
- Facilitate implementation of Transportation Action Plan
- Monitor Revenues and Expenditures associated with 1.5% Construction Sales Tax
- Assist with Development Fee update and creation
- Continued CIP Improvements concerning transportation and transit projects
- Continue research and grant submittal for Transportation items for both capital and operational funding.
- Increased coordination with Government Relations.

Public Safety

- Fleet Safety Policy Implementation – verification of driving records
- Continued work with Safety Committee and Special Needs Commission
- Facilitate all procurement associated with the Public Safety Building & Fire Stations

- Assist with Development Fee update
- Assist with Joint Training Facility planning and funding
- Continued research and grant submittal for Police and Fire for both capital and operational funding assistance.
- Enhance communication regarding Homeland Security Funds between all city departments.
- Regular inter-departmental meetings and increased coordination with City Managers Office.

Local Economy

- Work with Business and Development Community on Disability Awareness
- Ensure all bids, RFP's and Quotes are advertised extensively to ensure that local business is aware of process
- Refine "How to do Business with the City" web page and develop a brochure for local business
- Work with Economic Development and the Chamber of Commerce
- Increased use and understanding of Economic Development Impact Model
- Continued research and grant submittal for Economic Development projects for both capital and operational funding assistance
- Participate in Development of CDBG Consolidated Plan for Entitlement City Status

Parks & Amenities

- Review Parks and Programs in regards to ADA Compliance and Disability Awareness
- Ensure Adequate and Appropriate coverage for programs
- Establish Term contracts for frequently ordered items and services
- Assist with Development Fee update
- Continued research and grant submittal for Recreational grants via the Arizona State Parks for park development and park rehabilitation
- Assist in the planning and development of the Adaptive Recreation process

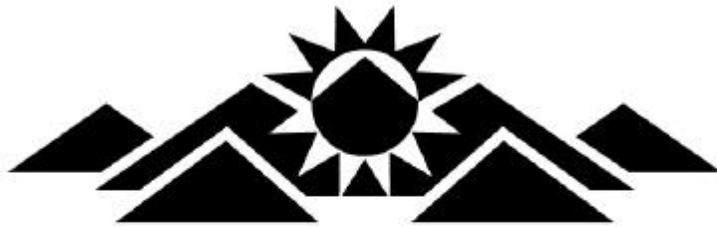
Efficient & Effective City Operations

- Improve tracking and reporting procedures to provide factual, useful and accurate data-
- Increase coordination and direction of Disability Advisory Commission and Safety Committee
- Increased use of electronic communication and website
- Update procurement code
- Assist with and actively participate in City Managers Strategic Planning process
 - Establish clear link with budget
- Assist with development of growth trends model

- Performance measures
 - Continue to refine and develop meaningful performance measures
 - Evaluate methods of data collection and storage
 - Benchmarking and balanced scorecard
- Increase accuracy and understanding of all revenues and revenue forecasting
- Complete indirect cost study, internal service fund analysis and rate study
- Improve understanding of the total financial implications of the budget as it relates to grants and other city funding sources

Management & Budget – Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Awarded GFOA Distinguished budget award	Yes	Yes	Yes	Yes
Percentage of departments using program budgeting and/or performance measures	55%	55%	60%	65%
Number of grants applied for	14	24	24	26
Number of grants received	10	22	22	24
Total dollar amount of grants applied for	\$1,000,000	\$2,500,000	\$4,219,000	\$4,500,000
Total dollar amount of grants received	\$736,716	\$2,056,616	\$2,108,600	\$2,500,000
Total dollar volume of purchases using Procurement card	\$314,612	\$836,400	\$706,741	\$1,000,000
Number of formal bids/RFP's processed	26	45	26	50
Cost Savings Realized	\$40,000	400,000	\$957,303	\$1,500,000
Percentage of Purchase Orders issued within two days of council action	60%	80%	90%	95%
Liability Insurance - Premiums	\$634,127	\$644,206	\$765,201	\$990,000
Liability – Claims (amount)	\$111,003	\$19,779	\$230,077	150,000
Liability - Claims Incurred (occurrences)	59	41	59	65
Workers Compensation – Premiums	\$457,251	\$370,124	\$398,563	\$610,600
Workers Compensation – Claims (amount)	\$83,742	\$173,270	\$76,498	100,000
Workers Compensation – Claims Incurred (occurrences)	51	52	50	55
Workers Compensation – Experience Modifier	1.04	0.88	0.85	0.83

City of Surprise, Arizona



SURPRISE

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FY2006 Adopted Budget



City of Surprise, Arizona
Human Resources
FY2005 Budget

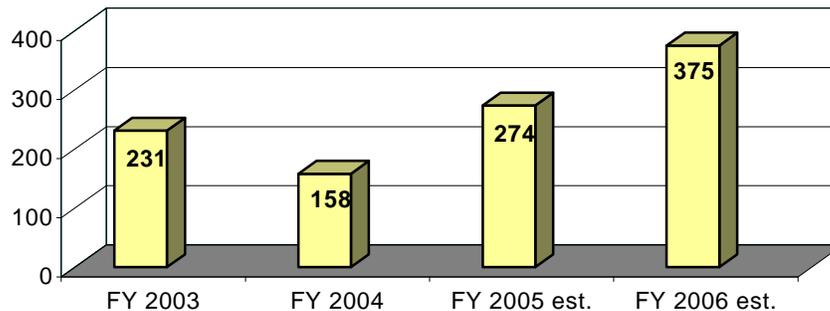
Mission Statement:

The mission of the Human Resources Department is to provide strategic and technical service and support to all City Departments in recruitment and selection, compensation and benefits, employee and organizational development, and employee relations so that the goals and objectives of the City may be achieved.

Budget Highlights:

The Human Resources Department of the City of Surprise serves a strategic and supportive role to all city departments and staff. The HR Department provides leadership in the development of the organization through policies and programs that enhance the organization's ability to accomplish its goals.

City of Surprise, AZ
Human Resources Department
Total Number of Employees Hired



Therefore, the focus of the HR budget is the development and revision of effective Personnel Policies and Procedures and effective programs in recruitment and selection, compensation and benefits and supervisory/management development. The Human Resources staff will focus activities and provide guidance to management, supervisors and employees in these target areas to facilitate operational consistency, legal compliance and accurate employee data.

Accomplishments:

- Successfully conducted first Meet and Confer process with Police
- Streamlined recruiting process and initiated process of updating all job descriptions to conform to class codes
- Developed an internal application to streamline the internal application process
- Formed and implemented a Benefit's Committee to provide education to, and receive input from, employees on our various benefit offerings
- Expanded benefit offerings to include a voluntary Long Term Care plan

- Reorganized the Scholarship Committee and awarded four \$500 scholarships to dependents of City employees
- Moved Police Cadet testing process to the new Willow Canyon High School, which provides the ability to test more applicants at one time, as well as allows for the written test, physical agility test and fingerprinting to be done on one day, thus expediting the overall hiring process
- Made HR presentation at the City’s Administrative Professionals meeting
- Completed a Citywide Employee Training Survey and analyzed training needs
- Provided Harassment in the Workplace training sessions for senior level management
- Provided training workshop for Administrative Professionals and Employee Assistance Program “Burn Out” presentations
- Trained HR staff in HRIS (Human Resources Information System) basics

Department Budget:

The Human Resources Department budget of \$817,800 represents an increase of 25.3% over the FY2005 budget of \$652,600. Personnel costs make up 81% of the budget. A new Human Resources Analyst (1.0 FTE) is programmed for this fiscal year to accommodate the increasing support workload. Any other changes indicated represent mid-year adjustments.

City of Surprise Human Resources Department Fiscal Year 2006						
	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Department Summary						
Personnel	328,828	358,276	510,400	472,400	665,500	30.4%
Supplies/Services	87,410	124,986	142,200	142,700	152,300	7.1%
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>416,238</u>	<u>483,262</u>	<u>652,600</u>	<u>615,100</u>	<u>817,800</u>	<u>25.3%</u>
Division Summary						
General	401,105	473,520	634,100	596,600	799,300	26.1%
Training	<u>15,133</u>	<u>9,743</u>	<u>18,500</u>	<u>18,500</u>	<u>18,500</u>	<u>0.0%</u>
Total	<u>416,238</u>	<u>483,262</u>	<u>652,600</u>	<u>615,100</u>	<u>817,800</u>	<u>25.3%</u>
Revenues						
General Fund Subsidy	<u>416,238</u>	<u>483,262</u>	<u>652,600</u>	<u>615,100</u>	<u>817,800</u>	<u>25.3%</u>
Total	<u>416,238</u>	<u>483,262</u>	<u>652,600</u>	<u>615,100</u>	<u>817,800</u>	<u>25.3%</u>

Supplies and services increase by 7.1% over last year primarily due to the operating and equipment needs of the new position. Other increases in this department include \$10,800 to remodel the Human Resources area to create more work spaces and add security, \$18,000 for additional P2K (HR Database programming) software and training, \$5,500 for printing of the revised policies and procedure manuals, and \$4,000 for a consultant to update the Affirmative Action Plan.

Position Summary					
Human Resources Summary					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Human Resources Director	1.0	1.0	1.0	1.0	0.0
Human Resources Manager	0.0	0.0	1.0	1.0	0.0
Human Resources Analyst	2.0	2.0	3.0	4.0	1.0
Sr. Human Resources Coordinator	1.0	1.0	0.0	0.0	0.0
Human Resources Technician	1.0	1.0	2.0	2.0	0.0
Administrative Assistant	0.0	0.0	1.0	1.0	0.0
Office Support Specialist	<u>0.0</u>	<u>0.5</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>5.0</u>	<u>5.5</u>	<u>9.0</u>	<u>10.0</u>	<u>1.0</u>

Capital:

No Capital is programmed for the Department this fiscal year.

Goals & Objectives:

Efficient & Effective City Operations

- Revise Personnel Policies and Procedures
- Continue to review and improve the Human Resources Information System (HRIS)
- Implement Citywide training program by providing quarterly workshops/sessions on general topics, and compliance training as needed
- Implement policy training for supervisors

Human Resources Department - Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Number of employees hired (Includes PT and seasonal)	231	158	274	375
Number of training programs offered	2	6	7	8
Avg. length of time for hiring process from receipt of application (workdays)	30	30	30	30

City of Surprise, Arizona



SURPRISE
ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
Information Technology
FY2006 Budget

Mission Statement:

To provide world-class, technology-based solutions that effectively manages city assets. To provide service excellence in support of internal and external customers. To develop highly skilled and knowledgeable staff. To provide training in the effective use of computer technology and applications. To partner with other departments and organizations to provide leadership in the delivery of effective and efficient government services.

Divisions:

- Information Services - Provides centralized information technology services required by all city departments.
- Geographical Information Systems (GIS) - Provides centralized geographical information services to all city departments.

Position Summary					
Information Services Division					
	Actual FY2003	Actual FY2004	Actual FY2005	Budget FY2006	change
<u>Information Services</u>					
Chief Information Officer	1.0	1.0	1.0	1.0	0.0
Network Administrator	1.0	1.0	2.0	2.0	0.0
Application Analyst	0.0	0.0	0.0	1.0	1.0
IT Specialist II	1.0	1.0	1.0	1.0	0.0
IT Specialist I	0.0	0.0	1.0	1.0	0.0
IT Training Specialist	1.0	1.0	1.0	1.0	0.0
Database Analyst	1.0	1.0	1.0	1.0	0.0
Telecommunication Administrator	1.0	1.0	0.0	1.0	1.0
Administrative Assistant	0.0	0.0	1.0	1.0	0.0
Office Support Specialist	0.0	0.0	0.0	0.0	0.0
GIS Administrator	1.0	1.0	1.0	1.0	0.0
GIS Specialist	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>	<u>3.0</u>	<u>1.0</u>
Total	<u>8.0</u>	<u>9.0</u>	<u>11.0</u>	<u>14.0</u>	<u>3.0</u>

Accomplishments:

- Completed majority of Hansen customer service and asset management system
- Moved Police Department to new building
- Achieved Department of Public Safety certification of Police secure network.
- Added field locations to the Surprise computer network:
- Upgraded all firewalls to redundant systems
- Installed Emergency Responder for internal 911 calls. Installed SA Announce for emergency paging.

- In-house updating and maintenance of a majority of GIS databases, maps, applications and capabilities
- Built three Intranet maps for storm, vertical control and webmap as-builts.
- Enabled LIS (Land Information System) with Crystal Reports and online help menus.
- Created storm water system layer

Budget Highlights:

The Information Technology (IT) Department is the central technology provider for the City. The Department includes the Information Services and Geographic Information Systems (GIS) divisions. Together, both divisions manage all aspects of information technology. As such, the Department has two primary responsibilities: First, to provide centralized information technology services required by city departments. These services include data center operations, network services, database development and support, end-user support for PCs, project oversight, and telecommunications support. Second, to provide vision, leadership, strategic planning and innovative technology that will benefit the City and improve services provided to its citizens.

City of Surprise Information Technology Department Fiscal Year 2006						
	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	<u>Budget Change</u>
<u>Department Summary</u>						
Personnel	527,352	639,146	796,900	788,900	1,124,500	41.1%
Supplies/Services	571,835	855,583	1,077,700	1,081,100	1,451,200	34.7%
Capital	<u>0</u>	<u>0</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0.0%</u>
Total	<u>1,099,187</u>	<u>1,494,729</u>	<u>1,894,600</u>	<u>1,890,000</u>	<u>2,595,700</u>	<u>37.0%</u>
<u>Division Summary</u>						
Information Services	812,450	1,128,922	1,434,700	1,433,200	1,956,700	36.4%
GIS	<u>286,737</u>	<u>365,807</u>	<u>459,900</u>	<u>456,800</u>	<u>639,000</u>	<u>38.9%</u>
Total	<u>1,099,187</u>	<u>1,494,729</u>	<u>1,894,600</u>	<u>1,890,000</u>	<u>2,595,700</u>	<u>37.0%</u>
<u>Revenues</u>						
General Fund Subsidy	<u>1,099,187</u>	<u>1,494,729</u>	<u>1,894,600</u>	<u>1,890,000</u>	<u>2,595,700</u>	<u>37.0%</u>
Total	<u>1,099,187</u>	<u>1,494,729</u>	<u>1,894,600</u>	<u>1,890,000</u>	<u>2,595,700</u>	<u>37.0%</u>

Department Budget Summary:

The Information Technology Department budget of \$2,595,700 represents an increase of \$701,100 (37%) over the adopted FY2005 budget of \$1,894,600. Personnel costs increases by 41% over last year due to the programming of an additional 1.0 FTE Telecommunications Administrator, 1.0 FTE IT Applications Analyst and a 1.0 FTE Senior GIS Specialist position to enable the department to support the current demand for services. Supplies and services increase by \$373,500 (35%). Major expenditures in the supplies and services category of the department include: additional licensing & maintenance for new employees (\$135,500), new computers and related equipment (\$47,600), GIS software licensing (\$27,700), GIS consultant services (\$30,000), Data collection consulting services for pavement, sign, curb, gutters & sidewalks, (\$86,000) and new copier leases (\$25,000).

Capital:

The Information Services Division budget includes capital items totaling \$717,700 for the purchase of various items as indicated in the following table. A major expenditure carried forward from last year is for a series of projects to improve customer service titled Infrastructure Technology Initiatives. This includes new software for creating work orders, tracking and maintaining city assets and an Auto Call Distribution System for the phone system. This is anticipated to generate cost savings in the operating budget by providing technology that improves efficiency and employee timesavings.

City of Surprise		
Information Services - Capital		
Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
<u>Information Techonology</u>		
Infrastructure Technology Initiatives (231) - carry forward	22512-641-112-39411-20402	30,000
Infrastructure Technology Initiatives (231) - carry forward	22522-642-112-39411-20402	10,000
Infrastructure Technology Initiatives (231) - carry forward	22532-643-112-39411-20402	60,000
Infrastructure Technology Initiatives (231) - carry forward	21412-144-832-39411-20402	18,300
Call Accounting (366) - carry forward	21412-144-832-39411-20446	35,000
Storage Area Network (234)	21412-144-832-39411-20608	210,000
Voice mail Unified Messaging (365)	21112-144-832-39411-20614	47,000
Cisco Core Switch Upgrade (479)	21112-144-832-39411-20622	72,400
Call Manager 4.0 Upgrade (498)	21112-144-832-39411-20626	70,000
Citrix Dial-in Server (530)	21412-144-832-39411-20629	25,000
Server Management Software (712)	21412-144-832-39411-20644	50,000
Routers, Switches & Net work Hardware Expansion	21111-144-832-39411-29999	20,000
Disk to Disk Backup - carry forward	21112-144-832-39411-29999	6,000
Cisco Management Software - carry forward	21412-144-832-39411-29999	34,000
ArcSDE Test System (499)	21412-144-831-39411-20627	<u>30,000</u>
	Total	<u>717,700</u>

All other capital purchases will allow Information Services to continue to meet the needs of a growing technology infrastructure. Capital items are funded through the City's general capital fund or the general government development fund.

Goals & Objectives:

Transportation

- Implement the infrastructure for the Traffic Operations Center (temporary and permanent)
- Work with Traffic Engineering on it ITS system

Public Safety

- Implement Police building infrastructure to include the modular building and the new police/courts building.

Local Economy (Employment)

- Implement a 2nd cable franchise agreement
- Work with telecommunications provider to support economic development goals
- Seek a telecommunications provider to partner with for “hot shots” in Surprise

Efficient & Effective City Operations

- Planning for infrastructure including the scaling up of the computer network design and the design and cost of the City Hall data center.
- Provide extensive time to the Hansen project to ensure success both at the departmental level and an organizational level. Facilitate the use of Hansen data to make decisions.
- Provide project management tools and training for other departments to integrate the project management environment for the entire city.
- Provide communication to include an update for the ACM within 12 hours or less of any significant outages and to provide periodic updates to the department heads on IT issues.

Customer Service

- Maintenance of Current Service Levels to include:
 - Manage the Help Desk queue to be less than 50 open work orders
 - Implement changes to the Help Desk system to the end that calls are answered by a person 65% of the time with an initial assessment of the problem while on the call.
 - Create an atmosphere of service excellence within staff.

Information Technology Division Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Number of users supported	300	428	623	750
Number of personal computers supported	220	320	465	500
Network devices supported	65	80	110	140
Average monthly help-desk calls	115	137	248	260
Dollars spent for GIS data layer maintenance	\$39,000	\$25,000	\$24,953	\$25,000
Number of GIS data layers maintained	56	147	149	151
Number of new GIS/ArcIMS applications developed	3	1	3	1



City of Surprise, Arizona
Debt Service Fund
FY2006 Budget

Mission Statement:

To account for the accumulation of resources for and the payment of, general long-term debt principal and interest

Purpose:

- The purpose of the Debt Service Fund is to separate general obligation debt, which is repaid from secondary property taxes from other debt that is paid with operating revenues. Secondary property taxes can only be levied in an amount equal to the estimated annual debt service needs. Secondary property taxes cannot be used to subsidize operational expenditures.

Budget Highlights:

- Series (A) Bonds principal remaining prior to FY2006 payment - \$815,000
- Series (B) Bonds principal remaining prior to FY2006 payment - \$1,370,000
- Waste Water Revolving Loan principal remaining prior to FY2006 payment - \$1,578,842

City of Surprise, AZ
Secondary Tax Rates
FY1988- FY2006



Fund Budget:

For FY2006 the secondary property tax levy increases from \$.1600 to \$0.1824 per \$100 of assessed valuation. As the City has now reached the constitutionally allowed maximum primary property tax rate, the secondary property tax rate will be increased annually to keep the total tax rate constant and reduce the level of outstanding debt. All Debt Service Fund revenues are utilized to pay off existing debt.

In order to retire outstanding debt early the secondary tax rate is set at a level greater than what is required to pay FY2006 principal and interest. For FY2006 this premium is approximately \$0.0541 per \$100 of value. To meet the actual debt service requirements the rate required is \$0.1283. All excess collections are utilized to pay off existing general obligation debt. The City of Surprise has not issued voter authorized General Obligation (G.O.) bonds since 1994.

City of Surprise						
Debt Service Fund						
Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Debt Service	<u>773,725</u>	<u>772,158</u>	<u>838,900</u>	<u>838,900</u>	<u>1,156,700</u>	<u>37.9%</u>
Total	<u>773,725</u>	<u>772,158</u>	<u>838,900</u>	<u>838,900</u>	<u>1,156,700</u>	<u>37.9%</u>
Revenues						
Property Tax	685,334	769,850	769,300	769,300	1,091,700	41.9%
Investment Earnings	25,882	5,989	5,800	2,000	1,500	-74.1%
Other Sources of Funds	<u>189,900</u>	<u>127,420</u>	<u>63,800</u>	<u>131,100</u>	<u>63,500</u>	<u>-0.5%</u>
Total	<u>901,116</u>	<u>903,259</u>	<u>838,900</u>	<u>902,400</u>	<u>1,156,700</u>	<u>37.9%</u>



City of Surprise, Arizona
Employee Dependant Scholarship Fund
 FY2006 Budget

Mission:

The purpose of the Employee Dependent Scholarship fund is to temporarily hold and collect assets for a third party (employees). These assets are then awarded as scholarships to dependents of employees who are attending, or plan on attending college.

Goals/Objectives:

- The goal of the dependent scholarship fund is to provide scholarships to the dependent children of employees on a merit basis. The Employee Committee awards scholarships in the amount of \$500 based on scholastic achievement.

Budget Highlights:

At least two scholarships will be awarded to City of Surprise employee dependents prior to the commencement of fall 2005 classes.

Department Summary:

The employee dependent scholarship fund has been set up so that expenditures are equal to anticipated resources. Resources for this fund are composed of a beginning fund balance and Investment Earnings. All expenditures are dedicated to scholarships.

City of Surprise Scholarship Fund Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	0	2,000	10,700	1,500	10,100	-5.6%
Total	<u>0</u>	<u>2,000</u>	<u>10,700</u>	<u>1,500</u>	<u>10,100</u>	<u>-5.6%</u>
Revenues						
Investment Earnings	383	158	500	500	600	20.0%
Donations	1,019	789	0	300	0	0.0%
Other Sources	10,000	11,213	10,200	10,159	9,500	-6.9%
Total	<u>11,401</u>	<u>12,160</u>	<u>10,700</u>	<u>10,959</u>	<u>10,100</u>	<u>-5.6%</u>

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona

Donatons Fund

FY2006 Budget

Mission:

The purpose of the Donations fund is to temporarily hold and collect assets that have been donated to the city for a specific department or purpose. These assets are than expended according to the designated use of the donation. The establishment of a separate fund allows these donations to be carried forward from year to year.

Goals/Objectives:

- Ensure that all donations directly benefit the specific department or program for which the funds were given.
- Ensure that dedicated funding is available for Public Art within the City of Surprise.

Budget Highlights:

The donations fund has been established to allow departments to expend donations without having an impact on their adopted expenditure limitation budget. These funds will be monitored to ensure that adequate revenue is available prior to expenditures being approved.

Included in the donations fund is the council approved public art set-aside. Each year the equivalent of 1% of eligible Capital Improvement Projects funding is set-aside foe use on public art projects. The City's art commission has control over the public art set-aside and has the ability to recommend funding of public art projects to the council.

Department Summary:

The Donations fund has been set up so that expenditures are equal to resources. Resources for this fund are composed entirely of donations, in future years there will be beginning fund balance and potentially some investment earnings. Expenditures will be by department and program and must have adequate resources available prior to being approved.

City of Surprise Donations Fund Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Supplies/Services	<u>3,032</u>	<u>137,600</u>	<u>637,500</u>	<u>287,541</u>	<u>742,700</u>	<u>16.5%</u>
Total	<u>3,032</u>	<u>137,600</u>	<u>637,500</u>	<u>287,541</u>	<u>742,700</u>	<u>16.5%</u>
Revenues						
Donations	53,557	153,117	500,000	0	600,000	20.0%
Art Commission	22,800	70,800	105,800	105,800	142,700	34.9%
Other Sources	<u>9,336</u>	<u>94,997</u>	<u>31,700</u>	<u>181,741</u>	<u>0</u>	<u>-100.0%</u>
Total	<u>85,693</u>	<u>318,915</u>	<u>637,500</u>	<u>287,541</u>	<u>742,700</u>	<u>16.5%</u>

City of Surprise, Arizona



SURPRISE

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FY2006 Adopted Budget



City of Surprise, Arizona
General Government Development Fund
FY2006 Budget

Purpose:

To account for the inflow of General Government Development Fees levied on new home starts. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on general government services caused by growth. Development fees cannot be used to subsidize operational needs.

Budget Highlights:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the general government development fee decreased \$40 to \$314 per single family home on August 27, 2004.

Anticipated resources of this fund exceed current year expenditures by \$5,782,800. This amount has been programmed as unallocated contingencies, however the availability of these funds is crucial to the funding of the City's five-year CIP.

City of Surprise						
General Government Development Fund						
Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	507,765	1,066,435	399,500	336,800	563,000	41%
Capital	1,444,351	1,026,085	1,536,800	1,141,700	926,900	-40%
Contingencies	0	0	683,000	0	5,782,800	747%
Total	<u>1,952,116</u>	<u>2,092,520</u>	<u>2,619,300</u>	<u>1,478,500</u>	<u>7,272,700</u>	<u>178%</u>
Revenues						
Development Fees	1,495,732	2,760,946	1,382,600	3,535,700	3,381,000	145%
Miscellaneous	24,974	18,211	9,400	20,000	20,000	113%
General Fund Subsidy	20,000	0	138,000	138,000	0	-100%
Other Sources	1,722,298	1,310,889	593,500	169,196	3,871,700	552%
Total	<u>3,263,004</u>	<u>4,090,045</u>	<u>2,123,500</u>	<u>3,862,896</u>	<u>7,272,700</u>	<u>242%</u>

General Government Capital purchases required due to growth are detailed in individual departmental budgets as summarized below.

**City of Surprise
General Government Development Fund
Fiscal Year 2006**

Communications	528,500
Community Development	62,300
Community Initiatives	20,700
Finance	25,500
General operations	80,000
Information Services	431,200
Public Works	30,000
Transit	<u>52,900</u>
 Total General Government Development Fund	 <u>1,231,100</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, general fund subsidies will be required in future years in order to fund all projects included in the CIP.

21412 - General Government Capital Development Fee Fund

	FY2006	FY2007*	FY2008*	FY2009*	FY2010*
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Beginning Balance	5,066,700	1,181,200	(318,100)	(2,823,100)	(1,067,200)
Revenues	2,345,600	1,847,600	1,879,000	1,755,900	1,567,200
Transfers In	0	5,573,100	0	0	0
Bond Proceeds	0	0	0	0	0
Expenditures	6,231,100	8,920,000	4,384,000	0	500,000
 Ending Balance	 <u>1,181,200</u>	 <u>(318,100)</u>	 <u>(2,823,100)</u>	 <u>(1,067,200)</u>	 <u>0</u>
2-Months Operating Reserves	0	0	0	0	0



City of Surprise, Arizona
General Operations
FY2006 Budget

Mission Statement:

The General Operations Department is structured to support 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 citywide purpose.

Budget Highlights:

The General Operations Department serves as the general clearinghouse for all general fund departments and activities of the City of Surprise. Included in this departments' budget are the costs for tuition reimbursement, debt service, insurance, council contingency, jail services and the public defender contract. All economic development incentives are programmed through this department, as are all City subsidies of local organizations.

Department Summary:

The General Operations Department budget of \$36,542,000 represents an increase of \$3,874,600 (12%) from the FY2005 budget of \$32,667,400. This increase is due to increases in inter-fund transfers and an obligation for an Economic Development incentive for a new manufacturing firm locating in Surprise.

City of Surprise General Operations Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Personnel	213,449	68,965	161,400	79,900	0	-100.0%
Supplies/Services	1,316,714	1,596,975	2,570,000	2,323,000	4,564,000	77.6%
Capital/Transfers	6,809,100	10,738,854	29,711,600	29,534,000	31,478,000	5.9%
Contingencies	0	0	224,400	224,400	500,000	122.8%
Total	8,339,263	12,404,794	32,667,400	32,161,300	36,542,000	11.9%
Revenues						
General Fund Subsidy	8,339,263	12,404,794	32,667,400	32,161,300	36,542,000	11.9%
Total	8,339,263	12,404,794	32,667,400	32,161,300	36,542,000	11.9%

A sample of items included in this department budget is:

- Council Contingencies \$500,000
- Economic Development \$600,000
- Economic Development – Milgard \$700,000
- Public Defender \$265,300
- Jail Services \$604,800

- General Insurance \$784,500
- Grants to Other Agencies \$150,000
- Tuition Reimbursement \$ 97,600

Transfers:

All general fund transfers are programmed in the General Operations fund. Transfers to other funds are made to cover the deficit balances that would otherwise occur in these funds or to meet council policies. All transfers to operational funds are transferred strictly based upon actual need.

City of Surprise	
General Fund - Transfers/Loans	
Fiscal Year 2006	
<u>Transfers</u>	
10% Set-Aside	374,200
Campus Operations	2,069,600
Art Commission	142,700
HURF	1,863,100
General Capital - 75% construction sales tax	13,500,000
General Capital	<u>13,528,400</u>
Total General Fund Transfers	<u>31,478,000</u>



City of Surprise, Arizona

Economic Development
FY2006 Budget

Mission Statement:

To lead, plan, and execute a marketing program that will result in community economic growth, higher quality of life, and increasing customer satisfaction.

Budget Highlights:

The Economic Development Division is responsible for assuring a continued increase in the City's quality of life by facilitating sustainable development through creating a supportive business environment and attracting quality employers and retailers. The division is involved with economic development planning, regional and national marketing, business attraction, retention and expansion.

Accomplishments:

- Attracted \$36 million investment from a Fortune 200 company resulting in 300+ jobs.
- Facilitated start of Skyway Business Park.
- Developed comprehensive economic development marketing plan.
- Started Small Business Assistance Program.
- Conducted successful "Buy In Surprise" campaign.
- Completed business guide for small businesses and called on 40 local companies.

Position Summary Economic Development Division						
	Actual FY2003	Actual FY2004	Actual FY2005	Budget FY2006	change	
Economic Development Director	1.0	0.0	1.0	1.0	0.0	
Economic Development Manager	0.0	1.0	0.0	0.0	0.0	
Economic Development Specialist	1.0	1.0	2.0	3.0	1.0	
Administrative Assistant	1.0	1.0	1.0	1.0	0.0	
Intern	0.0	0.0	0.0	0.5	0.5	
Total	<u>3.0</u>	<u>3.0</u>	<u>4.0</u>	<u>5.5</u>	<u>1.5</u>	

Department Budget:

The Economic Development Department budget of \$586,600 represents a 49% overall increase from the budget amount programmed for FY2005. The increase is primarily due to the programming of an additional Economic Development Specialist (1.0 FTE) and a (.5 FTE) Intern position to expand the role of the department and to enhance the position of economic development within the organization.

Personnel composes 71% of the Department’s budget with supplies and services representing the remaining 29%. Increases include consulting fees for a tourism study (\$20,000), and marketing program improvements (\$26,700).

City of Surprise Economic Development Department Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Personnel	188,638	111,596	280,500	234,803	417,400	48.8%
Supplies/Services	87,319	89,728	112,500	93,700	169,200	50.4%
Capital	0	0	0	0	0	0.0%
Total	<u>275,957</u>	<u>201,324</u>	<u>393,000</u>	<u>328,503</u>	<u>586,600</u>	<u>49.3%</u>
Revenues						
General Fund Subsidy	<u>275,957</u>	<u>201,324</u>	<u>393,000</u>	<u>328,503</u>	<u>586,600</u>	<u>49.3%</u>
Total	<u>275,957</u>	<u>201,324</u>	<u>393,000</u>	<u>328,503</u>	<u>586,600</u>	<u>49.3%</u>

Capital:

No capital is programmed for this fiscal year.

Goals and Objectives:

Transportation

- Update and continue to implement Focused Future II plans

Public Safety

- Foster development of medical campus and emergency facilities at Surprise Center

Local Economy (Employment)

- Execute regional and national marketing plan in life science, industrial, business service, retail and hospitality market
- Foster development of medical campus and emergency facilities at Surprise Center.
- Foster development of one or more office and industrial parks
- Update and continue to implement Focused Future II plan
- Increase participation by 25% in “buy in Surprise” campaign
- Plan and begin execution of tourism and art and culture development programs, including relocation of the West Valley Art Museum to Surprise Center.
- Create a viable development strategy for the White Tank Mountains.

- Formulate and begin execution of a plan to develop a college, university and/or community college.
- Plan and begin executions of a commercial development strategy for the Original Townsite.

Parks & Amenities

- Execute regional and national marketing plan in life science, industrial, business service, retail and hospitality markets
- Update and continue to implement Focused Future II plan.
- Plan and begin execution of tourism and art and culture development programs, including relocation of the West Valley Art Museum to Surprise Center.
- Create a viable development strategy for the White Tank Mountains.
- Formulate and begin execution of a plan to develop a college, university and/or community college.
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Efficient & Effective City Operations

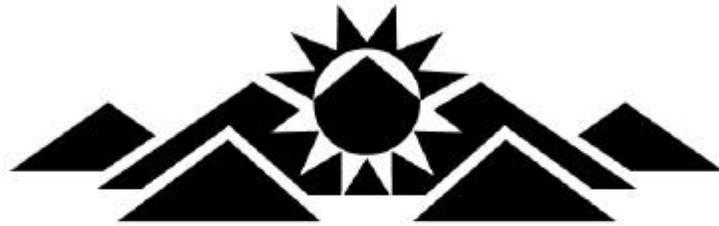
- Update and continue to implement Focused Future II plan
- Plan and begin executions of a commercial development strategy for the Original Townsite.
- Conduct feasibility study for location of ethnic grocery store
- Develop service standards for responding to clients.

Customer Service

- Execute regional and national marketing plan in life science, industrial, business service, retail, and hospitality markets.
- Fully implement business assistance program, including help for at least 50 entrepreneurs.
- Reorganize departmental filing system (paper and electronic).
- Develop service standards for responding to clients.

Economic Development Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
New Jobs Created	723	670	1,505	1,000
Retail sales tax collections	4%	22%	12%	3%
Business Retention Visits	N/A	24	40	50

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
Community Development
FY2006 Budget

Mission Statement:

We are committed to guiding the community by planning wisely, marketing effectively, regulating consistently and assisting professionally.

Divisions:

Administration -

The Administration Division is responsible for the overall coordination of the Department's activities in relation to the organization.

Planning & Zoning -

Responsible for improving the quality of development in the City by developing and enforcing guidelines, ordinances, policies and codes that elevate not only the level of quality expected by the people of Surprise, but also the level of customer service that is provided. At the forefront of all projects is the implementation of the general plan.

Building Safety -

Provides quality service to its customers in the areas of plan review, building inspection, and code enforcement. The division receives and reviews plans and permits for development/remodeling in the City; performs building inspections and monitors code enforcement.

Development Services -

Administers development agreements and oversees the licensing and permit processes. Conducts project development meetings to facilitate interdepartmental communication and to address customer concerns.

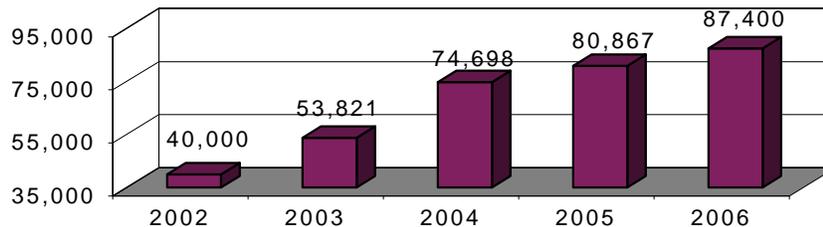
Accomplishments:

- Developed the Request for Qualifications and scope of work for the General Plan Cost Analysis and Financial Study.
- Assisted with the development of the Council approved Community Facilities District (CFD) policy.
- Coordinated development of the Tischler Impact Fee Update (TIFU). While the Finance Dept. organized the project, CEDD played a critical role in the information gathering and interdepartmental needs assessment phases of the study.

Position Summary					
Community Development Department					
	FY2003	FY2004	FY2005	Budget	
	Actual	Actual	Budget	FY2006	change
Community Development Director	1.0	1.0	1.0	1.0	0.0
Planning Manager	1.0	1.0	1.0	1.0	0.0
Senior Planner	0.0	1.0	1.0	2.0	1.0
Building Official	1.0	1.0	1.0	1.0	0.0
Transportation Planner	1.0	0.0	0.0	0.0	0.0
Development Services Manager	0.0	1.0	1.0	1.0	0.0
Development Project Coordinator	1.0	0.0	0.0	0.0	0.0
Planner II	3.0	3.0	3.0	3.0	0.0
Planner I	1.0	1.0	2.0	2.0	0.0
Planning Technician	3.0	3.0	3.0	3.0	0.0
Plans Examiner	3.0	3.0	6.0	6.0	0.0
Code Compliance Supervisor	1.0	1.0	1.0	2.0	1.0
Code Compliance Specialist II	2.0	2.0	2.0	2.0	0.0
Code Compliance Specialist	8.5	8.5	16.0	16.0	0.0
Administrative Assistant	1.0	1.0	2.0	2.0	0.0
Development Services Supervisor	0.0	0.0	0.0	1.0	1.0
Permit/Licensing Technician II	2.0	2.0	3.0	3.0	0.0
Permit/Licensing Technician I	3.0	3.0	4.0	5.0	1.0
Office Support Specialist	0.5	0.5	1.0	1.0	0.0
Intern	0.5	0.5	0.5	0.5	0.0
Secretary	1.5	2.0	1.0	1.0	0.0
Total	35.0	35.5	49.5	53.5	4.0

- Solidified partnerships with Luke AFB. The department worked with Luke to develop and implement local projects and projects of regional significance including:
 - Western Maricopa County /Luke Air Force Base Regional Compatibility Plan;
 - Veramonte and Kenly Farms –Surprise residential development projects;
 - Luke Auxiliary 1 Joint Land Use Study; and,
 - Surprise Auxiliary 1 General Plan Amendment.

**City of Surprise, AZ
Building Safety Division
Inspections Performed**



- Supported and implemented the Council-approved Intergovernmental Agreement for a Regional Plan Review Program, which provides uniform standards and reciprocity of plan review for residential tract homes.

- Awarded the Desert Peak Regional Partnership Award and an Arizona Planning Association Award for the Regional Plan Review Program.
- Facilitated annexation and approval of 11,080 residential lots within Planned Area Developments.
- Began development of the Transportation Plan, which will address long-term transportation solutions.
- Completed the Short Term Action Plan for Transportation Deficiencies, which identified transportation remedies for three major transportation deficiencies.

Department Budget:

The community development department budget of \$4,364,100 represents an increase of (25%) over the adopted FY2005 budget of \$3,499,000. Personnel costs increase by 22% and account for 83% of the Department budget. The increase is due to the programming of 4.0 FTE new positions consisting of 1.0 FTE Senior Planner, 1.0 FTE Code Compliance Supervisor, 1.0 FTE Development Services Supervisor, and 1.0 Permit/Licensing Technician I. These positions were added to accommodate the growth of the services demand on the department due to the rapid growth of the City.

The remaining 17% is for supplies and services for the new positions and also includes \$300,000 one-time costs for consultant fees to provide consulting services to assist the City in updating its general plan, and \$40,000 one time costs to develop a housing plan to implement the strategic vision of the updated general plan. Other costs include \$60,000 to provide computer and communication equipment for fieldwork for the Building Safety Inspectors and Code Compliance Officers. Remaining costs include general base increases due to price increases.

City of Surprise Community Development Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	1,816,489	2,292,864	2,973,800	2,809,600	3,625,700	21.9%
Supplies/Services	410,113	493,470	525,200	429,500	738,400	40.6%
Capital	0	0	0	0	0	0.0%
Total	<u>2,226,602</u>	<u>2,786,334</u>	<u>3,499,000</u>	<u>3,239,100</u>	<u>4,364,100</u>	<u>24.7%</u>
<u>Division Summary</u>						
Administration	164,561	200,565	222,500	205,300	196,700	-11.6%
Planning & Zoning	710,022	820,749	804,900	735,300	1,125,200	39.8%
Building Safety	1,056,253	1,269,212	1,841,900	1,731,900	1,830,900	-0.6%
Code Enforcement	0	0	0	0	401,900	0.0%
Development Services	<u>295,766</u>	<u>495,807</u>	<u>629,700</u>	<u>566,600</u>	<u>809,400</u>	<u>28.5%</u>
Total	<u>2,226,602</u>	<u>2,786,334</u>	<u>3,499,000</u>	<u>3,239,100</u>	<u>4,364,100</u>	<u>24.7%</u>
<u>Revenues</u>						
Building & Planning Fees	<u>2,226,602</u>	<u>2,786,334</u>	<u>3,499,000</u>	<u>3,239,100</u>	<u>4,364,100</u>	<u>24.7%</u>
Total Revenue	<u>2,226,602</u>	<u>2,786,334</u>	<u>3,499,000</u>	<u>3,239,100</u>	<u>4,364,100</u>	<u>24.7%</u>

Capital:

Capital programmed for FY2006 includes both new and replacement vehicles.

City of Surprise Community Development Department - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Replacement Vehicles FY 2005	21114-242-212-39421	20,000
Code Enforcement - Vehicle & Equipment	21412-242-2145-39421	<u>20,500</u>
	Total	<u>20,500</u>

Goals & Objectives:

Transportation

- Completion of the Transportation Plan and Transportation General Plan Amendment.
- Regional Transportation Planning and Inter-governmental Agency Networking.

Public Safety

- In support of and in cooperation with the Engineering and Fire Departments will move forward recommendations for amended street cross-sections. These amended cross-sections provide increased roadway surface area and add multi-modal transportation elements to maximize public safety and enhance roadway performance.
- Master planned communities will be developed to ensure that the configuration of lots, buildings and open spaces do not create dark, low visibility areas which create potential crime areas.
- In addition to requiring developers of master planned communities to provide land for public safety facilities, staff will research methods for requiring funding for building, & maintenance and operational expenses.
- Work towards the completion of the Surprise Unified Development Code, which employs zoning as a mechanism for ensuring the development of healthy communities.

Local Economy

- Ensuring the viable employment, commercial uses are developed on this site to include Class A office space, medical center and upscale retail and entertainment type uses.
- Stadium Village, the 67-acre mixed use project is currently under development. A new master site plan will be submitted for review and approval this fiscal year.
- Annexation of State Lands

Parks & Amenities

- Continue to participate in the plan and development of regional trail systems.
- Move forward on a Desert Preservation Ordinance.
- Continue to work with State Lands in an effort to designate lands within the Luke AFB Aux 1 APZ's as Desert Preservation/Environmentally Sensitive lands.

Efficient & Effective City Operations

- Policy, procedural and technical audit of Planning and Zoning, Building Safety and Development Services Process Guides and public information materials.
- Development of a structured Code Enforcement Program with performance measures.
- Implement the interactive Voice Response System, which allows customers to schedule, cancel and check status of inspections via telephone.
- Develop and implement a department orientation program for new employees, which include LIS and project development (conception to occupancy) training.
- Community Development cost recovery review.
- Finalize development of permit center concept plan.
- Implement the on-line permitting system.
- Digitize and archive permit and planning records.

Customer Service

- Conduct EMS Software Training – Community Development in conjunction with EMS will host a monthly series of interactive software training sessions in the City Hall Classroom.
- Conduct Global Project Development Processes - Development Services will continue to conduct weekly training sessions of the global project development processes. Following is a tentative training schedule:
- AZ Building Official Conference (AZBO) Participation - Development Services and Building Safety will continue annual participation in the AZBO Conference.
- Urban Land Institute (ULI) Participation - Development Services and the Planning Division will continue participation in the ULI Real Estate Development courses.
- Conduct Project Development Tours - Land and Infrastructure Development
- Development Regulations Workshops – Department will host a series of monthly workshops on topics that impact and regulate development.

CD – Planning & Zoning Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Percentage completion of general plan implementation strategies	25%	35%	45%	50%
Number of Planning and Zoning applications processed	193	412	432	450
Number of planned area development (PAD) applications processed	2	4	7	8
Total approved platted single-family home lots	5,195	9,229	11,080	12,500
Number of applications received for commercial properties	31	32	67	75
Preliminary Plats Processed	7	16	28	35
Final Plats Processed	25	46	36	45
Site Plans Processed	17	37	36	45
Pre-application Meetings Held	76	66	105	115
Building inspections performed (Calendar Year) – Residential Single Family	51,321	70,604	75,397	81,492
Building inspections performed (Calendar Year) – Commercial	2,500	4,094	5,470	5,908
Number of Building Inspectors	10.5	11	13	13
Average # of Inspections Performed per Inspector per month	598	566	518	560
Number of permits issued (Calendar Year)	9,904	14,561	14,421	15,575
Percentage completion of departmental web site	30%	80%	90%	100%
Percentage completion of Development Services Permit Center Plan	66%	85%	90%	100%
Percentage of LIS and Project Development Training	n/a	40%	80%	100%
Digitize and archive permit and planning records	n/a	0%	0%	20%



City of Surprise, Arizona
Fire Department
FY2006 Budget

Mission Statement:

“Always There, Always Ready” Our mission is to protect and preserve life and property with the highest level of safety, customer service, pride, and professionalism.

Divisions:

Administration - Responsible for all the administrative and support functions of the department.

Operations - Responsible for all field operations and provides emergency service to the City 24 hours per day 7 days a week.

Fire Prevention - Supports programs designed to reduce the loss of life and property through education, prevention and code enforcement.

Community Services - Offers programs and services directly benefiting the community such as the alternative response program, baby shot program, fire and life safety programs within the schools, juvenile fire starter programs, and CPR training programs.

Position Summary					
Fire - Emergency Services - Department					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Fire Chief	1.0	1.0	1.0	1.0	0.0
Assistant Fire Chief	1.0	1.0	2.0	2.0	0.0
Fire Marshall	1.0	1.0	1.0	1.0	0.0
Batallion Chief	3.0	3.0	3.0	3.0	0.0
Fire Captain	10.0	13.0	13.0	16.0	3.0
Fire Inspector	1.0	1.0	2.0	2.0	0.0
Fire Engineer	9.0	12.0	12.0	15.0	3.0
Firefighter	30.0	30.0	30.0	39.0	9.0
Public Safety Education Specialist	0.5	1.0	1.0	1.0	0.0
AR Van Coordinator	0.5	1.0	1.0	1.0	0.0
Secretary	0.0	0.0	1.0	2.0	1.0
Plans Examiner	0.0	0.0	1.0	1.0	0.0
Permit/Licensing Technician	0.0	0.0	1.0	1.0	0.0
Management Assistant	0.0	0.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	0.0	1.0	1.0
Office Support Specialist	0.0	1.0	0.0	0.0	0.0
Laborer	0.0	0.0	0.0	1.0	1.0
Total	<u>58.0</u>	<u>66.0</u>	<u>70.0</u>	<u>88.0</u>	<u>18.0</u>

Budget Highlights:

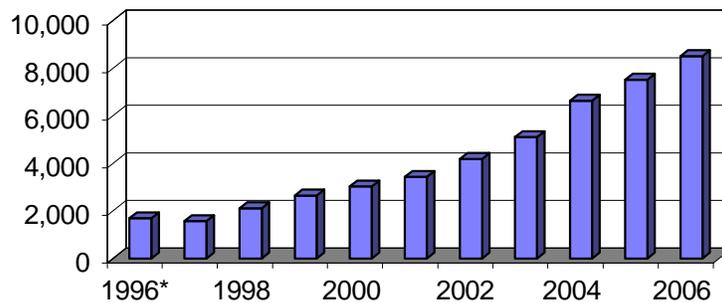
New programs and initiatives include, a new Community Services Division to oversee programs and services directly benefiting the community and to provide better span of control and efficiency in the department, fire house software updated and running to support statistical and information tracking, architect in designing replacement fire station 301, success-

fully maintaining self contained breathing apparatus and turn-out gear in house, continuing expansion of the Alternate Response (AR) Van Program, increased education on fire prevention at various schools, and continuing to enhance programs such as the Bike Team, CPR & Pool Safety, and Baby Shots Program. Over the course of FY2006 and FY2007 two new engine companies will be brought on-line. These companies are associated with fire stations 5 & 6 and will be hired in groups of five over the next two years.

Accomplishments:

- Fire House software updated and running to support statistical and information tracking.
- Continued participation in the Northwest Valley Secretarial Steering Committee and successfully continued to produce the FIRELINE Newsletter on quarterly basis.
- Updated Department web site.
- Directed activity of Firefighter Committee and worked with Architect to designed replacement fire station 301.
- Responded to 7,416 calls representing a 12% increase over last year.

**Surprise, AZ - Fire Department
Calls for Service**



*Discontinued Lock-outs & Jumpstarts - May, 1996

- Awarded \$40,000 Homeland Security grant for the Hazardous Material Response Team and awarded Community Block Grant for purchase of new pumper for \$400,000.
- Engine Companies and Fire Inspectors assisted business owners on the benefits of Loss Prevention Strategies and implemented an engine company inspection program.
- Trained volunteers to assist personnel with the day-to-day inspection program and data management and provided comments for the Technical Advisory Community on 433 projects.
- Implemented Public Access Defibrillator Program and installed 4 Automatic Electronic Defibrillators in city buildings and several in senior communities.

- Expanded the Fire and Life Safety programs in our schools and expanded the Community Emergency Response Team (CERT) Program – Trained 2 new CERT teams.
- Sent a CERT team to North Carolina for the hurricane disaster relief
- Hosted a West Valley April Pools Day that educated 1500 students and adults and implemented A Surprise Fire Department Citizens Academy.
- Completed 115 car seat installations and trained 2 new technicians, expanded the Senior Outreach Program, revamped the fire department website, and instituted a residential lock box program.

Budget Summary:

The FY2006 budget is programmed for \$8,427,200 (20% increase over FY2005). Included in this amount is \$81,100 for the AR Van program. Personnel costs increase by 19.5% over the FY2005 budget of \$5,637,900. Increases are primarily due to the addition of new positions. Being very labor intensive, personnel costs compose 80% of the total fire department budget. There are 18.0 FTE new positions programmed for FY2006.

This includes the necessary staff to operate a new engine company that will come on line this fiscal year consisting of 9.0 FTE Firefighters, 3.0 FTE Captain Positions and 3.0 FTE Fire Engineers. Additionally, a 1.0 FTE Secretary, 1.0 FTE Administrative Assistant, and 1.0 FTE Laborer position are programmed to accommodate the increasing support demands due to the growth of the department. Any other changes indicated were from mid-year adjustments.

City of Surprise						
Fire - Emergency Services - Department						
Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	3,990,114	4,915,175	5,637,900	5,495,200	6,737,900	19.5%
Supplies/Services	422,995	784,197	1,272,500	1,189,300	1,689,300	32.8%
Capital	<u>16,569</u>	<u>0</u>	<u>110,000</u>	<u>110,000</u>	<u>0</u>	<u>-100.0%</u>
Total	<u>4,429,678</u>	<u>5,699,372</u>	<u>7,020,400</u>	<u>6,794,500</u>	<u>8,427,200</u>	<u>20.0%</u>
<u>Division Summary</u>						
Administration	277,310	328,466	891,300	777,400	870,400	-2.3%
Operations	3,915,353	5,071,163	5,529,100	5,459,800	6,493,800	17.4%
Prevention	237,015	297,475	355,400	311,100	779,100	119.2%
Community Services	<u>0</u>	<u>2,269</u>	<u>244,600</u>	<u>246,200</u>	<u>283,900</u>	<u>16.1%</u>
Total	<u>4,429,678</u>	<u>5,699,372</u>	<u>7,020,400</u>	<u>6,794,500</u>	<u>8,427,200</u>	<u>20.0%</u>
<u>Revenues</u>						
ALS Paramedic Charges	67,633	98,998	100,000	100,000	100,000	0.0%
State Fire Insurance Tax	63,049	118,599	100,000	100,000	125,000	25.0%
Fire Plan Review Fees	0	0	0	100,000	300,000	0.0%
General Fund Subsidy	<u>4,298,996</u>	<u>5,481,775</u>	<u>6,820,400</u>	<u>6,494,500</u>	<u>7,902,200</u>	<u>15.9%</u>
Total	<u>4,429,678</u>	<u>5,699,372</u>	<u>7,020,400</u>	<u>6,794,500</u>	<u>8,427,200</u>	<u>20.0%</u>

Supplies and services are programmed at \$1,689,300, which represents a 33% increase over the FY2005 budget of \$1,272,500. Included in supplies & services are adjustments in the base line item budgets (\$88,000) to more accurately reflect actual costs and growth in demand for services and inflationary increases and additional operating supplies and equipment for the new positions.

Other significant costs in this category are (\$301,200) to continue to contract for a full time fire plans examiner and permit technician to handle increases in plans review for residential and commercial growth. One time costs include (\$85,000) programmed to hire a consultant to master plan the fire department for the entire City for the next 20 years, (\$18,000) to train additional paramedic positions, and (\$24,000) for wild land firefighting operations.

Capital:

Total fire suppression capital has been programmed at \$9,971,900 for FY2006. Included in this amount is funding carried forward for construction of Fire station #1, and funds for design construction and equipment for two new fire stations that will be built concurrently and completed in late FY2007. Additional funds are programmed for the remodeling of Fire Station #302.

As indicated in the table below funds are programmed for fire apparatus vehicles and related equipment, and vehicles for new positions. The remaining projects include a new joint training facility and funds carried over for communications equipment.

City of Surprise		
Fire - Emergency Services - Operations - Capital		
Fiscal Year 2006		
<u>Buildings</u>	<u>Account</u>	<u>Amount</u>
Fire Station #1 (143)	21112-342-316-39211-20404	2,200,000
Fire Station #5 - Construction (27)	21416-342-316-39211-20559	1,695,000
Fire Station #5 - Apparatus & Equipment (27)	21416-342-316-39421-20559	675,000
Fire Station #6 - Construction (25)	21416-342-316-39211-20602	1,450,000
Fire Station #6 - Apparatus & Equipment (25)	21416-342-316-39421-20604	675,000
Fire Station 302 Remodel (490)	21112-342-316-39212-20624	<u>384,600</u>
		<u>7,079,600</u>
<u>Vehicles & Equipment</u>		
Labor Support Vehicle	21416-342-111-39421-29999	20,500
Replacement Pumper (Grant)	21112-342-316-39421-29999	339,900
Operations & Communication Equipment	21112-342-316-39422-29999	5,000
Replacement Vehicles FY 2005	21114-342-316-39421-29999	798,000
Ladder Tender	21416-342-316-39421-29999	528,000
Ladder Tender - Equipment	21416-342-316-39431-29999	<u>111,000</u>
		<u>1,802,400</u>
<u>Other</u>		
Radio Purchase	21112-342-316-39411-20508	350,000
Joint Training Center (34)	21416-342-316-39211-20604	500,000
Air Filling Stations (491)	21112-342-316-39431-29999	80,000
Parking Canopy for Fire Apparatus (703)	21112-342-316-39211-20641	32,000
Operations & Communication Equipment	21112-342-316-37165-29999	25,000
Air Mobile & Thermal Imaging Camera	21112-342-316-39431-29999	28,000
Heart Monitors	21416-342-316-39431-29999	<u>74,900</u>
		<u>1,089,900</u>
	Total	<u>9,971,900</u>

Goals & Objectives:

Transportation

- Provide yearly driver education training to all fire department employees.
- Strategically place fire stations to accommodate a 5-minute response time by the safest, quickest route.
- Work with City engineer to enhance traffic preemption to improve driver safety.
- Increase awareness concerning safety and liability issues on City street construction sites and or other sites where fire inspections are needed.
- Through the pre-application process, review plans for street connectivity and access.

Public Safety

- Continued work with Safety Committee and Special Needs Commission.
- Establish Resource Management Division at the Hollyhock site.
- Assist with Development Fee update.
- Assist with identifying training facility needs, locations, planning and funding.
- Develop a Homeland Security strategy for all stakeholders and increase coordination with City Manager's Office and all city departments in regards to training and Homeland Security issues.
- Train all Department Heads in National Incident Management System.
- Continue to work with the West Side training consortium to improve fire fighter safety, strengthen performance skills and meet the fire fighter training goal.
- Upgrade ALS engine companies with 12 lead cardiac monitoring technologies and train 12 new paramedics.
- Provide education to homebuilders and citizens on new fire prevention guidelines and other prevention and safety information.

Local Economy (Employment)

- Maintain an effective hazardous material response team to entice manufacturing and other employment kinds of businesses into our community.
- Work with Economic Development and the Chamber of Commerce to bring new business into the community by providing pro-active fire prevention code awareness.
- Maintain a user friendly and rapid turn around on our plans review process.
- Maintain modern up-to-date fire codes to include reasonable and customary fee schedules.
- Participation in development of CDBG Consolidated Plan for Entitlement city status.

Parks & Amenities

- Collaborate with Community Recreation Services (CRS) and Police Department to develop a public safety memorial park.

- Support CRS in the development of Dream Catcher Park.
- Ensure adequate and appropriate staffing coverage for programs and special events.
- Assist development community in designing and building of safe parks.
- Conduct CPR classes and pro-active anti-drowning safety walks.

Efficient & Effective City Operation

- Maintain and add to department policies and procedures.
 - Training manuals and on-going training of employees Volume II.
 - Administrative regulations.
- Fire Department Strategic Plan
 - Present for council adoption.
- Continue development of performance reporting through data collection.
- Improve and enhance current incident reporting mechanisms (Fire House and Deccan Programs) to support statistical reporting, tracking and resource management.
- Implement new Telestaff software to enhance the management of personnel staffing.
- Institute a customer satisfaction survey on website.
- Improve safety communication to staff through continued participation in the safety committee.
 - OSHA training
 - Target Safety training
 - Minimum company standards training
 - Paramedic and E.M.T. training
- Inspect 100% of new commercial construction as required by code.
- Outsource fire plan review to 3rd party until it is economically viable to incorporate in house review

Customer Service

- Work with surrounding fire departments to explore innovative and alternative methods of enhancing common service and delivery needs.
- Expand Alternative Response Program within the department.
- FIRELINE newsletter as a prime source of communication for our department on a quarterly basis.
- Customer satisfaction survey on website.
- Provide in-house maintenance of self-contained breathing apparatus and personal protective clothing to our members reducing the cost to the City.
- Timely turn-around for plan review and guaranteed 72-hours new construction inspections.
- Citizens contacts will be made through community programs such as baby shots, CPR, CERT, public education, station tours, community events and pool safety.

Fire Department - Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Telephone Calls Answered	n/a	n/a	4000	5000
Request for Public Records	n/a	n/a	100	150
Requests for Insurance Services Organization (I.S.O.) Rating	n/a	n/a	500	600
Purchase Requests and Invoices Processed	n/a	n/a	500	600
Number of Public Contacts at Service Counter	n/a	n/a	700	1000
Average response time. (Minutes) NFPA 1710 Standard - 5:00 Minutes	5:12	5:23	5:33	5:00
Total number of Fire Department responses.	5,086	6,628	7,416	8,500
Number of Hazmat Certified Fire Fighters	15	15	15	15
Number of Fire Fighter Paramedics	22	24	24	36
Provide timely comments for Technical Advisory Committee meetings	0	412	433	500
Provide a timely review of commercial construction projects	168	127	32	350
Provide prompt & efficient new construction inspections	8	8	187	1000
Provide an annual business inspection to commercial occupancies	738	840	823	700
Provide a home inspection program	n/a	n/a	4	20
Conduct fire scene investigations to determine the cause & origin of fires	10	18	8	20
Fireworks - Commercial Display	3	4	5	8
TUP inspections	n/a	n/a	48	50
Business License reviews	n/a	n/a	820	1000
Liquor License reviews	n/a	n/a	6	8
Establish a Contractor Vendors' List (Certificate of Fitness Card) in order perform maintenance, repairs or service on Fire Protection Equipment.	n/a	n/a	n/a	100
Fire hydrant flow tests	n/a	n/a	30	150
Annual FD Permit Fee	n/a	n/a	n/a	130

Fire Department - Performance Measures Continued	Actual 2003	Actual 2004	Actual 2005	Target 2006
Number of Residential Lock Boxes Installed	n/a	50	123	150
Number of citizens attending CPR training.	472	521	1,005	1,000
Number of citizens participating in Pool Safety Program.	n/a	500	1,500*	500
Children immunized.	326	333	300	350
Number of citizens trained as Community Emergency Response (C.E.R.T.) personnel.	n/a	40	78	150
Number of active C.E.R.T. teams	n/a	2	4	6
Number of citizens participating in the Senior Outreach Program.	197	97	197	300
Number of Juvenile Fire Setters Referred To Program.	19	16	10	12
Number of Children Attending Juvenile Fire Setter Intervention Education Program	29	7	10	12
Community Events & Station Tours Conducted	33	75	65	70
Children's Safety Classes Conducted	304	500	540	550
Attendance at Children's Safety Classes	8,417	12,717	13,581	14,000
Number of Child Safety seats installed or inspected.	n/a	24	115	50
Number of Public Access Defibrillators installed and maintained for public use.	n/a	0	4	14
Number of City Employees trained in the use of Public Access Defibrillators.	n/a	0	65	200
Number of Community events attended by Honor Guard	n/a	12	10	12
Number of hours AR Van was available per week.	60	78	94	100
Total Number of Volunteer Hours Donated for AR Van Program	7,300	7,700	9,900	10,000
Number of Active Volunteers for AR Van Program	60	64	54	65
Total Number of A.R. Responses	n/a	641	800	900



City of Surprise, Arizona
Firefighters Pension Fund
FY2006 Budget

Mission Statement:

To temporarily hold or collect resources on behalf of a third party (firefighters)

Goals/Objectives:

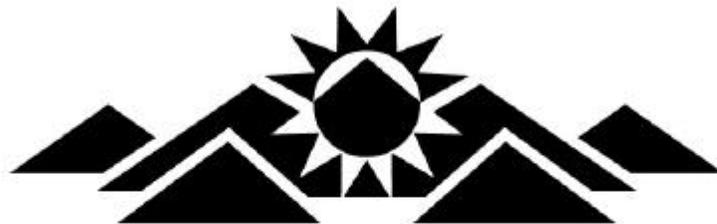
The Firefighters Pension Fund has been established to account for the inflow and distribution of contributions and other revenues.

Budget Summary:

The Firefighters Alternative Pension Fund has been set up so that expenditures are equal to anticipated resources. Resources for this fund are composed of a beginning fund balance and Investment Earnings. Although there are no participants of this plan and no current or future liabilities, state law prevents the City from closing this fund.

City of Surprise Firefighter's Pension Fund Fiscal Year 2006						
	FY2003	FY2004	FY2005	FY2005	FY2006	Budget
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	<u>Change</u>
Expenditures						
Supplies/Services	0	0	86,300	0	88,200	2.2%
Total	0	0	86,300	0	88,200	2.2%
Revenues						
Investment Earnings	3,383	1,361	500	1,000	1,000	100.0%
Other Sources	84,300	84,801	85,800	86,162	87,200	1.6%
Total	87,683	86,162	86,300	87,162	88,200	2.2%

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
Fire and EMS Development Fund
FY2006 Budget

Purpose:

To account for the inflow of Fire and EMS Development Fees levied on new home starts. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on fire and emergency medical services caused by growth. Development fees cannot be used to subsidize operational needs.

Budget Highlights:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the Police, Fire and EMS development fee has been separated into two fees, one for police and one for Fire & EMS on August 27, 2004. The Fire & EMS development fee increased \$146 to \$454 per single family home. This development fee has been separated in order to more accurately reflect the impact of growth on both the police and fire departments.

\$200,000 is programmed as rent to be used as payment on the MPC lease for the new Public Safety Building that includes Fire Administration. Programmed expenditures of this fund exceed current year revenues by \$1,162,900. This shortfall requires that a subsidy from the general capital fund be transferred into this fund if required at the conclusion of the year.

City of Surprise Fire & EMS Development Fund Fiscal Year 2006						
Expenditures	FY2003* <u>Actual</u>	FY2004* <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Supplies/Services	0	0	407,900	344,900	292,500	-28.3%
Capital	0	0	350,100	100,100	5,809,400	1559.4%
Contingencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>0</u>	<u>0</u>	<u>758,000</u>	<u>445,000</u>	<u>6,101,900</u>	<u>705.0%</u>
Revenues						
Development Fees	0	0	829,600	2,100,000	3,459,000	316.9%
Interest	0	0	5,600	5,000	20,000	257.1%
General Fund Subsidy	0	0	0	0	1,162,900	0.0%
Other Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,229,183</u>	<u>1,460,000</u>	<u>0.0%</u>
Total	<u>0</u>	<u>0</u>	<u>835,200</u>	<u>3,334,183</u>	<u>6,101,900</u>	<u>630.6%</u>

* Included in Police Development

All Fire & EMS capital purchases required due to growth are detailed in the individual departmental budget and the adopted five-year CIP.

City of Surprise	
Fire & EMS Development Fund	
Fiscal Year 2006	
Fire	6,094,400
Finance	<u>7,500</u>
Total Fire & EMS Development Fund	<u>6,101,900</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, general fund subsidies will be required in the current fiscal year as well as future years in order to fund all projects included in the CIP.

21416 - Fire & EMS Development Fee Fund					
	FY2006	FY2007*	FY2008*	FY2009*	FY2010*
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Beginning Balance	1,460,000	0	(1,057,800)	1,281,000	2,826,900
Revenues	3,479,000	2,716,700	2,538,800	2,265,900	2,123,100
Transfers In	1,162,900	120,500	0	0	0
Expenditures	6,101,900	3,895,000	200,000	720,000	4,950,000
Ending Balance	<u>0</u>	<u>(1,057,800)</u>	<u>1,281,000</u>	<u>2,826,900</u>	<u>0</u>
2-Months Operating Reserves	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

**Fire Vehicles & Equipment are included with new stations*



City of Surprise, Arizona
Police Department
FY2006 Budget

Mission Statement:

The Surprise Police Department, in partnership with the community, is committed to providing fair and equal treatment, while improving the quality of life through our dedication to community policing and the delivery of progressive crime prevention and protection.

Divisions:

Administration - Responsible for all centralized administrative functions of the entire department.

General Operations - Responsible for programs and services within the department that directly benefit the resident such as block watch programs and DARE.

Inspections & Investigations - Responsible for the investigative arm of the department in performing criminal investigations and inspections, victims rights, and drug enforcement activities.

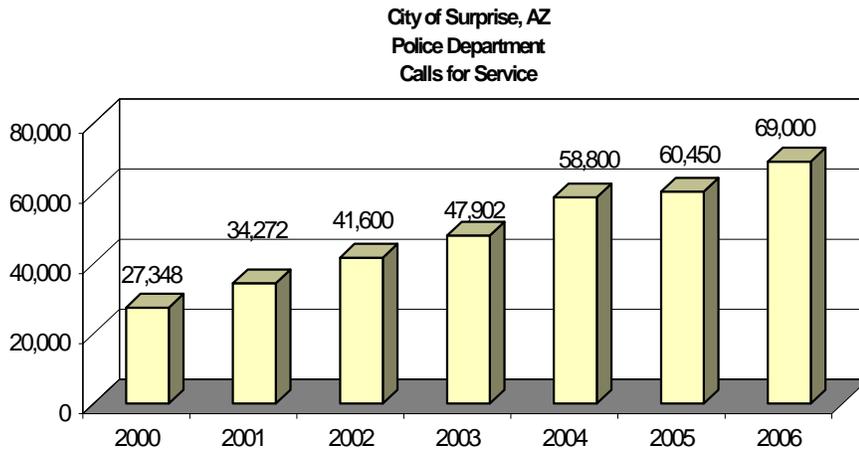
Patrol - Direct responsibility for the police squads patrolling the streets and the community.

Communications - Responsible for providing communications dispatch and 911 services for the community.

Position Summary					
Police Department - Fiscal Year 2006					
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>change</u>
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	
Police Chief	1.0	1.0	1.0	1.0	0.0
Police Commander	1.0	2.0	2.0	2.0	0.0
Police Lieutenant	4.0	3.0	4.0	4.0	0.0
Police Sergeant	12.0	12.0	12.0	14.0	2.0
Police Officer	51.0	59.0	67.0	81.0	14.0
Community Service Officer	1.0	4.0	6.0	6.0	0.0
Technical Services Manager	1.0	1.0	1.0	1.0	0.0
Property Evidence Specialist	1.0	0.0	0.0	0.0	0.0
Management Assistant	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Police Records Clerk	3.0	3.0	4.0	4.0	0.0
Office Support Specialist	1.0	1.0	1.0	1.0	0.0
Criminal Traffic Analyst	0.0	0.0	0.0	1.0	1.0
Communications Supervisor	1.0	1.0	1.0	4.0	3.0
Communications Officer	10.0	11.0	11.0	11.0	0.0
Animal Control Officer	1.0	2.0	2.0	3.0	1.0
Victim Advocate (Grant Funded)	0.0	1.0	1.0	1.0	0.0
Information Technology Specialist	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>90.0</u>	<u>103.0</u>	<u>116.0</u>	<u>137.0</u>	<u>21.0</u>

Accomplishments:

- Completion of expanded facilities including Evidence storage facility, Modular building, Shooting range
- Enhanced communication capabilities including implementation of mobile data, enhancement of 911 system and implementation of Automated Fingerprint Identification System
- Increased field effectiveness through the use of Beat realignments to balance out workload distribution, Neighborhood Response Teams, two new Animal Control Officers, increased personnel in the traffic unit, use of bait vehicles to combat auto theft, additional radar trailers and RUOK system to check on the welfare of senior citizens and others who may need special care.
- Utilized Homeland Security grant to obtain personal protective equipment
- Applied for CALEA (Commission on Accreditation of Law Enforcement Agencies) Accreditation



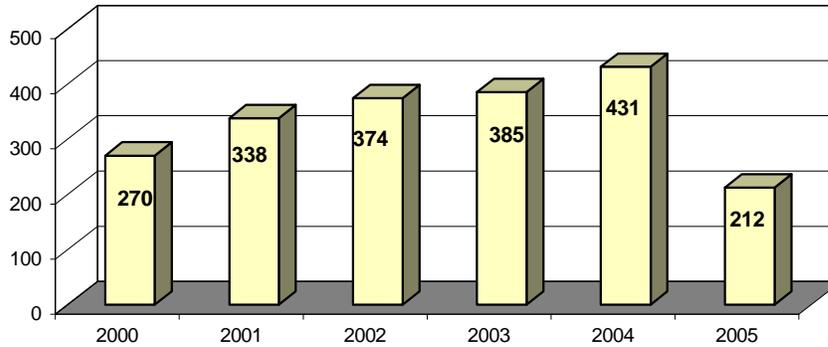
Budget Highlights:

Calls for police services are increasing correspondingly with our population growth each year. For 2006 the estimated number of calls for service is 69,000. The growth of the City is projected at over 7,000 new homes per year and a resulting population increase of approximately 10,000 –15,000 per year. As a result the Police Department continues to address the safety of the citizens of Surprise and the safety of officers.

In the continuing effort to provide quality community-based policing, we continue to dedicate ourselves to being active members of the community and identify problems that affect these areas. We utilize community based crime prevention programs as well as employ the idea of beat teams. These teams allow our officers to become actively involved in the affairs of the community while seeking out innovative ideas prioritize and solve neighborhood problems.

The Police Department’s overall staffing is programmed at 137.0 FTE positions, of which 102.0 are sworn positions. With the projected population increase to 121,963 by the end of the fiscal year this will provide a ratio of 1.1 sworn positions for every 1,000 residents. The goal is to achieve the national standard a ratio of 2.0 patrol officers per 1,000 residents.

**City of Surprise, Az
Police Department
Assaults**



As adopted the police department is authorized for an additional 21.0 FTE employees. Fourteen (14.0) police officers and two (2.0) sergeants are being added to the department to address the growing population of the city. Additionally, three (3.0) Communications Supervisors, one (1.0) full time Animal Control Officer and one (1.0) full time Criminal/Traffic Analyst is added due to the growth of the Department and increasing demand for services.

The Criminal/Traffic Analyst position is a new position within the department that will allow for the compiling of data from the records management system and distribution of the data to assist the department in planning, workload assignments, traffic issues in the City, and addressing criminal activity experienced with the growth of the City. This position will significantly impact how the department addresses criminal activity, traffic issues and strategic planning on a long-term basis.

Budget Summary:

The Departments FY2006 Operating Budget of \$12,317,900 represents an increase of \$2,772,900 (29.1%) over the adopted FY2005 Operating Budget of \$9,545,000. Personnel costs total \$10,498,600 for the police department as a whole, representing an increase of 27% over the adopted FY2005 total of \$8,272,500, due to additional positions and annual pay increases. Personnel costs represent 85% of the Police Department’s budget.

As programmed the authorized police department position count will increase from the current 109.0 FTE positions to 137.0 FTE positions. Included in the police department’s personnel costs is a total of \$272,600 in overtime costs to maintain the increasing demand for programs above and beyond normal patrol operations. Overtime is used to cover shifts, unexpected call outs, and training and court appearances.

Supplies and services experiences an increase of \$546,800 (43%) from the FY2005 budget primarily due to the operating and equipment needs of the new positions programmed and the programming of \$294,000 for annual replacement of portable and mobile radios. Additional items programmed are \$100,000 for utilities to operate the new modular police building, \$6,700 for a replacement canine, \$43,600 for software & radio maintenance support, \$39,700 for computer parts, supplies, and enhancements.

City of Surprise Police Department Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Department Summary						
Personnel	5,674,812	6,588,479	8,272,500	7,817,500	10,498,600	26.9%
Supplies/Services	900,125	1,607,706	1,272,500	1,234,100	1,819,300	43.0%
Capital	<u>19,371</u>	<u>13,398</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>6,594,308</u>	<u>8,209,583</u>	<u>9,545,000</u>	<u>9,051,600</u>	<u>12,317,900</u>	<u>29.1%</u>
Division Summary						
Administration	880,380	920,818	1,192,100	1,107,000	1,755,400	47.3%
Inspections & Investigations	821,504	866,207	1,254,300	1,113,000	1,439,100	14.7%
Patrol	3,398,027	4,033,801	5,042,000	4,851,000	7,081,300	40.4%
General Operations	442,000	965,021	399,500	336,500	477,100	19.4%
Community Services	429,890	653,408	480,400	563,700	0%	-100.0%
Communications	<u>622,507</u>	<u>770,329</u>	<u>1,176,700</u>	<u>1,080,400</u>	<u>1,565,000</u>	<u>33.0%</u>
	6,594,308	8,209,583	9,545,000	9,051,600	12,317,900	29.1%
Revenues						
Grants	101,027	336,183	80,800	65,100	62,300	-22.9%
Finger Printing	10,961	15,019	8,000	16,000	16,000	100.0%
General Fund Subsidy	<u>6,482,319</u>	<u>7,858,381</u>	<u>9,456,200</u>	<u>8,970,500</u>	<u>12,239,600</u>	<u>29.4%</u>
Total	<u>6,594,308</u>	<u>8,209,583</u>	<u>9,545,000</u>	<u>9,051,600</u>	<u>12,317,900</u>	<u>29.1%</u>

Capital:

Capital is programmed for the department at \$18,913,000. Design and construction of the public safety building began in late FY2005 and is anticipated to be completed by the end of calendar year 2008. This project is funded through a combination of MPC bond funds, Development Fees and general fund subsidies. New and replacement vehicles are programmed at \$2,167,000. Communications capital that has been programmed for FY2006 is generally related to expanding staff and technology requirements.

City of Surprise			
Police Department - Capital			
Fiscal Year 2006			
<u>Description</u>	<u>Account</u>	<u>Amount</u>	
<u>Administration</u>			
Public Safety Building	31111-341-111-39211-20219	15,254,500	
Public Safety Building FFE	31111-341-111-39411-20219	1,000,000	
Community Notification System (348)	21413-341-111-39431-20447	28,500	
Firearms Judgment Shooting (711)	21413-341-111-39431-20643	60,000	<u>16,343,000</u>
<u>Patrol</u>			
Video Equipment & Radar Trailer	21112-341-312-39431-29999	29,600	
Vehicle Replacement Fund	21114-341-312-39421-29999	1,672,000	
Animal Control Officer - Vehicle	21413-341-312-39421-29999	46,800	
Vehicles - New Positions	21413-341-312-39421-29999	418,600	<u>2,167,000</u>
<u>Communications</u>			
CAD	21413-341-313-39411-20328	90,000	
City Owned Radio System	21413-341-313-39311-20558	150,000	
Patrol Vehicle GPS Hardware (535)	21112-341-313-39431-20631	30,000	
Redundant Back-up System for Police CAD RMS (710)	21413-3491-313-39431-20642	133,000	403,000
		Total	<u>18,913,000</u>

Goals & Objectives:

Transportation & Public Safety

- Crime/Traffic Analyst position to monitor trends in crime and traffic allowing police personnel to become proactive in crime suppression and traffic enforcement.
- Implement a violation of the month program to address public traffic complaints.

Efficient & Effective City Operation & Public Safety

- Improve efficiency and accuracy of our current Computer Aided Dispatch (CAD), Record Management System (RMS) and Mobile Data.
- Participate with the City of Glendale and the City of Phoenix in a \$300,000 grant funded study for solutions to improve communications between valley law enforcement agencies.
- Bring recommendations to City management for short-term and long-term solutions to address inoperability and communications issues.
- Develop an on-line reporting system for minor incident reports.
- Re-evaluate recruitment and selection strategies for sworn and non-sworn positions

Customer Service

- Work with City Communications Department to develop, produce and air on Channel 11, public service announcements which promote partnering with the police for a safer community, home security tips and personal security tips.
- Establish community relations programs to be administered by the Senior Service Officer including addressing the prevention of identity theft.

Police Department - Performance Measures	Actual 2002	Actual 2003	Actual 2004	Estimated 2005	Target 2006
Calls for service	40,098	48,057	55,600	60,450	69,000
Citations issued	n/a	7,084	9,119	11,080	13,846
Sworn officers per 1,000 residents	1.4	1.3	1.2	1.1	1.1



City of Surprise, Arizona
Police Development Fund
FY2006 Budget

Purpose:

To account for the inflow of Police Development Fees levied on new home starts. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on police services caused by growth. Development fees cannot be used to subsidize operational needs.

Budget Highlights:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the Police, Fire and EMS development fee has been separated into two fees, one for police and one for Fire & EMS. Effective August 27, 2004 the Police development fee increased \$287 to \$424 per single family home. This development fee has been separated in order to more accurately reflect the impact of growth on both the police and fire departments.

\$477,100 is programmed as rent to be used as payment on the MPC lease for the new Public Safety Building. Anticipated resources of this fund exceed current year expenditures by \$5,782,800. This amount has been programmed as unallocated contingencies, however the availability of these funds is crucial to the funding of the City's five-year CIP.

City of Surprise						
Police Development Fund						
Fiscal Year 2006						
Expenditures	FY2003*	FY2004*	FY2005	FY2005	FY2006	Budget
	Actual	Actual	Budget	Estimate	Budget	Change
Supplies/Services	507,765	1,066,435	399,500	336,800	563,000	40.9%
Capital	1,444,351	1,026,085	1,536,800	1,141,700	926,900	-39.7%
Contingencies	0	0	683,000	0	5,782,800	746.7%
Total	1,952,116	2,092,520	2,619,300	1,478,500	7,272,700	177.7%
Revenues						
Development Fees	1,495,732	2,760,946	1,382,600	3,535,700	3,381,000	144.5%
Miscellaneous	24,974	18,211	9,400	20,000	20,000	112.8%
General Fund Subsidy	20,000	0	138,000	138,000	0	-100.0%
Other Sources	1,722,298	1,310,889	593,500	169,196	3,871,700	552.4%
Total	3,263,004	4,090,045	2,123,500	3,862,896	7,272,700	242.5%
* Includes Fire & EMS						

All Police capital purchases required due to growth are detailed in the individual departmental budget and the adopted five-year CIP.

City of Surprise Police Development Fund Fiscal Year 2006	
Police	1,482,400
Finance	<u>7,500</u>
Total Police Development Fund	<u>1,489,900</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, general fund subsidies and bonding will be required in future years in order to fund all projects included in the CIP.

21413 - Police Capital Development Fee Fund

	FY2006	FY2007*	FY2008*	FY2009*	FY2010*
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Beginning Balance	3,871,700	5,782,800	1,742,900	(2,363,200)	(1,224,100)
Revenues	3,401,000	2,537,200	2,371,000	2,116,200	1,982,800
Transfers In	0	13,500,000	0	0	0
Bond Proceeds	0	0	0	0	40,000,000
Expenditures	1,489,900	20,077,100	6,477,100	977,100	40,727,100
Ending Balance	<u>5,782,800</u>	<u>1,742,900</u>	<u>(2,363,200)</u>	<u>(1,224,100)</u>	<u>31,600</u>
2-Months Operating Reserves	<u>477,100</u>	<u>477,100</u>	<u>477,100</u>	<u>477,100</u>	<u>477,100</u>



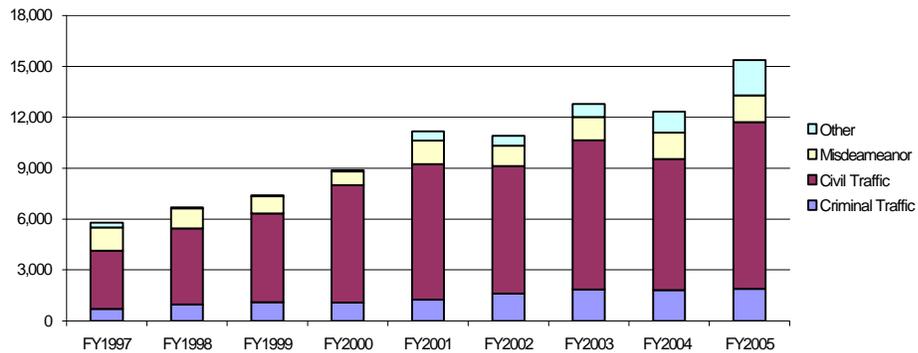
City of Surprise, Arizona
 City Court
 FY2006 Budget

Mission Statement:

Surprise Municipal Court’s primary function is to fairly and impartially adjudicate all cases filed in the court and to effectively obtain compliance with the court’s orders. We also provide the best possible service to the public by courteously and promptly answering questions and assisting all persons having business at the court, and by ensuring proper and timely accounting for both the judicial and financial activities of the Court. We pledge to faithfully execute the judicial and administrative duties of the Municipal Court as prescribed by law. We are committed to upholding and enforcing the law, and to safeguarding the individual rights and liberties of all persons who come before the court. We promise to obey the letter and spirit of the law, the Code of Judicial Conduct, and all other standards as set by the Arizona Supreme Court.

- To provide public access to justice by conducting all proceedings and other public business openly. By ensuring that the court facilities are safe, accessible and convenient.
- To promote expeditious and timely case processing while at the same time keeping current with the incoming caseload along with prompt implementation of new law and procedure.
- To maintain equality, fairness, and integrity by faithfully adhering to relevant laws, procedural rules, and established policies.
- To preserve independence and accountability by maintaining institutional integrity and observing the principle of comity in governmental relations, and by giving a full and accurate accounting of all transactions and disbursements under the direct control of this department.
- To encourage public trust and confidence by ensuring that the basic court functions are being conducted expeditiously and fairly, and by promoting independence without undue influence by other components of government.

City of Surprise, AZ
 Municipal Court Case Load



Accomplishments:

- All past due accounts have been referred to a collection agency through a State sanctioned program called FARE. A total of 4,500 cases with accounts receivables of \$2.8 million were forwarded to the FARE program. Anyone whose account has been sent to collections can pay on-line at www.azcourtpay.com, or they can contact the court to make payments over the phone. The FARE website includes links to the Motor Vehicle Department so that defendants may pay reinstatement fees online as well.
- The court has successfully absorbed a 27% increase in case filings, which has resulted in a 35% increase in revenue.
- We have achieved a maximum level of security consistent with the physical limitations of the courthouse.
- A third customer service window has been opened in order expedite paperwork for defendants coming out of the courtroom. As a result waiting periods are shorter for the public and customer satisfaction has increased.
- General court information can be accessed via the Surprise Internet website.

Position Summary					
City Court					
	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Presiding Judge	1.0	1.0	1.0	1.0	0.0
Associate Judge	0.0	0.0	0.0	1.0	1.0
Court Administrator	1.0	1.0	1.0	1.0	0.0
Court Clerk Supervisor	3.0	3.0	2.0	2.0	0.0
Lead Court Clerk	0.0	0.0	0.0	1.0	1.0
Sr. Court Clerk	4.0	5.0	6.0	6.0	0.0
Court Clerk	<u>2.0</u>	<u>2.0</u>	<u>4.0</u>	<u>6.0</u>	<u>2.0</u>
Total	<u>11.0</u>	<u>12.0</u>	<u>14.0</u>	<u>18.0</u>	<u>4.0</u>

Budget Highlights:

In order to keep pace with an increasing workload an additional Senior Court Clerk and a Court Clerk position have been programmed for the municipal court. The Surprise Municipal Court processes complaints filed by the Surprise Police Department, the Maricopa County Sheriff’s Office and the Arizona Department of Public Safety. Payments for court fines are accepted on a daily basis, and a computer-generated receipt is issued for each transaction. The court actively participates in the Tax Interception Program (TIP). Accounts past due are reported to (TIP) for interception of income tax refunds. This process along with others continues to increase revenue collections.

Department Budget:

The Municipal Court’s budget of \$1,486,300 represents a 17.7% increase over the FY2005 budget of \$1,262,400. As with most city departments, personnel services makes up the bulk of expenditures for this department (78%) and increases by 24.5% over last fiscal year. New positions programmed this fiscal year are 1.0 FTE Associate Judge, 1.0 FTE Lead Court Clerk, and 2.0 FTE Court Clerks.

These positions are added to accommodate the rapid growth and demand for services. Supplies and Services increase by 16% primarily due to operating supplies and equipment for the new positions. Included in services are one-time costs of \$21,700 for remodeling to accommodate the additional staff, and \$51,500 of base budget increases for additional security, tri-annual audit, additional waste management costs, and for an Aztec Trainer.

City of Surprise Municipal Court Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Personnel	602,395	694,082	932,100	871,000	1,160,900	24.5%
Supplies/Services	230,137	227,911	280,300	280,100	325,400	16.1%
Capital	0	0	0	0	0	0.0%
Total	832,532	921,993	1,212,400	1,151,100	1,486,300	22.6%
JCEF	0	0	50,000	50,000	0	-100.0%
Total Expenditures	832,532	921,993	1,262,400	1,201,100	1,486,300	17.7%
Revenues						
Grants	17,564	0	53,800	0	0	-100.0%
Court Fines	770,530	689,721	823,700	823,700	1,015,000	23.2%
General Fund Subsidy	44,438	232,272	384,900	377,400	471,300	22.4%
Total	832,532	921,993	1,262,400	1,201,100	1,486,300	17.7%

It is estimated that grant funds will be available and have been programmed into this departments' budget. These funds are requested from both the State and Local Judicial Collection Enhancement Funds (JCEF) and Local-Fill-the-Gap (FTG) funds. JCEF and FTG grants are funded through court-collected monies that are statutorily set aside for the purpose of improving the judicial collection process through automation and other means.

Capital:

To accommodate a growing staff and increasing caseload a remodeling/expansion project is programmed for FY2006.

City of Surprise Municipal Court - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Court Remodeling	21112-331-112-37162-20601	6,700
Court Remodeling	21112-331-112-38311-20601	15,000
	Total	21,700

Goals & Objectives:

Public Safety, Efficient & Effective City Operations, Customer Service

- To successfully manage an increasing workload in the current facility until a new courthouse is completed.
- To assist in the planning and construction of the future municipal court building.
- Together with seven (7) other West Valley Municipal Courts and the Administrative Office of the Courts, we are completing a pilot program whose mission is to successfully implement the “Wizard” for enhanced efficiency of court management.
- To serve the public and to contribute to the quality of life in our community by continuing to administer justice in a fair, impartial, prompt, effective, efficient and professional manner.
- To provide a positive work environment that encourages teamwork, initiative, productivity and individual development. To stay on an efficient level equal to the increased workload generated by the police department.
- Promote public safety by continuing with security procedures, enhancing them as needed.
- To develop, implement and maintain an effective public information program.

Municipal Court Performance Measures	FY Actual 2003	FY Actual 2004	FY Est. 2005	FY Target 2006
Case filings	12,714	12,308	15,000	19,000
Case filings per FTE Clerk staff	1,159	1,119	1,500	1,267
Number of Jury trials conducted	2	4	5	10



City of Surprise, Arizona
Municipal Court Enhancement Fund
FY2006 Budget

Mission:

To account for the inflow of Municipal Court Enhancement Fees added to all fines levied by the municipal court. Funds collected by this fee are to be used exclusively for capital acquisitions and municipal court enhancements.

Budget Highlights:

Programmed resources are based upon actual collections and expenditures in the prior year. For FY2006 expenditures equal to the FY2005 ending balance of \$79,200 have been programmed. Ordinance #02-19 established this fee effective on July 13, 2003 in order to recover the costs of administration and enforcement of court orders.

City of Surprise Municipal Court Enhancement Fund Fiscal Year 2006						
	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Expenditures						
Supplies/Services	0	0	17,000	0	32,000	88.2%
Contingencies	<u>0</u>	<u>0</u>	<u>12,700</u>	<u>0</u>	<u>47,200</u>	<u>271.7%</u>
Total	<u>0</u>	<u>0</u>	<u>29,700</u>	<u>0</u>	<u>79,200</u>	<u>166.7%</u>
Revenues						
Court Fines	27,798	33,445	0	35,000	0	0.0%
Other Sources	<u>0</u>	<u>27,798</u>	<u>29,700</u>	<u>61,243</u>	<u>79,200</u>	<u>166.7%</u>
Total	<u>27,798</u>	<u>61,243</u>	<u>29,700</u>	<u>96,243</u>	<u>79,200</u>	<u>166.7%</u>

Fund Budget:

A total of (\$32,000) has been programmed to contract with a computer programmer who will provide services related to the AZTEC and Wizard programs used by the courts. The remaining (\$47,200) is for contingencies.

A continuing goal of this program is to create and maintain a court web-site which will provide information on individual cases, the court calendar, the jury process, directions to the court, hours of operation and general court process information. This will also reduce the number of telephone calls to the court for general information, thereby eliminating long holding times for callers.

City of Surprise, Arizona



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FY2006 Adopted Budget



City of Surprise, Arizona
Community & Recreation Services Department
FY2006 Budget

Mission Statement:

To enrich and compliment the lives of Surprise residents through the stewardship of our resources while providing responsive programs which promote and prioritize neighborhood, family, diversity, quality, cultural and educational wellness opportunities.

Budget Highlights:

The Community & Recreation Services Department functions through ten (9) divisions of specialization as follows: Recreation, Surprise Campus Operations, Aquatics, Special Events, Parks Maintenance, Right of Way Maintenance, Community Promotions, and Library. Additionally, there is an Administrative Division that provides support to all the divisions. Some significant highlights for FY 2005 are:

- The Community & Recreation Service Department implemented the CLASS Recreation Software system, which enhanced reporting, allowed for direct marketing, league formation and on-line registration.
- The Parks & Recreation Master Plan was completed and presented to the Recreation Advisory Board and Surprise City Council.
- Successfully opened and operated the 2nd municipal aquatic center in the Original Townsite.

The City continues to grow at a phenomenal rate and this department is preparing itself to meet the diverse needs of the community through innovative and progressive programming. Staff's dedication and commitment to providing quality customer service is consistent with the 2020 General Plan – Live, Work and PLAY in Surprise!

Position Summary					
Community & Recreation Services Department					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Parks & Recreation Director	1.0	1.0	1.0	1.0	0.0
Recreation Manager	2.0	2.0	2.0	2.0	0.0
Construction Project Manager	0.0	0.0	0.0	1.0	1.0
Management Assistant	1.0	1.0	1.0	1.0	0.0
Recreation Supervisor	2.0	2.0	3.0	4.0	1.0
Recreation Programs Coordinator	2.0	2.0	4.0	5.0	1.0
Senior Recreation Aide	1.0	1.0	4.0	4.0	0.0
Recreation Aide	2.0	2.0	1.0	1.0	0.0
Office Support Specialist	1.0	1.0	1.0	1.0	0.0
PT Seasonal Positions	36.9	55.3	56.2	37.4	(18.8)
Administrative Assistant	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>48.9</u>	<u>67.3</u>	<u>74.2</u>	<u>58.4</u>	<u>(15.8)</u>

Accomplishments:

- The Community & Recreation Service Department implemented the CLASS Recreation Software system, which enhanced reporting, allowed for direct marketing, league formation and on-line registration.
- The Parks & Recreation Master Plan was completed and presented to the Recreation Advisory Board and Surprise City Council.
- Successfully opened and operated the 2nd municipal aquatic center in the Original Townsite.
- Recruited and trained over 850 youth sports volunteer coaches and assistant coaches totaling over 25,500 hours.
- Implemented a season pool pass to the residents of Surprise. Over 200 passes were issued this first year.
- The Surprise Aquatic Center offered the First Annual 4th of July celebration in coordination with the Annual 4th of July Event. The facility maximized participation at 400 attendees.
- Design of Gaines Park expansion/phase I to include open turf area, multi-use field, ramadas, and picnic structures.
- Re-organized the Parks Division, placed the (2) park staff allocated to R.O.W. maintenance back to the Park Maintenance Program.

City of Surprise						
Community & Recreation Services						
Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	1,651,851	1,830,314	2,868,100	2,631,900	2,954,100	3.0%
Supplies/Services	1,254,292	1,636,511	2,621,500	2,158,000	2,745,400	4.7%
Capital	<u>0</u>	<u>24,926</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>2,906,144</u>	<u>3,491,750</u>	<u>5,489,600</u>	<u>4,789,900</u>	<u>5,699,500</u>	<u>3.8%</u>
<u>Division Summary</u>						
Administration	178,529	190,309	257,800	214,900	347,000	34.6%
Aquatics	422,603	377,807	821,700	777,600	813,600	-1.0%
Special Events	458,534	465,385	1,076,200	607,100	1,021,100	-5.1%
Recreation	969,985	1,323,916	1,954,500	1,829,200	1,886,400	-3.5%
Maintenance	620,342	707,305	804,600	814,100	974,400	21.1%
Community Promotions	22,480	5,002	89,000	81,300	92,300	3.7%
Right of Way	182,364	278,896	333,400	313,300	392,300	17.7%
Library	<u>51,307</u>	<u>143,130</u>	<u>152,400</u>	<u>152,400</u>	<u>172,400</u>	<u>13.1%</u>
Total	<u>2,906,144</u>	<u>3,491,750</u>	<u>5,489,600</u>	<u>4,789,900</u>	<u>5,699,500</u>	<u>3.8%</u>
<u>Revenues</u>						
Program Income & Advertising	572,666	838,629	1,236,400	1,709,500	991,400	-19.8%
General Fund Subsidy	<u>2,333,478</u>	<u>2,653,122</u>	<u>4,253,200</u>	<u>3,080,400</u>	<u>4,708,100</u>	<u>10.7%</u>
Total Revenue	<u>2,906,144</u>	<u>3,491,750</u>	<u>5,489,600</u>	<u>4,789,900</u>	<u>5,699,500</u>	<u>3.8%</u>

Department Budget:

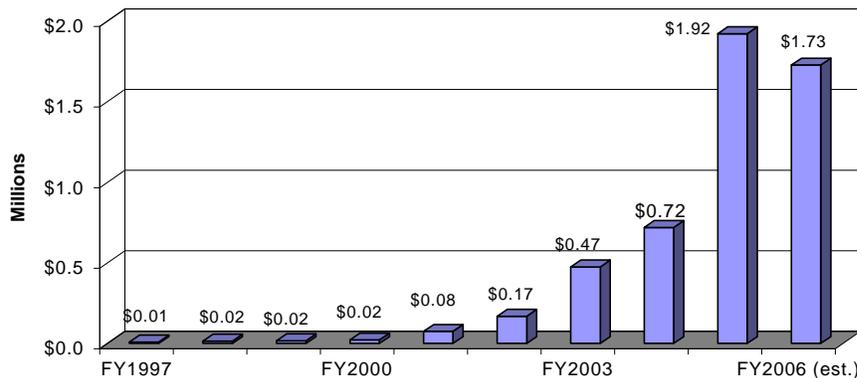
Overall, for FY2006 this budget represents a net decrease of 15.8 FTE positions due to the conversion of budgeted seasonal part time hours into 4.0 FTE new full time positions and the transfer of the AM/PM program to the School district. The new full time positions include 1.0 FTE Construction Project Manager, 1.0 FTE Recreation Supervisor, and 2.0 FTE Recreation Programs Coordinators. Total authorized staffing decreases to 58.4 FTE positions (21 permanent full-time).

Even with these reductions in PT staff, recreation activities offered by the City of Surprise continue to thrive on the use of part-time seasonal help. The C&R Services department utilizes its seasonal employees as lifeguards, umpires, laborers, instructors, cashiers and in numerous other positions and activities. The following chart shows how these part-time hours are distributed by program.

The total budget of \$5,699,500 represents a slight increase of 3.8% over the FY2005 adopted budget. Included in this amount are personnel costs of \$2,954,100 that equates to 52% of the total department operating budget. Supplies and services are programmed for \$2,745,400 representing a slight 4.7% increase over the FY 2005 adopted budget and totals 48% of the total operating budget. Increases are due primarily to inflationary costs of supplies and services and growth in the demand for services.

Program fee registration and facility use income is projected to decrease to \$991,400 from last years estimated \$1,709,500. This large decrease is primarily due to the elimination of the City's involvement in the AM/PM program. It is the philosophy of the C&R department to attempt to recover all direct costs at a level of at least 100%. Exceptions to this are for youth recreation programming, special events, senior programming and aquatics. Programs that make a "profit" are utilized to subsidize the direct costs of all other programs. When total operating costs are factored, the Community and Recreation Services department recovers approximately 20% of all operational costs.

CRS Program Fees



Program fees consist of all user fees charged to participate in city run recreation programs and other activities. Revenue recovery of direct program costs ranges from 0% to 150% for all programs offered by the city. The city is making huge progress in the variety of activities offered and in the cost recovery of those activities. Program revenue has increased by over 7500% since FY1998 when a total of \$15,873 was collected.

Capital:

Capital programmed for the C&R department totals \$19,249,200 including projects that have been carried forward from FY2005. New capital for FY2006 includes \$965,000 to expand the administration office, \$1,500,000 for Surprise Farm park development phase I, \$500,000 for a skate park, \$200,000 for public safety park development, \$325,000 for the Veramonte project, \$4,710,000 for a tennis and racquet facility, \$1,023,500 for a park maintenance yard and shop, and \$200,000 for electrical upgrades to Bullard Avenue. Demand for these facilities has been apparent for several years. Remaining projects and equipment are detailed in the table below. More detail on the projects is available in the FY2006 Capital Improvements Plan document.

City of Surprise			
Community & Recreation Services - Capital			
Fiscal Year 2006			
<u>Administration</u>	<u>Account</u>	<u>Amount</u>	
Recreation Software Program (428)	21414-444-111-39411-20405	46,200	
Recreation Administration Office Expansion (765)	21414-444-111-39211-20661	965,000	
Project Manager - Truck & Equipment	21415-444-111-39421-29999	<u>19,800</u>	<u>1,031,000</u>
<u>Recreation</u>			
Surprise Farm Park Development I	21414-444-429-39112-20505	250,000	
Citywide Trail/Bike System (370)	21414-444-429-39112-20516	100,000	
Gaines Park (431)	21213-444-429-39212-20522	540,000	
Restrooms	21414-444-429-39211-20549	204,000	
Recreation Center	21414-444-429-39211-20551	1,700,000	
Softball Complex	21414-444-429-39211-20552	2,000,000	
Scoreboards	21414-444-429-39411-20553	183,800	
Youth Baseball / Softball Complex	21414-444-429-39211-20554	1,500,000	
Dream Catcher Park	21414-444-429-39211-20556	1,154,800	
Lighting Shared Facilities (92)	21414-444-429-39211-20605	150,000	
Surprise Farm Park Development I (185)	21414-444-429-39112-20606	1,500,000	
Skate Park (432)	21414-444-429-39211-20618	500,000	
Public Safety Park Development (607)	21414-444-429-39211-20635	200,000	
Veramonte (636)	21414-444-429-39211-20640	325,000	
Surprise Tennis and Racquet Facility (762)	21414-444-429-39211-20660	<u>4,710,000</u>	<u>15,017,600</u>
<u>Parks Maintenance</u>			
Bicentennial Park	21213-444-431-39112-20324	54,300	
Lizard Run - Greenbelt (763)	21213-444-431-39211-20517	1,023,800	
Surprise Recreation Campus Park	21414-444-431-39211-20550	297,700	
City Park - Section 10	21112-444-431-39211-20557	84,400	
Mowers (612)	21414-444-431-39431-20636	137,500	
Maintenance Yard (613)	21112-444-431-39211-20637	30,000	
Field Lights (629)	21414-444-431-39431-20639	100,000	
Park Maintenance Yard & Shop (757)	21414-444-431-39211-20658	1,023,500	
OTS Park - Habitat for Humanity (790)	21213-444-431-39112-20673	75,000	
Truck & Equipment	21414-444-431-39421-29999	<u>24,400</u>	<u>2,850,600</u>
<u>Right-of-Way</u>			
Electrical upgrades to Bullard (442)	21112-444-432-39224-20620	<u>150,000</u>	<u>150,000</u>
<u>Library</u>			
City Library #3 (440)	21417-444-433-39212-20619	<u>200,000</u>	<u>200,000</u>
			 <u>19,249,200</u>

Goals & Objectives:

Parks & Amenities, Efficient & Effective City Operations & Customer Service

- Introduce 75 NEW Recreation Programs to the residents of Surprise in the areas of Special Interest Classes, Teen Programming and Special Programs
- Increase aquatic program participation by 5% through the addition of special interest classes and direct marketing to participants involved in the aquatic programs
- Expand the Special Interest Class program to include Outdoor Recreation such as hiking, river rafting, and day trips
- Implement nationally recognized “Victory with Honors” philosophy into the youth sports programs. Includes training, coaches, officials, parents & staff
- Develop, implement and coordinate (2) new Signature Special Events in the area of Performing Arts
- Provide technical training for Parks Supervisors and Technicians to include ADA, safety in the workplace and playground inspections
- Construct a Pedestrian Walkway / Recreation Corridor at Lizard Run
- Construct and occupy new maintenance shop and yard
- Joint partnership and coordination with Marley Park for the construction of Heritage Park
- Programming of new community at Surprise Farms

Community & Recreation Services Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Recreation Program Participants	29,430	34,700	41,700	78,500
Aquatics Program Participants	70,000	73,500	73,100	73,400
Special Event Attendance	46,100	72,700	77,200	80,000
Parks - Acres Mowed	851	1,025	1,285	1,400
Softball Preps – Parks	186	480	512	840
Irrigation (Hours)	950	2080	3,120	3,200
Trees & Shrubs (Hours)	288	624	832	850

City of Surprise, Arizona



SURPRISE
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FY2006 Adopted Budget



City of Surprise, Arizona
Campus Operations
FY2006 Budget

Mission Statement:

To enrich and compliment the lives of Surprise residents through the stewardship of our resources while providing programs which promote and enhance the economic viability of the Surprise Recreation Campus, Cactus League Baseball and the City of Surprise.

Budget Highlights:

The campus operations division of the Community & Recreation Services Department is responsible for the operation and maintenance of the 145-acre Surprise Recreation Campus, specifically stadium operations, turf and ground maintenance.

In addition to Spring Training/Cactus League Baseball, the Surprise Recreation Campus plays host year round to the City Of Surprise's Youth/Adult Sports recreational programming and city sponsored Special Event events including the Spring Training Fan Fest, Surprise Party, Easter Extravaganza and the July 4th celebration. Other signature events include the Coca Cola College Baseball Classic and the Major League Baseball Alumni Legends Game. Community partners such as the Dysart School District, Northwest Chamber of Commerce, Sun Health, Valley Big Brothers, Arthritis and Alzheimer's Foundations will all utilize the Recreation Campus for community events during FY05/06.

The primary goal of the Recreation Campus continues to be to facilitate the recreational requirements of a growing community. Additionally, national and regional events are intended to market Surprise, Arizona as a destination city promoting tourism and creating economic development opportunities.

Accomplishments:

- The Surprise Recreation Campus was awarded the Sports Turf Manager's Association - *Professional Sports Complex of the Year*, the Arizona Parks and Recreation Association *Outstanding Facility of the Year*, and the *Phoenix New Times* – *Best of Phoenix Best Place to see a Spring Training Game*.
- Maintained successful year round, day – to – day operations with the Kansas City Royals and Texas Rangers, highlighted by our annual Celebration of Baseball events/activities and Spring Training baseball season.
- Gained partnerships with independent baseball and a major youth sports organization. As the Recreation Campus became the official home for the Golden Baseball League and the United States Specialty Sports Association (USSSA).
- Successfully hosted and operated these first time outside organization events:
 - APRA state conference facility tour
 - American cancer society relay for life walk

- American Legion state baseball tournament
- Babe Ruth 13 year old & 13-15 year old state baseball tournaments
- High school football passing league
- High school football games
- Northern league professional baseball tryouts
- STMA national tour
- Swing town baseball tournament
- Valley traffic operations seminar
- Winter Skyline boys and girls high school soccer tournaments
- Completed one full year of operation with fertigation system and fertility program. Complemented by a tissue analysis of turf with a 90 % of all tests' results in optimum range. A 68% increase from previous year.
- New installation of lighting to both major league practice mound areas.
- Upgraded drainage system and switched mound and home plate areas in both stadium bullpens.

Department Budget:

Personnel costs represent 27% of the total campus operations budget and increase by 17% over last year. The increase is primarily due to the programming of new positions including 6.0 FTE Groundskeeper, 2.0 FTE Laborers, and 1.8 FTE Facilities Maintenance Technicians. Personnel costs are relatively low due to the extensive use of seasonal help and volunteers provided by the Sundancers.

The largest component of this budget is supplies & services that accounts for 71% of the total budget related directly to utilities, and turf and facility maintenance. Recreation Campus operations is a year round responsibility equally responsive to the needs of professional baseball and the recreational needs of the Surprise community.

City of Surprise						
Community & Recreation Services - Campus Operations						
Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Personnel	790,132	1,073,118	1,150,400	1,071,400	1,341,600	16.6%
Supplies/Services	4,217,921	2,323,093	3,997,300	3,640,800	3,601,800	-9.9%
Capital	136,467	35,707	46,700	46,700	100,000	114.1%
Contingencies	<u>272,906</u>	<u>0</u>	<u>349,200</u>	<u>349,200</u>	<u>0</u>	<u>-100.0%</u>
Total	<u>5,417,426</u>	<u>3,431,919</u>	<u>5,543,600</u>	<u>5,108,100</u>	<u>5,043,400</u>	<u>-9.0%</u>
Revenues						
Building Rents	331,439	488,803	309,600	411,500	50,000	-83.9%
Baseball Related	1,011,091	934,476	1,200,000	1,200,000	885,000	-26.3%
Program Fees	1,374	17,310	525,000	37,000	520,000	-1.0%
Other Sources	(555,300)	473,755	(6,700)	0	(30,500)	355.2%
General Fund Subsidy	<u>1,854,600</u>	<u>446,054</u>	<u>1,707,600</u>	<u>1,530,000</u>	<u>2,169,600</u>	<u>27.1%</u>
Total Revenue	<u>5,417,426</u>	<u>3,431,919</u>	<u>5,543,600</u>	<u>5,108,100</u>	<u>5,043,400</u>	<u>-9.0%</u>

Established as a special revenue fund it is the intention of the city that the campus attempts to recover as much of its costs as possible. The city entered into the baseball business with the understanding that the general fund would be required to subsidize the operations of the campus. This subsidy comes from the increased tourism related revenue that is indirectly attributable to the operations of the campus.

For FY2006 campus operations is expected to recover approximately 56% of its operating costs through baseball and other program revenue. A subsidy from the general fund and a beginning fund balance make up the remainder of programmed resources. It is anticipated that revenue generating special events such as trade shows, RV shows, baseball tournaments, etc...will enhance revenue recovery efforts of the campus. Unknown Special events have been programmed in the amount of \$500,000 to enable the campus to host revenue recovering events that arise throughout the year.

Position Summary					
Community & Recreation Services Department - Complex					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Sports Complex Operations Manager	1.0	1.0	1.0	1.0	0.0
Parks Maintenance Manager	1.0	1.0	2.0	2.0	0.0
Assistant Parks Maintenance Manager	1.0	1.0	0.0	0.0	0.0
Baseball/Parks Maintenance Supervisor	3.0	3.0	3.0	3.0	0.0
Maintenance Technician	5.0	5.0	6.0	6.0	0.0
Facilities Maintenance Technician	0.0	0.0	1.0	2.8	1.8
Maintenance Worker	9.0	9.0	9.0	9.0	0.0
Laborer	0.0	0.0	0.0	2.0	2.0
Groundskeeper	0.0	0.0	0.0	6.0	6.0
Total	<u>20.00</u>	<u>20.00</u>	<u>22.00</u>	<u>31.80</u>	<u>9.80</u>

Capital:

Beginning in FY2006 all large equipment used to maintain the campus will be incorporated into the City's annual replacement program. In addition to these equipment replacements home run netting will be added to the playing fields.

City of Surprise		
Community & Recreation Services - Campus Ops - Capital		
Fiscal Year 2006		
	<u>Account</u>	<u>Amount</u>
Home Run Netting (616)	21113-444-421-39431-20638	100,000
Campus Maintenance - Replacement Fund	21114-444-421-39431-29999	<u>213,000</u>
		<u>313,000</u>

Goals & Objectives:

Parks & Amenities, Efficient & Effective City Operations, Customer Support

- Establish a special event/special program calendar, which will provide the community with at least one quality signature event per quarter, and one major event per month.
- Establish, support and maintain positive communications and operations related to the Golden Baseball League and USSSA partnerships.
- Successfully open and operate the new youth baseball complex.
- Maintain standard set of being the premiere Spring Training Facility in all of Major League Baseball and number one Professional Sports Complex in the nation while adapting to increased operational activity.
- Provide safe and well-maintained facilities in accordance with existing contract to Major League Baseball Standards while remaining within current budget parameters.
- Assist in the Initiation of design, programming and construction of Community and Recreation Services Development Fee Capital Youth Sports Complex project.
- Develop an equipment replacement plan for the Surprise Recreation Campus to be effective fiscal 05/06
- Develop an asset replacement plan for the Surprise Recreation Campus to be effective fiscal 05/06
- Provide training for all division employees in product safety and horticultural practices.

C&R Services – Campus Operations Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Number of Volunteer Hours	25,220	26,500	27,830	28,000
Spring Training Attendance	130,260	152,680	160,330	176,500
Recreation Campus – Non Spring Training Events	36	42	44	50
Recreation Campus - Non Spring Training Attendance	77,550	92,550	97,200	98,000
Non Spring Training Revenue Generating Events	9	16	18	25
Non Spring Training Revenue Generated	\$37,780	\$212,400	\$222,000	\$250,000

**Numbers do not reflect recreation and aquatic programs and attendance*

*** FY2005 Performance Measures based on actual + projected due to the fiscal year not being complete*



City of Surprise, Arizona
Parks & Recreation Development Fund
FY2006 Budget

Purpose:

To account for the inflow of Parks & Recreation Development Fees levied on new home starts. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on Parks & Recreation services caused by growth. Development fees cannot be used to subsidize operational needs.

Budget Highlights:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the Parks, Recreation & Library Development fee has been separated into two fees, one for Parks & Recreation and one for Library. As of August 27, 2004 the parks & recreation development fee decreased \$25 to \$1,127 per single family home. These fees have been separated in order to more accurately reflect the impact of growth on these two services.

\$1,922,300 is programmed as rent to be used as payment on the MPC lease for debt associated with the Surprise Stadium and other Surprise Center amenities. Anticipated resources of this fund exceed current year expenditures by \$545,500. This amount has been programmed as unallocated contingencies, however the availability of these funds is crucial to the funding of the City's five-year CIP.

City of Surprise Parks & Recreation Development Fund Fiscal Year 2006						
	FY2003*	FY2004*	FY2005	FY2005	FY2006	Budget
Expenditures	Actual	Actual	Budget	Estimate	Budget	Change
Supplies/Services	2,955,362	1,055,363	2,291,300	1,933,800	1,929,800	-15.8%
Capital	303,649	413,000	6,774,800	793,100	16,964,900	150.4%
Contingencies	0	0	2,036,700	0	545,500	-73.2%
Total	<u>3,259,011</u>	<u>1,468,363</u>	<u>11,102,800</u>	<u>2,726,900</u>	<u>19,440,200</u>	<u>75.1%</u>
Revenues						
Development Fees	4,015,539	7,376,309	5,420,600	7,389,000	7,889,000	45.5%
Grants	0	48,000	0	0	0	0.0%
Interest	2,375	49,733	9,000	110,000	75,000	733.3%
Other Sources	<u>1,536,810</u>	<u>1,117,100</u>	<u>4,691,500</u>	<u>6,465,791</u>	<u>11,476,200</u>	<u>144.6%</u>
Total	<u>5,554,724</u>	<u>8,591,142</u>	<u>10,121,100</u>	<u>13,964,791</u>	<u>19,440,200</u>	<u>92.1%</u>
* Includes Library						

All Parks & Recreation capital purchases required due to growth are detailed in the individual departmental budget and the adopted five-year CIP.

City of Surprise Parks & Recreation Development Fiscal Year 2006	
Parks & Recreation	18,887,200
Finance	<u>7,500</u>
Total Parks & Recreation Development Fund	<u>18,894,700</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2005 – FY2009 CIP for this fund. As projected, a general fund subsidy will be required in future years in order to fund all projects included in the CIP.

21414 - Parks & Recreation Capital Development Fee Fund

	FY2006 Budget	FY2007* Budget	FY2008* Budget	FY2009* Budget	FY2010* Budget
Beginning Balance	11,476,200	545,500	(4,800)	(2,100,700)	(2,548,100)
Revenues	7,964,000	6,744,000	6,302,200	5,624,900	5,270,400
Transfers In	0	0	834,200	0	0
Expenditures	18,894,700	7,294,300	9,232,300	6,072,300	2,722,300
Ending Balance	<u>545,500</u>	<u>(4,800)</u>	<u>(2,100,700)</u>	<u>(2,548,100)</u>	<u>0</u>
2-Months Operating Reserves	<u>1,922,300</u>	<u>1,922,300</u>	<u>1,922,300</u>	<u>1,922,300</u>	<u>1,922,300</u>



City of Surprise, Arizona
Library Development Fund
FY2006 Budget

Purpose:

To account for the inflow of Library Development Fees levied on new home starts. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on Library services caused by growth. Development fees cannot be used to subsidize operational needs.

Budget Highlights:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the Parks, Recreation & Library Development fee has been separated into two fees, one for Parks & Recreation and one for Library. As of August 27, 2004 the library development fee increased \$62 to \$266 per single family home. These fees have been separated in order to more accurately reflect the impact of growth on these two services.

\$200,000 is programmed for consulting services to determine the whether the current library be expanded or an additional library constructed and for design services. Anticipated resources of this fund exceed current year expenditures by \$2,036,700. This amount has been programmed as unallocated contingencies, however the availability of these funds is crucial to the funding of the City's five-year CIP.

City of Surprise Library Development Fund Fiscal Year 2006						
Expenditures	FY2003* Actual	FY2004* Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	0	0	0	0	7,500	0.0%
Capital	0	0	0	0	200,000	0.0%
Contingencies	0	0	0	0	2,477,000	0.0%
Total	0	0	0	0	2,684,500	0.0%
Revenues						
Development Fees	0	0	600,000	800,000	1,862,000	310%
Interest	0	0	1,000	2,500	20,000	2000%
Other Sources	0	0	0	0	802,500	0%
Total	0	0	601,000	805,500	2,684,500	447%

* Included in Parks & Recreation Development

All Library capital purchases required due to growth are detailed in the individual departmental budget and the adopted five-year CIP.

City of Surprise Library Development Fund Fiscal Year 2006	
Community & Recreation Services	200,000
Finance	<u>7,500</u>
Total Library Development Fund	<u>207,500</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected revenues exceed expenditures and funds are available for all projects included in the CIP.

21417 - Library Development Fee Fund

	FY2006 <u>Budget</u>	FY2007* <u>Budget</u>	FY2008* <u>Budget</u>	FY2009* <u>Budget</u>	FY2010* <u>Budget</u>
Beginning Balance	802,500	2,477,000	(1,931,300)	(443,800)	883
Revenues	1,882,000	1,591,700	1,487,500	1,327,600	1,243
Transfers In	0	0	0	0	
Expenditures	207,500	6,000,000	0	0	500
Ending Balance	<u>2,477,000</u>	<u>(1,931,300)</u>	<u>(443,800)</u>	<u>883,800</u>	<u>1,627</u>
2-Months Operating Reserves	0	0	0	0	



City of Surprise, Arizona
Community Initiatives
FY2006 Budget

Mission Statement

To promote the self-sufficiency of Surprise residents, through the provision of social, senior, transit and neighborhood and volunteer services both as individuals and as members of the community.

Divisions:

- Administration - Performs overall administrative functions of the department.
- Human Services - Promotes self-sufficiency of City residents through the provision of social services, such as educational programs for adults & children, family programs, utility assistance, and health programs, both as individuals and as members of the community.
- Senior Services - Promotes self-sufficiency of City residents through the provision of senior services such as a senior center, congregate meal programs, and transportation assistance, both as individuals and as members of the community.
- Neighborhood Services - Promotes self-sufficiency of City residents through the provision of neighborhood services such as Housing Rehabilitation and Neighborhood Revitalization, both as individuals and as members of the community.

Budget Highlights

The Community Initiatives Department is responsible for the development, management and coordination of programs to enhance and improve the quality of life for our residents as well as beautify and revitalize our neighborhoods and community. The philosophy of this department continues to be one of community stewardship and commitment to excellence. The department intends to continue building upon its existing network of agencies, organizations and volunteers to meet the increasing demands of a growing community.

This Community Initiatives budget reflects the increasing diversity of providing community, senior, transit, neighborhood and volunteer services in the City of Surprise by increasing the level of professionalism, creativity and staffing needed to fulfill our mission and accomplish our goals and to at least maintain the same level of service. Through grants the facility provides needed services for the elderly as mandated by the Older Americans Act of Congress. Partnerships with other organizations will continue to be sought and explored.

Position Summary					
Community Initiatives - Summary					
	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Community Initiatives Director	1.0	1.0	1.0	1.0	0.0
Community Initiatives Manager	1.0	1.0	1.0	1.0	0.0
Recreation Aide	0.5	0.5	0.5	1.5	1.0
Neighborhood Liaison	1.0	1.0	3.0	3.0	0.0
Community Programs Specialist	2.0	2.0	1.0	1.0	0.0
Senior Programs Supervisor	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Office Support Specialist	0.5	0.5	0.5	0.5	0.0
Van Driver	0.0	0.5	0.0	0.0	0.0
Facilities Maintenance Worker	0.0	0.0	0.0	0.5	0.5
Transit Operator	0.0	0.0	1.0	1.0	0.0
Kitchen Attendant	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	<u>8.0</u>	<u>8.5</u>	<u>10.0</u>	<u>11.5</u>	<u>1.5</u>

Accomplishments:

- Initiated several new programs including: Home Owners Academy (HOA), Community Mediation, volunteer, Earned Income Tax Credit, Valley Scan, English as a Second Language, Title V workers, benefit assistance program, Bingo and Senior Safety Day
- Successfully secured over \$1 million dollars in grant funding for department services
- Successfully expanded the weekly Brown Bag Nutritional Food Program for age 60+ including disabled residents by 20% (from 55 to 65 families) with a partnership with the Sun Valley Gleaners and West Side Food Bank.
- Successfully partnered with outside agencies and other City Departments as follows:
 - Established partnership with Interfaith Community Care to offer care giving support groups monthly for Spanish-speaking clients
 - Referrals to Catholic Social Services offering counseling and support groups for domestic violence
 - Refer families to Arizona Children's Foundation for counseling and parenting classes
 - Maricopa County Community Action Program (CAP) (Executive Board member)
 - Partnering with Community Development Department on rental housing ordinance and property maintenance code implementation
 - Partnered with Police and Public Works on graffiti abatement program
- Volunteer Lucia Haas was selected to be President Bush's official Arizona greeter upon arrival at Sky Harbor Airport in August 2004.
- Implemented Bridge lessons, Dance, Kitchen Band, Caregiver's Group, Benefits Check Up, Benefits Assistance, One Stroke Painting, Tax Tips, Pokeno, and money bingo.

- Awarded \$300,000 to oversee the rehabilitation of 30 homes utilizing Community Development Block Grant (CDBG) funds. Awarded over \$600,000 in CDBG funds for housing rehabilitation.

Budget Summary:

The Community Initiatives Department budget is programmed for \$2,387,100 an increase of 5.3% from the FY2005 budget of \$2,266,800 primarily due to program enhancements as outlined below. Personnel costs account for 30 % of the total Community Initiatives budget. Personnel increases include programming a part time (0.5 FTE) Facilities Maintenance Worker to perform custodial duties for the community center/senior center to include room set-ups and changeovers and moving equipment as needed. Additionally, part-time hours equivalent to a 1.0 FTE Recreation Aide position have been programmed due to the department growth and demand for services.

City of Surprise Community Initiatives Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Department - Summary						
Personnel	402,053	471,064	615,500	573,100	720,800	17.1%
Supplies/Services	132,069	661,481	1,651,300	1,116,613	1,666,300	0.9%
Capital	<u>9,274</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>543,396</u>	<u>1,132,545</u>	<u>2,266,800</u>	<u>1,689,713</u>	<u>2,387,100</u>	<u>5.3%</u>
Division - Summary						
Administration	204,847	239,471	248,600	254,200	290,900	17.0%
Senior Services	211,671	224,639	329,700	299,800	378,500	14.8%
Human Services	63,263	72,048	82,900	81,800	96,700	16.6%
Neighborhood Services	<u>63,615</u>	<u>596,387</u>	<u>1,605,600</u>	<u>1,053,913</u>	<u>1,621,000</u>	<u>1.0%</u>
Total	<u>543,396</u>	<u>1,132,545</u>	<u>2,266,800</u>	<u>1,689,713</u>	<u>2,387,100</u>	<u>5.3%</u>
Revenues						
Grants	96,132	448,947	1,070,800	663,000	1,042,800	-2.6%
Program Fees	14,933	22,177	29,000	31,000	31,000	6.9%
Other	38,147	877	0	200	0	0.0%
General Fund Subsidy	<u>394,184</u>	<u>660,544</u>	<u>1,167,000</u>	<u>995,513</u>	<u>1,313,300</u>	<u>12.5%</u>
Total Revenue	<u>543,396</u>	<u>1,132,545</u>	<u>2,266,800</u>	<u>1,689,713</u>	<u>2,387,100</u>	<u>5.3%</u>

Excluding the grants, supplies & services increases by 26 %. The increase is primarily due to the programming of \$300,000 to continue the minor rehabilitation and beautification program in the Neighborhood Services Division. Other increases include the programming of \$20,000 for a displacement assistance program, \$15,000 in contractual services to compile a consolidated plan, \$25,000 in consulting services to provide a city-wide Surprise Revitalization Plan and general cost increases for the supplies and services required to operate the department and for additional positions.

Grant funds include Community Development Block Grants, HOME, State Home, State Trust, and Area Agency on Aging. Grant funding is crucial for Community Initiative programs that provide a direct service to the most needy and least visible members of our community. These funds are utilized in a variety of ways to increase the spirit of community, strengthen neighborhoods and ensure that all residents basic needs are met.

Capital:

A total of \$237,000 has been programmed for capital in FY2006. Included are improvements to the community/senior center which will increase the availability of parking, covered parking and improve access to the facility.

City of Surprise		
Community Initiatives - Capital		
Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Service Drive (793)	21213-441-111-39211-20610	45,000
Additional Parking on Rimrock (532)	21112-441-111-39212-20630	70,000
Covered Parking & Patio (387)	21112-441-412-39212-20615	101,300
Vehicle & Equipment	21412-441-413-39421-29999	<u>20,700</u>
	Total	<u>237,000</u>

Goals & Objectives:

Public Safety

- Expand public awareness of citywide public safety programs (ie. Senior Safety Day, Victim Assistance, Pride Day, Mediation) through outreach and civic education and Revitalization Board by June 2006 with two new neighborhood programs.
- Develop collaborative process to report crime to police department by transit operators by January 2006.

Local Economy (employment)

- Collaborate with Economic Development to design a citywide development strategy to attract businesses as part of the revitalization/redevelopment effort by June 2006.
- Develop plan to extend transit connection to the Southwest Valley (Luke AFB, Estrella Community College) by June 2006.
- Conduct four job seminars/job fairs in collaboration with Maricopa Work Force Connections by June 2006 to promote increased employment opportunities for residents and employers.

Parks and Amenities

- Expand or add five new senior program offerings with emphasis on fitness, nutrition, wellness and participants remaining mentally and socially active by June 2006.
- Develop design concept of expanded dining hall to accommodate future growth by June 2006.
- Refine planning model of Community Center to include a large, well-planned, well-equipped regional kitchen and Café concept co-located with future Fire Station at Cactus Lane Ranch after General Plan Review is completed. December 2005.

- Begin to plan for boomer generation retirement – examine Life Option Blueprint by Jan 2006.
- Develop city plan to address Governors Strategic Plan on Aging Crisis by March 2006.
- Complete final coordination for CDBG grant funded Gaines Park expansion project by June 2006.
- Complete participation in the development of Lizard Run Grant Phase I with Finance, Community Development, CRS department, and Revitalization Board by June 2006.
- Assist in the acquisition and development of the Habitat for Humanity Park within the Original Town site as part of a housing development project by June 2006.

Efficient and Effective City Operations

- Seek new avenues of outreach, marketing, and partnerships to reduce duplication of effort for services provided by June 2006.
- Examine a new shared use facility with Fire and other city services.
- Continue to work with code enforcement to streamline the method of referrals to Neighborhood Services programs by June 2006.
- Expand the Project Data base to track all department projects weekly by January 2006.

Customer Service

- Complete the staffing of the front desk to cover public use hours of operation by June 2006.
- Examine parking deficiencies, and seek ways to resolve issues. Develop overflow parking plan in Gaines Park by June 2006 with CRS Department.
- Institute a name tag system for senior participants to foster socialization, familiarization and camaraderie by December 2005.
- Expand the volunteer base through recruitment of new volunteers. Strengthen the city's volunteer program and community engagement with the addition of a volunteer coordinator by December 2005.
- Re-design the website for a new look by December 2005.
- Implementation of an Emergency Repair program to offer homeowner occupied homes needing housing repair assistance by December 2005.
- Commission a Consolidated Plan to assist in targeting grant funding in areas of need by June 2006.
- Commission a Housing Plan to identify housing conditions within the city to seek and target grant funding effectively by June 2006.
- Implement a relocation assistance program in conjunction with future city rental ordinance developed by the Community Development Department to provide emergency assistance to displaced families as part of code enforcement activities by June 2006.

Community Initiatives – Performance Measures	Actual 2003	Actual 2004	Target 2005	Target 2006
Human Services - Number of new programs added	5	6	2	3
Human Services - Total number of clients served	260	592	5,040	6,048
Human Services - Total number of Brown Bag/ food plus packages provided per year	60	61	4,188	4,606
Human Services - Number of new job skill workshop seminars and job fairs conducted	3	1	1	4
Senior Services - Total tutoring student classes	n/a	n/a	840	1,092
Senior Services - Number of new senior programs added.	11	11	10	10
Senior Services - Number of new partnerships developed.	4	4	4	5
Senior Services - Number of Senior Outreach Programs initiated.	3	3	5	4
Senior Services - Number of Senior Meals provided	7,228	7,844	15,000	8,500
Senior Services - New participants	624	335	360	370
NH Services - Develop Infill lots for neighborhood revitalization.	n/a	0	47	5
NH Services - Number of homes rehabilitated through grant funds.	3	10	16	20
NH Services - Homes aided through neighborhood improvement Pride Day.	26	13	17	30
NH Services - Tons of Refuse removed from neighborhoods.	120	150	500	300
NH Services - Gallons of paint used to paint homes & remove graffiti.	440	500	500	500
NH Services - Dollar amount in grants successfully awarded for Neighborhood Revitalization activities	\$250,000	\$550,000	\$746,000	\$950,000
NH – Services - Homes participating in Senior Safety Day	n/a	30	85	120



City of Surprise, Arizona
Dial-A-Ride Transportation (DART) Fund
FY2006 Budget

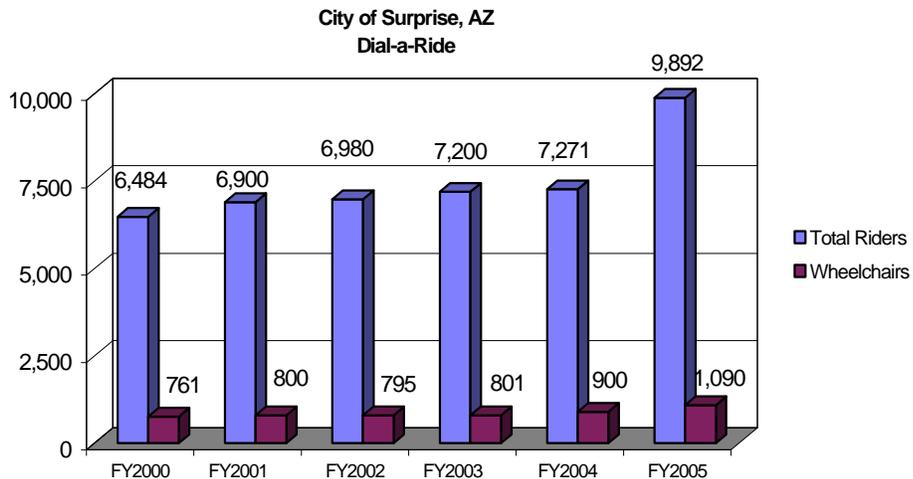
Mission Statement:

To provide transit services to Surprise residents with special emphasis to the elderly, disabled and low-income.

Budget Highlights:

The Community Initiatives department is responsible for providing a Transit and Dial-A-Ride Transportation (DART) program to meet the cities’ transit needs. Initially implemented in 1988, the DART program is successfully meeting some of the needs of Surprise residents, however as the City continues to grow, a changing demand for service has been identified.

Two surveys concerning transit were conducted in FY2001 as part of a long-range transit plan. These surveys identified the areas that residents wanted transit service and the City of Surprise is working towards meeting those desires. The consultant of the Transit Plan conducted the surveys. Presented in two-year increments covering a twenty-year time frame the transit plan presents a detailed operational analysis of existing transit services, community demand and potential operational changes to meet that demand. This budget is designed to allow the Community Initiatives department to address the recommendations of the transit plan. Potential service enhancements include contracting out aspects of the medically necessary service, expansion of service utilizing cab vouchers and the development of “field trips” to service the publics desire to visit area malls.



Accomplishments:

- As a member of the RPTA the City has a voice at the transportation planning level for the Northwest Valley and networking as committee member to gain additional resources.

- Successfully influenced Valley Metro to give top priority to expand bus service through Surprise to Wickenburg.
- Secured grant funding for additional fleet vehicle and added driver to staff for growing customer base.
- Identified resources to assist with updating council approved transit plan.
- Received the highest rating of all cities for “on time” performance of DART operations within Valley Metro.
- Collaborated with new City Transportation Planner on citywide projects and planning to include interface with new Surprise Transportation Commission.
- Initiated a public opinion survey to determine future expansion needs, service area and rate increases.
- Assumed responsibility for transporting Surprise residents requiring dialysis which was previously outsourced to Maricopa County Special Transportation Services.
- Purchased dispatching software to provide efficiency and improved customer service.
- Developed policy and procedures manual for transit staff.
- Initiated a vehicle maintenance auditing system to track grant funded expenses.
- Successfully implemented supervisor position to develop staff and future transit initiatives.

Position Summary					
Dial-a-Ride					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Dispatcher	1.0	1.0	0.0	1.0	1.0
Van Driver	3.0	3.0	0.0	0.0	0.0
Transit Supervisor	0.0	0.0	1.0	1.0	0.0
Transit Operator	<u>0.0</u>	<u>0.0</u>	<u>4.0</u>	<u>5.0</u>	<u>1.0</u>
Total	<u>4.0</u>	<u>4.0</u>	<u>5.0</u>	<u>7.0</u>	<u>2.0</u>

Budget Summary

The DART budget of \$678,100 represents an overall increase of \$261,600 (63%) over the FY2005 budget. Excluding capital, the Operating budget is programmed for an increase of \$179,400 (62%). This is primarily due to the programming of an additional 1.0 FTE Transit Dispatcher and a 1.0 FTE Transit Operator position. Supplies and services increase 119% due to the operating needs of the new positions and inflationary increases in fuel and maintenance costs of vehicles.

Additionally, programmed in this area is \$62,000 to extend the Grand Avenue limited service bus line into Surprise. This will provide a limited stop community service into Phoenix four times per day during peak hours. The Grand Avenue express route will be the first mass transit route that serves the City of Surprise. The needs of the community cannot be

met utilizing only Dial-a-Ride, the Transit division will be exploring alternatives including partnerships with RPTA for fixed Route busses and the creation of a commuter rail system for the northwest valley.

City of Surprise Community Initiatives Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department - Summary</u>						
Personnel	402,053	471,064	615,500	573,100	720,800	17.1%
Supplies/Services	132,069	661,481	1,651,300	1,116,613	1,666,300	0.9%
Capital	<u>9,274</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>543,396</u>	<u>1,132,545</u>	<u>2,266,800</u>	<u>1,689,713</u>	<u>2,387,100</u>	<u>5.3%</u>
<u>Division - Summary</u>						
Administration	204,847	239,471	248,600	254,200	290,900	17.0%
Senior Services	211,671	224,639	329,700	299,800	378,500	14.8%
Human Services	63,263	72,048	82,900	81,800	96,700	16.6%
Neighborhood Services	<u>63,615</u>	<u>596,387</u>	<u>1,605,600</u>	<u>1,053,913</u>	<u>1,621,000</u>	<u>1.0%</u>
Total	<u>543,396</u>	<u>1,132,545</u>	<u>2,266,800</u>	<u>1,689,713</u>	<u>2,387,100</u>	<u>5.3%</u>
<u>Revenues</u>						
Grants	96,132	448,947	1,070,800	663,000	1,042,800	-2.6%
Program Fees	14,933	22,177	29,000	31,000	31,000	6.9%
Other	38,147	877	0	200	0	0.0%
General Fund Subsidy	<u>394,184</u>	<u>660,544</u>	<u>1,167,000</u>	<u>995,513</u>	<u>1,313,300</u>	<u>12.5%</u>
Total Revenue	<u>543,396</u>	<u>1,132,545</u>	<u>2,266,800</u>	<u>1,689,713</u>	<u>2,387,100</u>	<u>5.3%</u>

Capital:

As programmed for FY2006 Capital totals \$260,700 and includes \$100,000 for bus stops, a carried forward amount of \$90,000 for Transit Vans and additional vehicles and equipment for DART staff.

City of Surprise Community Initiatives - DART - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Bus Stops (232)	21211-441-414-39211-20607	100,000
Equipment - DART Staff	21211-441-414-39212-29999	17,800
Transit Vans & Equipment	21211-441-414-39421-29999	<u>142,900</u>
	Total	<u>260,700</u>

Goals & Objectives:

Transportation

- Add a second van with lift and driver to meet current service levels for senior transportation needs by June 2006.
- Expanding Transit Division service hours, adding another van and driver and dispatcher to meet growing demand by June 2006.
- Explore new opportunities for expanded service by developing updated transit plan to get a head of the curve for future population growth by June 2006.
- Actively participate with City Transportation Commission, MAG, and Valley Metro stakeholders to extend bus service to the city by June 2006.
- Consolidate transit resources between Transit and Senior Division by March 2006.

Local Economy

- Assist the local economy by providing transportation to and from stores, medical facilities and work. Contact local employers to identify employee’s transit needs by January 2006.

Parks & Amenities

- Add van to city fleet to assist residents by offering trips to parks, Surprise Stadium, libraries, Courthouse, MVD, hotels, and restaurants by June 2006.

Efficient & Effective City Operations

- Transit will expand service by effectively pooling resources with Senior Division by June 2006.

Customer Service

- Provide additional transit service to city residents to maintain current service levels and a high standard for customer service as revealed during a recent survey (March). Over 100 passengers could not be accommodated in April 2005 due to a lack of resources (vans and drivers) by June 2006.

Dial a Ride – Performance Measures	FY2003	FY2004	FY 005	FY2006
Number of Fleet Vehicles	3	3	4	7
Number of Trips	7,094	7,449	9,932	11,000
Operating Cost per Trip	\$27.92	\$24.00	\$21.00	\$19.00



City of Surprise, Arizona
10% Set - A - Side Fund
FY2006 Budget

Mission Statement:

Provide a dedicated funding source equal to 10% of the City's primary property tax levy for the development and improvement of the original town site and other areas of the city. To ensure that all residents share the benefits of growth within the City of Surprise.

Budget Summary:

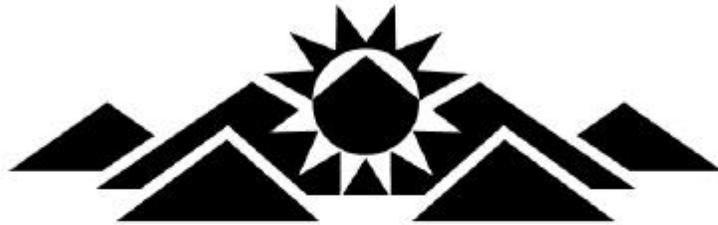
Funding for the 10% set-aside comes from a general fund transfer that represents 10% of the primary property tax levy. The transfer from the general fund has been reduced by \$38,800 due to an advanced transfer that occurred in FY2005. Funding for two parks projects come from grants from CDBG and the Arizona State Heritage Fund. These grants will be used to pay for improvements to Gaines Park and Lizard Run. In addition to this transfer, all funds remaining from the prior year are carried forward as beginning fund balance. For FY2006 this is estimated at \$347,700.

City of Surprise						
10% Set Aside Fund						
Fiscal Year 2006						
	FY2003	FY2004	FY2005	FY2005	FY2006	Budget
Expenditures	Actual	Actual	Budget	Estimate	Budget	Change
Supplies/Services	40,065	39,474	147,800	147,800	150,000	1.5%
Capital	<u>105,367</u>	<u>87,904</u>	<u>315,300</u>	<u>11,000</u>	<u>1,538,100</u>	<u>387.8%</u>
Total	<u>145,432</u>	<u>127,378</u>	<u>463,100</u>	<u>158,800</u>	<u>1,688,100</u>	<u>264.5%</u>
Revenues						
Investment Earnings	5,940	2,500	3,000	3,000	3,000	0.0%
General Fund Subsidy	173,400	225,200	369,200	369,200	374,200	1.4%
Grants	0	0	0	0	963,200	100.0%
Other Sources of Funds	<u>8,100</u>	<u>33,983</u>	<u>94,900</u>	<u>134,304</u>	<u>347,700</u>	<u>266.4%</u>
Total	<u>187,440</u>	<u>261,683</u>	<u>467,100</u>	<u>506,504</u>	<u>1,688,100</u>	<u>261.4%</u>

Expenditures are programmed for payment of electricity for original townsite streetlights (\$42,800), park Improvements at Bicentennial and Gaines parks, as well as other items that are described in each departments budget narrative. All funds are programmed for use in FY2006.

City of Surprise	
10% Set Aside Fund - Capital	
Fiscal Year 2006	
Community & Recreation Services	1,493,100
General Operations	45,000
Community Development	40,000
Community Initiatives	90,000
City Council	<u>20,000</u>
Total 10% Set Aside Fund Capital	<u>1,688,100</u>

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
Engineering Department
FY2006 Budget

Mission Statement:

To provide design and project management services for capital improvement projects; participate in the development application and approval process, review plans, ensure proposed new developments are in compliance with generally accepted engineering standards, City ordinances and other statutory regulations; provide inspection services on capital improvement projects and develop public improvements to insure conformance to construction standards, plans, specifications and statutory regulations; assist in planning the future transportation system of Surprise and the region. Also, to provide for the safe and efficient movement of people and products throughout the City.

Budget Highlights:

The Engineering Department of the City of Surprise is charged with the responsibility for ensuring that public projects are adequately planned, developed and managed. This is accomplished by providing developers, engineers and the citizens of the City with quality control and quality assurance with respect to standard city design criteria through the use of on-site inspections of over-all construction including: permit work, subdivision development improvements and capital improvement projects implemented within the City right-of-ways.

The engineering department, working closely with other departments, will oversee the design, development and construction of several projects on Bell Road during FY2006. These projects include the design and construction of turn lanes, ITS, resurfacing, various other street and landscaping projects planned throughout the fiscal year.

Position Summary					
Engineering Department					
Fiscal Year 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
City Engineer	1.0	1.0	1.0	1.0	0.0
Assistant City Engineer	1.0	1.0	1.0	1.0	0.0
Associate Engineer	0.0	0.0	2.0	3.0	1.0
Civil Engineering Supervisor	1.0	1.0	1.0	1.0	0.0
Plans Examiner	2.0	2.0	2.0	2.0	0.0
Construction Inspector	3.0	3.0	5.0	6.0	1.0
Permit Licensing Technician	2.0	2.0	2.0	2.0	0.0
Secretary	0.0	0.0	1.0	1.0	0.0
Administrative Assistant	0.0	0.0	0.0	1.0	1.0
Office Support Specialist	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	<u>11.0</u>	<u>11.0</u>	<u>15.0</u>	<u>18.0</u>	<u>3.0</u>

Accomplishments:

- Exceeded the department’s revenue goals with projected receipts exceeding \$2.25 million.
- Established a Rural Road Policy that allowed continued work on several million dollars in Capital Projects on 219th Avenue and in Sections 10 &11, Saguaro Acres & Saguaro View and Martin Acres.
- Developed a formal fee structure for engineering permits and plan review.
- Developed & implemented the expedited plan review for private development projects at the developers’ expense and implemented an expedited plan review & permitting process for all school related projects.
- Improved the Engineering Website to add:
 1. Request for Services Form
 2. Civil Plan Review Status
 3. Status of Road Closures
- Developed Drainage Guidelines. The implementation of this process will provide the developers, consultants and the staff with clear direction for various stages of plan acceptance, approvals and permitting regarding drainage.
- Worked with Flood Control to expedite projects to ensure proper drainage in Surprise.

Budget Summary:

The \$1,710,000 budget of the engineering department represents an increase of 36% over the adopted FY2005 budget of \$1,258,400. Personnel costs increase by 26% and account for 77% of the engineering department budget. The increase is primarily due to the programming of three new positions. This includes 1.0 FTE Associate Engineer position, 1.0 FTE Construction Inspector position, and a 1.0 FTE Administrative Assistant. The Associate Engineer position is to be responsible for the implementation of the city’s short-term transportation plan and the expenditure of nearly \$12.0 million annually in dedicated transaction tax funds.

City of Surprise Engineering Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Personnel	683,545	686,102	1,039,800	942,000	1,312,400	26.2%
Supplies/Services	50,574	211,319	218,600	205,100	397,600	81.9%
Capital	0	0	0	0	0	0.0%
Total	734,119	897,421	1,258,400	1,147,100	1,710,000	35.9%
Revenues						
Engineering Fees	734,119	897,421	1,258,400	1,147,100	1,710,000	35.9%
Total	734,119	897,421	1,258,400	1,147,100	1,710,000	35.9%

Supplies & Services increase by 82% over the FY2005 budget. The increase is primarily due to the programming of \$250,000 to hire specialized consultants to provide professional engineering services in the areas of drainage needs assessments, roadway design, update the Engineering LIS module, incorporate the bench mark system into the website, and required environmental studies for dirt roads. The remaining costs are to maintain and operate the department and to provide the necessary operating and equipment requirements of the additional positions.

Capital:

Capital is programmed at \$20,831,500 for the Department as outlined in the table below. As indicated, Included is \$11,255,300 for road improvements including \$6,693,000 for the Bell Road Project, \$60,700 for vehicles for both replacement and new vehicles for additional staff, \$7,000,000 to support the Transportation Action Plan, \$1,250,500 for drainage improvements, and \$1,265,000 for other miscellaneous improvements. The additional roadway mileage and other improvements listed will have an impact on the Operating budget in the area of increased maintenance and utility costs.

City of Surprise			
Engineering - Capital			
Fiscal Year 2006			
<u>Description</u>	<u>Account</u>	<u>Amount</u>	
<u>Vehicles</u>			
Replacement Vehicles	21114-541-112-39421	30,000	
Construction Inspector - Vehicle & Equipment	21415-541-112-39421	<u>30,700</u>	<u>60,700</u>
<u>Street Improvements</u>			
Grand Ave-Greenway Rd. to Litchfield RD (95)	21112-541-112-39222-20425	324,800	
Section 10 & 11 Road Improvements (453)	21112-541-112-39222-20432	100,000	
Reems Rd: Waddell to Cactus (271)	21112-541-112-39222-20434	362,400	
136th Ave & Desert Cove Rd improvements	21112-541-112-39221-20504	394,100	
Dysart Road @ Grand - carry forward \$75,000 (249)	21418-541-112-39222-20509	2,375,000	
Intersection of Park View Place & Greenway Rd	21112-541-112-39221-20525	98,000	
Traffic Calming OTS - carry forward \$70,000 (308)	21112-541-112-39223-20513	140,000	
Traffic Signals - carry forward	21415-541-112-39223-20547	370,000	
Golf cart/sidewalk (337)	21112-541-112-39211-20613	55,000	
Saguaro View & Acres Rd Rehab.Project - cf/ \$200,000 (512)	21112-541-112-39223-20526	400,000	
Palm View Dr curb & gutter & sidewalk	21112-541-112-39223-20529	58,000	
Bell Road Project (783)	21112-541-112-39222-20547	6,305,000	
Bell Road Project (783)	21415-541-112-39222-20547	388,000	
Reems Rd Channel: Box Culvert (273)	21112-541-112-39222-20611	310,000	
Pave dirt roads (291)	21112-541-112-39222-20612	80,000	
Right Turn Lanes (756)	21418-541-112-39222-20657	700,000	
Dysart & Thunderbird Intersection Improvements (537)	21418-541-112-39222-20632	<u>60,000</u>	<u>12,520,300</u>
<u>Transportation Action Plan</u>			
Deer Valley Rd. East West Alt.-Tr. Proj Next 5 Yr (777)	21418-541-112-39221-20667	6,000,000	
Transportation Action Plan - New Arterial Capacity (778)	21418-541-112-39221-20668	500,000	
Trans. Action Plan - Transit Infrastructure (780)	21418-541-112-39222-20669	<u>500,000</u>	<u>7,000,000</u>
<u>Drainage</u>			
Section 10 & 11 Drainage problem (615)	21112-541-112-39112-20424	757,500	
Martin Acres Drain & Rd - carry forward \$18,000 (453)	21112-541-112-39224-20511	93,000	
219 th ave Road & Drainage Improvements (517)	21112-541-112-39223-20526	<u>400,000</u>	<u>1,250,500</u>
		Total	<u>20,831,500</u>

Implementation of the Transportation Action Plan is the highest priority of the City Council, City Manager and the Engineering Department. For FY2006 funds have been programmed for the planning and design of arterial roadway improvements and transit infrastructure improvements. The projects identified by the Engineering department will begin construction in late FY2006 and early FY2007 funded through the dedicated construction transaction tax.

Goals & Objectives:

Transportation, Public Safety, Efficient & Effective City Operations, & Customer Service

- Begin Implementation of the Short-term Transportation Action Plan and expenditure of the dedicated transaction sales tax
- Through a consultant, complete the Engineering Design Guideline Manual and improve street construction quality and integrity
- Improve Capital Improvement Planning and facilitate completion of all currently funded CIP projects
- Provide quality customer service responding to complaints
- Advance transportation improvement projects whenever possible

Public Works - Engineering Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Commercial Improvement Plans Reviewed	98	135	132	135
Subdivision Improvement Plans Reviewed	342	235	136	240
Commercial Reports Reviewed	22	49	32	100
Subdivision Reports Reviewed	56	46	36	50
Commercial Construction Permits Issued	140	193	160	200
Subdivision Construction Permits Issued	483	444	96	100
Utility Permits Issued	282	270	252	200
Subdivision Construction Inspections Completed	64	76	108	100



City of Surprise, Arizona
Traffic Engineering
FY2006 Budget

Mission Statement:

Provide economical and quality service to all residents of the City and the general public to ensure the safe use of all roads and streets.

Divisions:

Operations - Provides overall oversight of the department and centralized administration.

Signs - Responsible for installing, maintaining and repairing all signs and markings within the City.

Signals - Responsible for installing, maintaining and repairing all traffic signals and city owned streetlights within the City.

Position Summary					
Traffic Engineering					
Fiscal Year 2006					
	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Traffic Engineer	1.0	1.0	1.0	1.0	0.0
Associate Engineer	0.0	0.0	1.0	1.0	0.0
REACT Team Coordinator	0.0	0.0	1.0	1.0	0.0
Traffic Signal Technician	2.0	2.0	3.0	3.0	0.0
Traffic Sign/Striping Technician	1.0	1.0	1.0	1.0	0.0
Maintenance Worker	1.0	1.0	2.0	5.0	3.0
Secretary	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>
Total	<u>5.0</u>	<u>5.0</u>	<u>9.0</u>	<u>13.0</u>	<u>4.0</u>

Accomplishments:

- Installed & Designed numerous traffic improvements including four-way stops, traffic signals, speed bars, signal coordination, pavement markers, signs and geometric alignments
- Reviewd and approved all traffic plans, impact analyses, sight distances, lane requirements and construction projects associated with ongoing development
- Conducted traffic counts and reviewed traffic crash reports.
- Worked to get \$2,350,000 in Federal Funds for Bell Road ITS (Phase 2) and Surprise Traffic Operations Center (TOC).
- Developed new work zone approval and fee process.

Budget Highlights:

Traffic Engineering is responsible for installing, maintaining and repairing all traffic signals, streetlights, signs and markings. As the City grows, more and more intersections will be requiring traffic signals. Monitoring traffic patterns to ensure a smooth, congestion free ride for residents and the public is a major priority. This budget provides for an increased rate of development of the program in response to the City Managers priorities and support of the Council and Mayor. The installation of traffic signals at major intersections and the initiation of a master control system are among priorities for this year.

A cooperative project with Maricopa County and Peoria will result in an Intelligent Transportation Systems (ITS) Project on Bell Road from Grand Avenue to Loop 101 that will include optical fiber communications, traffic signal interconnect and retiming, video cameras to monitor traffic and Variable Message Sign to alert motorists of conditions. Construction will start in July of 2005 and will result in a temporary Traffic Operations Center (TOC) in the Engineering Department. Plans are being proposed and funds have been defined for completing the ITS network and establishing the permanent TOC in the new Public Safety Building.

City of Surprise Traffic Engineering Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Summary						
Personnel	257,138	296,619	428,600	429,200	803,400	87.4%
Supplies/Services	249,804	572,100	449,000	447,700	933,500	107.9%
Capital	<u>110,133</u>	<u>39,918</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>617,075</u>	<u>908,637</u>	<u>877,600</u>	<u>876,900</u>	<u>1,736,900</u>	<u>97.9%</u>
Division Summary						
Operations	70,302	228,991	138,000	125,800	396,900	187.6%
Signals	294,847	365,377	403,300	424,000	868,900	115.4%
Signs	<u>251,926</u>	<u>314,269</u>	<u>336,300</u>	<u>327,100</u>	<u>471,100</u>	<u>40.1%</u>
Total	<u>617,075</u>	<u>908,637</u>	<u>877,600</u>	<u>876,900</u>	<u>1,736,900</u>	<u>97.9%</u>
Revenues						
HURF	506,875	868,637	877,600	876,900	1,736,900	97.9%
Other Sources of Funds	<u>110,200</u>	<u>40,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>617,075</u>	<u>908,637</u>	<u>877,600</u>	<u>876,900</u>	<u>1,736,900</u>	<u>97.9%</u>

Budget Summary:

The budget for this department is programmed at \$1,736,900 representing an overall 98% increase over last year. Personnel costs total \$803,400 and increase by 87% over FY 2005 primarily due to the programming of 4.0 FTE net new positions. A REACT Team coordinator is also added to total staffing due to a mid-year adjustment This position will be funded through MAG funding for FY2006 and FY2007. This position will provide team leadership in incident/emergency traffic flow management for the traveling public. New positions include 3.0 FTE Maintenance Workers and 1.0 FTE Secretary. These positions are added due to growth and increased demand for services.

A total of \$933,500 is programmed for supplies and services representing a 108% increase over last year's budget. The increase is primarily due operating supplies and equipment for the new positions and base adjustments for growth and inflationary increases. Significant increases include one time costs programmed at \$292,000 for UPS battery back-ups for traffic signals and to upgrade and improve the traffic controller and cabinet. Portions of HURF revenues and beginning fund balance fund expenditures of this division.

Capital:

Capital for the Traffic Engineering department is programmed at \$4,737,800 as outlined in the table below. A total of \$2,420,000, of which \$360,000 is carried forward, is programmed for improvements including designing the fiber optics system, traffic signal master computer system, traffic control cameras, improvements at the Litchfield & Waddell intersections, and the repair and replacement of streetlights. A total of \$2,235,000, of which \$1,487,000 is carried forward, is programmed for traffic signals & equipment. A total of \$86,800 is programmed for vehicles and equipment associated with new positions.

City of Surprise Traffic Engineering Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Traffic Signal Master Computer System	21415-545-511-39411-20428	200,000
Designing Fiber Optics (176)	21415-545-112-39223-20456	50,000
Traffic Control Cameras	21112-545-112-39223-20512	100,000
Purchase Temporary Traffic Signals (744)	21112-545-511-39223-20653	175,000
Traffic Signals (716)	21415-545-511-39223	1,487,000
Traffic Signals (716) - Sun City Grand	21112-545-512-39223	573,000
Bell Intelligent Transp. System Phase II (176)	21415-545-112-39222-20603	75,000
Sign Fabrication Shop (739)	21415-545-512-39211-20651	180,000
Signal upgrade and re-wire (741)	21112-545-511-39224-20652	160,000
Geometric Improvements for Signalized Intersection (745)	21418-545-511-39224-20654	1,375,000
Road Improvements @ Litchfield & Waddell	21112-545-511-39222	250,000
Repair & Replace 20 Streetlights	21112-545-511-39223	30,000
Traffic Engineering Field Truck & Equipment	21415-545-112-39421	30,700
Vehicle - Maintenance Worker	21112-545-512-39421	5,300
Sign Installation Truck & Equipment	21415-545-512-39421	<u>46,800</u>
	Total	<u>4,737,800</u>

Capital items of this department are programmed and accounted for in the public works development fund, transportation improvement fund and the general capital fund.

Goals and Objectives:

Transportation, Public Safety, Efficient & Effective City Operations, & Customer Service

- Maintain Traffic Signals, Signage and Markings to ensure public safety.
- Improve safety by placing thermoplastic pavement markings at 30 major intersections.
- Provide quality customer service to the citizens of Surprise and the general public.
- Provide efficient Traffic Engineering support to the City.
- Install fiber optic cable, video cameras and message boards on Bell Road.
- Design and build right turn lanes at Bell Road at Grand Avenue and RH Johnson Blvd.
- Build Temporary Master Computer System. (Traffic Operations Center)
- Advance plans for traffic operation center.
- Advance the Bell Road Intelligent Transportation System (ITS) program.

Public Works – Traffic Engineering Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Total Number of Traffic Signals installed.	2	5	4	10
Number of Streetlights repaired.	N/A	50	80	80
Number of Traffic Signals Retimed/Adjusted/Phased.	N/A	36	250	25
Number of Locations Blue Staked.	N/A	180	600	600
Number of Signs Installed.	N/A	700	600	600
Number of Miles of Pavement Markings.	N/A	30	60	200
Number of Intersections with Thermoplastic	N/A	30	25	50
Number of Traffic Impact Analysis revised.	N/A	25	50	50
Number of intersection studies completed.	N/A	18	20	30
Number of crash reports reviewed.	N/A	400	526	600
Number of signing and striping plans approved.	N/A	30	70	100
Number of Maintaining Traffic Plans approved.	N/A	300	300	300



City of Surprise, Arizona
Vehicle Maintenance Department
FY2006 Budget

Mission Statement:

Provide exceptional quality, value-based service to the City’s fleet and customers.

Budget Highlights:

The fleet management division maintains and repairs the City’s fleet of vehicles and equipment. This includes establishing and administering appropriate fleet management policies and procedures and guiding and facilitating responsible implementation of those policies and procedures.

The fleet maintenance division attained ASE shop certification with 85% of its staff holding professional certificates of qualification. The FY06 focus will continue to be an upgrade and overhaul of the qualifications of staff, an addition of specialty equipment to enable more in-house repairs and a continued upgrade of the facility to support the professionalism and increased services offered by the division.

Position Summary					
Public Works - Fleet Management					
Fiscal Year 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Fleet Manager	1.0	1.0	1.0	1.0	0.0
Heavy Equipment Mechanic	2.0	3.0	3.0	3.0	0.0
Small Equipment Mechanic	1.0	1.0	1.0	1.5	0.5
Mechanic	2.0	2.0	3.0	3.0	0.0
Mechanic - Fire Apparatus	0.0	0.0	1.0	1.0	0.0
Administrative Assistant	0.0	0.0	1.0	1.0	0.0
Secretary	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	<u>7.0</u>	<u>8.0</u>	<u>10.0</u>	<u>10.5</u>	<u>0.5</u>

Accomplishments:

- Earned ASE professional shop certification.
- Designed and implemented a schedule of standard operating costs for all fleet vehicles to assist in budgetary planning for fleet vehicles and equipment.
- Completed first year implementation of vehicle replacement plan to maintain safer, more efficient and more reliable fleet of vehicles.
- Enclosed North and South bays of building; fire line and sprinkler system out to bid to be complete by October 2005.

Budget Summary:

The \$1,060,900 budget of the fleet management division represents a 25% increase over the FY2005 budget of \$930,700. Personnel costs account for 60% of the total and represent a 30% increase over the FY2005 budget. This increase is primarily due to (.5 FTE) additional small equipment mechanic programmed for this fiscal year. This position will help meet the demands of an increasing and more sophisticated fleet of heavy equipment in the City.

The budget for supplies and services increases by 19% from FY2005 primarily due to programming \$16,400 for tools to efficiently maintain the department, \$10,000 to add covered parking, \$17,500 for lap top computers and software to electronically diagnose mechanical problems faster and more accurately, thus reducing costly downtime of vehicles. Additional increases are for programming of operating costs for new vehicles from all departments and operating supplies and equipment for the additional position.

City of Surprise						
Public Works - Fleet Management						
Fiscal Year 2006						
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2005</u>	<u>FY2006</u>	<u>Budget</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	<u>Change</u>
<u>Expenditures</u>						
Personnel	297,814	383,857	575,700	534,600	638,900	11.0%
Supplies/Services	287,076	274,044	355,000	356,000	422,000	18.9%
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>584,890</u>	<u>657,900</u>	<u>930,700</u>	<u>890,600</u>	<u>1,060,900</u>	<u>14.0%</u>
<u>Revenues</u>						
General Fund Subsidy	<u>584,890</u>	<u>657,900</u>	<u>930,700</u>	<u>890,600</u>	<u>1,060,900</u>	<u>14.0%</u>
Total	<u>584,890</u>	<u>657,900</u>	<u>930,700</u>	<u>890,600</u>	<u>1,060,900</u>	<u>14.0%</u>

Capital:

Several capital items have been approved for the fleet management division. Included are carried forward funds to finalize the enclosure of the vehicle maintenance shop for added security and comfort. In addition to the capital listed below the, fleet maintenance department is responsible for the acquisition of all new and replacement vehicles for the City.

City of Surprise		
Public Works - Fleet Management - Capital		
Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Vehicle Maintenance Enclosure	21112-542-112-39211-20555	200,000
Heavy Duty Service Truck & Equipment	21415-542-112-39421	70,500
Forklift	21415-542-112-39431	15,000
Anglemaster 3000 (770)	21112-542-112-39431-20664	39,600
Heavy-Duty & Regular Lifts	21415-542-112-39431	34,000
Total		<u>359,100</u>

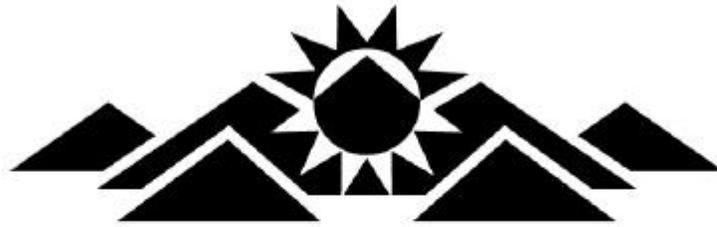
Goals & Objectives:

Efficient & Effective City Operations & Customer Service

- Provide increasingly technical training to improve skills in the management and operation of the City’s fleet and fleet services.
- Maintain a skilled and effective workforce by providing training, advancement and incentive-based opportunities for the dedicated employees of the division.
- Continue a proactive planning approach to fleet management to increase the efficiency and reduce maintenance costs to the city.
- Continue to increase standards of customer service and decrease downtime for essential city vehicles.
- Add second service truck to handle service work for fire fleet.

Public Works – Fleet Management Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Vehicles/Equip. Maintained Per Month	0	200	229	230
Avg. Monthly Downtime (Hrs)	0	448	507	500
Avg. Monthly Vehicles for Preventative Maint.	0	23	28	30
Avg. Monthly PM’s on Time	0	20	23	25
Avg. Monthly PM’s Late	0	3	5	5
% of PM’s On Time	0	87%	82%	83%
% of PM’s Late	0	13%	18%	17%
Avg. Monthly Service Calls	0	3	4	5
Avg. Monthly Time Spent on Service Calls (Hrs.)	0	2.3	4	5
Avg. Monthly Vehicles/Equip Worked on by Mechanic	0	33	28	27
Operating Cost per Vehicle per Month	0	700	734	755

City of Surprise, Arizona



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FY2006 Adopted Budget



City of Surprise, Arizona
Facilities Management Department
FY2006 Budget

Mission Statement:

Plan and direct the City’s facilities asset management efforts to insure the highest possible level of asset preservation, and plan and direct the facility capital improvement processes.

Divisions:

Maintenance - Responsible for the over-all day to day operations and administrative activities including custodial and building maintenance responsibility for approximately 336,000 square feet of building and facilities.

Project Management - A new division added this year to offer a specialized division and direct oversight in the project management of the design and construction of the growing list of CIP projects the City is undertaking for now and the future.

Position Summary					
Public Works - Facilities Management					
Fiscal Year 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Public Works Manager	0.0	0.0	1.0	1.0	0.0
Construction Project Manager	1.0	1.0	0.0	0.0	0.0
Code Compliance Specialist	1.0	1.0	0.0	0.0	0.0
Administrative Assistant	1.0	1.0	0.0	0.0	0.0
Office Support Specialist	0.0	0.0	0.0	1.0	1.0
Public Works Supervisor	2.0	2.0	2.0	2.0	0.0
Facilities Maintenance Technician	1.0	1.0	2.0	2.0	0.0
Facilities Maintenance Worker	4.0	4.0	4.0	4.0	0.0
Maintenance Worker	1.0	1.0	1.0	1.0	0.0
Laborer	1.0	1.0	1.0	1.0	0.0
Electrician	0.0	1.0	1.0	1.0	0.0
HVAC Technician	0.0	0.0	1.0	1.0	0.0
Public Works Manager	0.0	0.0	0.0	1.0	1.0
Construction Project Manager	0.0	0.0	1.0	2.0	1.0
Construction Field Representative	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>
Total	<u>12.0</u>	<u>13.0</u>	<u>14.0</u>	<u>18.0</u>	<u>4.0</u>

Accomplishments:

- Construction of Fire Station 301 estimated completion December 2005.
- Construction of all offsite infrastructure for the Surprise Center Complex 85% complete with design for Public Safety Facility 35% complete.

- Modular building for police open and operational.
- Police Property and Evidence facility completed.
- Expanded contract custodial services to include all city facilities.
- Provided close support to Community and Recreation Services during spring training season.

Budget Highlights:

This division comprised of custodians, building maintenance personnel, and now project management is tasked with servicing approximately 336,000 square feet of buildings and facilities. By effectively administering contract services, utilizing temporary inter-division transfers and staff dedication, the division continues to meet the challenges in maintaining the city’s building and facilities assets to ensure their maximum efficiency and longevity, and to provide the quality customer services the employees, residents and visitors of the City have come to expect.

Budget Summary:

The Facilities Management department has a total operating budget of \$1,996,700 representing a 52% increase from FY2005. Included in this amount is \$1,436,600 (72%) for personnel costs. To add efficiency and better span of control a new division is added this fiscal year titled Project Management with a budget of \$355,900. New personnel programmed this fiscal year include a 1.0 FTE Office Support Specialist to handle the increasing demand for clerical and administrative support.

City of Surprise Public Works - Facilities Fiscal Year 2006						
	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Expenditures</u>						
Personnel	614,926	701,115	864,800	836,500	1,436,600	66.1%
Supplies/Services	243,850	289,465	411,600	413,700	560,100	36.1%
Capital	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>35,000</u>	<u>0</u>	<u>-100.0%</u>
Total	<u>858,776</u>	<u>990,579</u>	<u>1,311,400</u>	<u>1,285,200</u>	<u>1,996,700</u>	<u>52.3%</u>
<u>Division Summary</u>						
General Operation	858,776	990,579	1,311,400	1,285,200	1,640,800	25.1%
Project Management	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>355,900</u>	0.0%
Total	<u>858,776</u>	<u>990,579</u>	<u>1,311,400</u>	<u>1,285,200</u>	<u>1,996,700</u>	<u>52.3%</u>
<u>Revenues</u>						
Building Rents	97,465	55,510	56,400	56,400	56,400	0.0%
General Fund Subsidy	<u>761,311</u>	<u>935,069</u>	<u>1,255,000</u>	<u>1,228,800</u>	<u>1,940,300</u>	<u>54.6%</u>
Total	<u>858,776</u>	<u>990,579</u>	<u>1,311,400</u>	<u>1,285,200</u>	<u>1,996,700</u>	<u>52.3%</u>

Additionally, 3.0 FTE positions have been added for the new Project Management division including a Public Works Manager, Construction Project Manager, and a Construction Field Representative. The increased budget primarily is due to the introduction of this new division required to keep pace with the growth of the City.

A total of \$560,100 is programmed for supplies and services. This represents a 36% increase over last year's budget. Included in this amount are operating supplies and equipment for the new positions and \$12,000 for a nuke test machine and slug kit, and base increases for the rising costs of repair and maintenance of the facilities.

Capital:

The Facilities Management Department budget includes capital totaling \$14,603,800 as outlined in the table below. Included in this amount is \$600,000 carried forward for upgrades to the city hall complex and heating and air conditioning system and design of new City mall. Carried forward is \$35,000 to reseal the east parking lot. Additionally facilities are programmed at \$2,900,000 and include \$2,600,000 for a Cultural Arts Center and \$300,000 carried forward for a building maintenance storage workshop. As indicated programmed for the new project management division is \$11,000,000 to design and start construction of a new city hall complex and \$68,800 for vehicles and equipment for the new project management personnel.

City of Surprise		
Public Works - Facilities Management - Capital		
Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Reseal East Parking Lot	21112-543-112-39224-20310	35,000
Facilities Maintenance work shop -building	21112-543-112-39211-20515	260,000
Facilities Maintenance work shop -equipment	21112-543-112-39411-20515	40,000
City Hall Complex Remodel/Expansion (456)	21112-543-112-39212-20411	570,000
Cultural Arts Facility - Building & Structure	21112-543-112-39211-20527	2,500,000
Cultural Arts Facility - Equipment	21112-543-112-39411-20527	100,000
Design & Build New City Mall (carry-over)	21412-543-112-39211-20503	30,000
City Hall - (792)	2112-543-115-39211-20675	11,000,000
Vehicle & Equipment	21415-543-115-39421	68,800
	Total	<u>13,698,800</u>

All capital items are programmed and accounted for in the development fee funds or in the general capital fund.

Goals and Objectives:

Efficient & Effective City Operations & Customer Service

- Establish and implement a comprehensive asset management program to include preventive maintenance, general maintenance, and custodial services.
- Inspect, evaluate, and catalog all physical assets, and identify and prioritize remedial requirements.
- Fully incorporate Hanson software into our operations to improve work orders, service requests and asset inventories

- Create and implement a dept. review committee comprised of representatives from each division to examine the overall effectiveness of the department and develop strategies for improving operations
- Evaluate, cost and prioritize the remaining ADA improvements required at city facilities that are not addressed in FY2006
- Improve Capital Improvement Planning and facilitate completion of all currently funded CIP projects

Public Works – Facilities Management Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Total Square feet of buildings	287,034	320,700	340,700	350,000
Square feet of buildings per FTE employee	23,920	35,600	30,900	31,000
Outsourced Cleaning (Square Feet)	190,910	196,700	300,000	300,000



City of Surprise, Arizona
Streets
FY2006 Budget

Mission Statement:

To apply skilled, efficient and industrially acknowledged current maintenance and repair services to the maintenance of the City’s streets, sidewalks and rights of way.

Budget Highlights:

The Streets division is responsible for the care and maintenance of dedicated pavement, sidewalks and rights of way within the City of Surprise. With over 600 centerline miles of roads in the city and still more proposed for acceptance in FY06 the demand for service for the Streets Division continues to grow along with the rapid growth of the City. The division employees have participated in advanced levels of training in street maintenance services.

Position Summary					
Public Works - Streets					
Fiscal Year 2006					
	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Public Works Director	1.0	1.0	1.0	1.0	0.0
Public Works Manager	1.0	1.0	1.0	1.0	0.0
Management Assistant	1.0	1.0	1.0	1.0	0.0
Public Works Supervisor	0.0	1.0	1.0	1.0	0.0
Equipment Operator	6.0	9.0	10.0	15.0	5.0
Maintenance Technician	2.0	2.0	2.0	2.0	0.0
Maintenance Worker	1.0	1.0	3.0	3.0	0.0
Laborer	7.0	7.0	5.0	5.0	0.0
Administrative Assistant	<u>1.0</u>	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>
Total	<u>20.0</u>	<u>24.0</u>	<u>26.0</u>	<u>31.0</u>	<u>5.0</u>

Accomplishments:

- Completed all of the work identified in FY2005 pavement management schedule, accelerated and completed many FY2006 projects.
- Completed approximately \$1.0 million in repairs to storm damaged streets utilizing in-house and contracted services above and beyond scheduled work. Successfully applied to FEMA for relief funds
- Developed FY2006 sidewalk repair and maintenance schedule, budgeted and contracted for the work.

Budget Summary:

The FY2006 budget is programmed at \$3,858,700. Excluding capital this represents an increase of \$512,100 (28%) over the FY2005 amended budget. Personnel costs increase by \$391,500 (29%) due to the addition of 5.0 FTE equipment operator positions. These positions are directly related to growth of the City and the resulting demand for services.

Supplies and services increase by 24% primarily due to supplies and operating needs of the new positions and adjustments for inflationary increases in fuel and other operating supplies services.

City of Surprise Public Works - Streets Fiscal Year 2006						
	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Expenditures						
Personnel	918,189	1,001,948	1,340,000	1,276,300	1,731,500	29.2%
Supplies/Services	448,242	594,808	506,600	500,500	627,200	23.8%
Capital	921,860	211,760	0	0	1,500,000	0.0%
Transfers to Other Funds	0	208,100	0	0	0	0.0%
Total	2,288,291	2,016,616	1,846,600	1,776,800	3,858,700	109.0%
Revenues						
Intergovernmental - HURF	1,490,033	1,266,706	1,242,800	1,243,500	584,700	-53.0%
Grants	255,543	0	0	0	56,000	0.0%
Miscellaneous	(410,932)	557,123	0	0	0	0.0%
General Fund Subsidy	824,000	0	640,000	601,800	3,276,800	412.0%
Other Sources of Funds	267,900	510,322	(36,200)	(127,329)	(58,800)	62.4%
Total	2,426,544	2,334,151	1,846,600	1,717,971	3,858,700	109.0%

Expenditures of the streets department are funded through Highway User Revenue Funds (HURF), investments, beginning fund balance and a subsidy from the general fund. For FY2006 the general fund is anticipated to subsidize the activities of this function in the amount of \$3,276,800.

City of Surprise Public Works - Streets - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Street Preservation and Maintenance Program (248)	21212-544-112-39222	1,500,000
Reems Road Co-op - Chip Seal (781)	21112-544-112-39222-20312	100,000
Wash Racks (714)	21112-544-112-39431-20645	65,000
Heavy Duty Broom (769)	21112-544-112-39431-20663	42,400
Soil Compactor (771)	21415-544-112-39431-20665	75,000
Trencher (772)	21112-544-112-39431-20666	26,500
Arrow Board and Trailer	21112-544-112-39431	12,000
Replacement Low-Boy Trailer	21112-544-112-39431	47,000
Tamper & Saw Cutter	21112-544-112-39431	23,500
Replacement Vehicles	21114-544-112-39421	392,000
Asphalt Patch Truck	21415-544-112-39421	144,000
Emergency Service Call Out Truck & Equipment	21415-544-112-39421	63,800
4x4 Pick-up & Equipment	21415-544-112-39421	39,000
Dump Truck & Equipment	21415-544-112-39421	68,000
Street Sweeper	21415-544-112-39421	155,000
Low Boy Trailer	21415-544-112-39431	15,000
Tractor & Equipment	21112-544-112-39431	56,000
Total		2,824,200

Capital:

Capital expenditures for the streets department total \$2,834,200. Included in this amount is funding for various street maintenance projects and for heavy equipment and vehicles for new positions. Programmed for \$1,500,000 is a continuation of the annual street maintenance program and \$100,000 for the Reems Road Co-op chip seal project. Additionally \$1,224,200 is programmed for vehicles for new positions and heavy equipment needed to maintain the expected level of service.

Capital items of this department are programmed and accounted for in the public works development fund, vehicle replacement fund and the general capital fund.

Goals and Objectives:

Transportation, Effective & Efficient City Operations, Customer Service

- Enhance current service levels by continuing to add more equipment and trained personnel to respond to maintenance and emergency road conditions immediately and more efficiently;
- Complete FY06 pavement and sidewalk management schedule and respond to all routine and emergency repairs of streets, sidewalks and rights of way;
- Implement pavement rating system to plan budgetary and resource allocations for both short and long-term.
- Work with Engineering to reduce trench compaction problems and premature road failures, as experienced this past winter.
- Initiate permanent pavement repairs through the purchase of budgeted equipment and addition of approved personnel to improve responsiveness to damaged roadways.
- Develop and utilize a pavement management system to allow for improved monitoring and prioritization of future street repair work.

Public Works – Streets Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Centerline street miles maintained	418	525	625	725
Centerline street miles maintained – per front-line employee	26.1	32.8	39.0	34.0
Interval between unimproved roads maintenance services	3	3	3	3

City of Surprise, Arizona



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FY2006 Adopted Budget



City of Surprise, Arizona
Street Light Improvement District Funds
FY2006 Budget

Mission Statement:

Street Light Improvement Districts (SLIDs) have been 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 of a specified purpose (the payment of electricity to operate the streetlights within the district). The City Council acts as the governing board for each of the districts. The City has the authority to levy taxes on all properties included in the district.

Budget Highlights:

Currently there are (52) Street Light Improvement Districts operated by the City with additional districts to be added as new sub-divisions open. All street light operational costs are paid for through a special district property tax assessment. The City of Surprise assesses up to the maximum levy of \$1.20 per hundred dollars of assessed valuation for each district and has established a separate fund for each district. Actual assessment is based upon estimated expenditures.

Budget Summary:

As homes are built and sold within the Street Light Improvement Districts the property tax levy will reach a point where the funds raised are adequate to cover the operating costs of the street lights. As they currently stand several districts have negative fund balances, which are reimbursed by the developer, and the maximum tax rate is being charged to property owners within each district. As assessed valuation of the district increases the SLID rate will decrease. Assessments of individual districts are detailed in the appendix of this document. In addition to electricity costs each SLID is charged a monthly administrative fee by the city.

City of Surprise Street Lighting Districts Fund Fiscal Year 2006						
	FY2003	FY2004	FY2005	FY2005	FY2006	Budget
Expenditures	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	<u>Change</u>
Supplies/Services	652,707	840,408	2,000,000	844,400	2,389,200	19.5%
Total	<u>652,707</u>	<u>840,408</u>	<u>2,000,000</u>	<u>844,400</u>	<u>2,389,200</u>	<u>19.5%</u>
Revenues						
Property Tax	486,800	697,875	684,100	785,600	611,300	-10.6%
SLID Revenue	0	94,343	1,166,400	10,900	1,338,000	14.7%
Interest Income	10,393	6,722	0	2,000	0	0.0%
Other Sources of Funds	467,400	292,032	263,100	487,841	439,900	67.2%
Total	<u>964,593</u>	<u>1,090,972</u>	<u>2,113,600</u>	<u>1,286,341</u>	<u>2,389,200</u>	<u>13.0%</u>

City of Surprise, Arizona



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FY2006 Adopted Budget



City of Surprise, Arizona
Sanitation
FY2006 Budget

Mission Statement:

Provide superior sanitation and recycling/environmental services to the residents of Surprise while working to manage waste disposal costs.

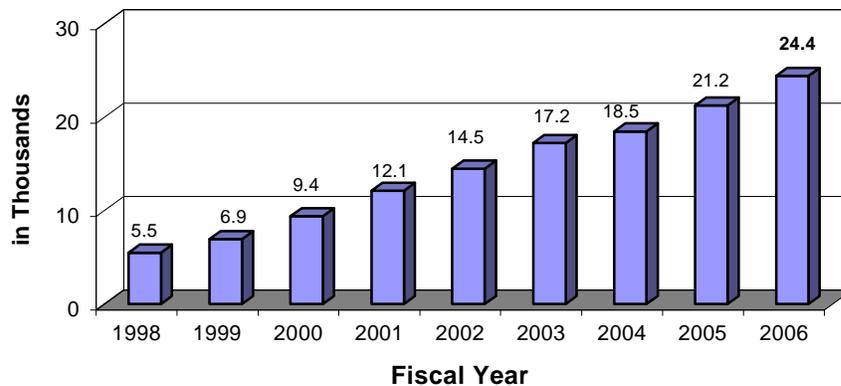
Budget Highlights:

The sanitation division of Public Works provides residential trash service within the City of Surprise. The quantity measure of sanitation services is containers emptied rather than households or residents, as many customers are multiple-container users. Currently there are approximately 24,200 residential containers being serviced by the sanitation division. This represents a 26% increase from FY2005. If this trends continues there will be approximately 28,000 services by the end of FY2006 each generating approximately 11 tons of trash annually.

With the continued growth of the City, it is the challenge of this department to plan adequately to provide this same level of quality service to all the city customers, old and new. In order to do so this budget has been designed to continue with the City provision of services, however the city is evaluating the privatization of collection that would also be accommodated within the existing budget and rate structure.

The department is continuing with the re-cycling program. It is anticipated there will be a 17% diversion of waste from the landfill due to the recycling program for the fiscal year. Additionally, the department oversees the Bulk Trash Program.

City of Surprise, AZ
Waste Collection - Tons



Accomplishments:

- Delivered a variety of solid waste services to all existing and approximately 5,300 new customers
- Implemented and expanded the role of Inspectors to include container deliveries and repairs, quality control for product and services, education and outreach, liaison to sanitation drivers and other related personnel on behalf of customers
- Provided and coordinated alternate environmental (diversion) programs such as Household Hazardous Waste events, glass recycling at certain drop-off locations and school-specific programs

Budget Summary:

The Sanitation Department budget of \$4,140,200 represents an increase of \$624,900 (18%) over the adopted FY2005 budget of \$3,515,300. Personnel costs account for \$1,444,300 (35%) of the total budget and increases by \$415,600 (40%). This increase is due to the net addition of 9.0 FTE new positions including Sanitation Drivers (8.0 FTE) and an Equipment Operator (1.0 FTE). It should be noted that although budgeted at 100%, the Sanitation Drivers will be hired on an as-needed basis for expansion of service as opposed to all at one time.

Position Summary					
Public Works - Sanitation					
Fiscal Year 2006					
	<u>Actual FY2003</u>	<u>Actual FY2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Public Works Supervisor	1.0	1.0	1.0	1.0	0.0
Recycling Inspector	1.0	1.0	1.0	1.0	0.0
Laborer	0.0	0.0	5.0	5.0	0.0
Equipment Operator	0.0	0.0	1.0	2.0	1.0
Sanitation Driver	8.0	9.0	12.0	20.0	8.0
Secretary	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>10.0</u>	<u>11.0</u>	<u>21.0</u>	<u>30.0</u>	<u>9.0</u>

These additional positions will insure the sanitation system will continue to meet established standards for service delivery as well as provide for the inspection of cans throughout the service area. The positions will only be hired if the city continues to perform this service in-house. If the service is contracted out these positions will not be hired and existing employees will be placed in similar positions throughout the organization

Supplies and services represent 32 % of the budget at \$1,341,800 with landfill costs and the contract for billing services accounting for over half of that amount. Other increases include a \$567,600 for new trash and recycling containers. Additional increases include the supplies and operating needs of the new positions. Depreciation expenses total \$190,000 for the year. Estimated resources exceed expenditures by \$449,100 this amount is programmed as contingencies. Both the recycling and bulk trash programs are included and represent 18% of the total budget

City of Surprise PW - Sanitation Fiscal Year 2006						
	<u>FY2003</u> <u>Actual</u>	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Budget</u>	<u>FY2005</u> <u>Estimate</u>	<u>FY2006</u> <u>Budget</u>	<u>Budget</u> <u>Change</u>
Expenditures						
Personnel	380,723	517,903	1,028,700	866,600	1,444,300	40.4%
Supplies/Services	795,575	1,028,076	1,023,100	1,023,100	1,341,800	31.2%
Capital/Depreciation	103,780	252,504	763,000	763,000	905,000	18.6%
Contingencies	<u>0</u>	<u>0</u>	<u>700,500</u>	<u>700,500</u>	<u>449,100</u>	<u>-35.9%</u>
Total	<u>1,280,078</u>	<u>1,798,483</u>	<u>3,515,300</u>	<u>3,353,200</u>	<u>4,140,200</u>	<u>17.8%</u>
Division Summary						
Sanitation	1,265,755	1,612,019	3,327,400	3,207,500	3,279,800	-1.4%
Bulk Trash	0	0	0	0	579,700	0.0%
Recycling	14,323	186,464	187,900	145,700	178,200	-5.2%
Other Departments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>102,500</u>	<u>0.0%</u>
Total	<u>1,280,078</u>	<u>1,798,483</u>	<u>3,515,300</u>	<u>3,353,200</u>	<u>4,140,200</u>	<u>17.8%</u>
Revenues						
User Fees	1,771,860	2,030,214	2,713,100	3,255,000	4,200,000	54.8%
Grants	0	111,631	0	6,000	0	0.0%
Miscellaneous	10,778	21,469	10,000	23,300	15,000	50.0%
General Fund Subsidy	146,762	0	0	0	0	0.0%
Other Sources of Funds	<u>(82,800)</u>	<u>780,670</u>	<u>794,200</u>	<u>784,603</u>	<u>(74,800)</u>	<u>-109.4%</u>
Total	<u>1,846,600</u>	<u>2,943,983</u>	<u>3,517,300</u>	<u>4,068,903</u>	<u>4,140,200</u>	<u>17.7%</u>

Capital:

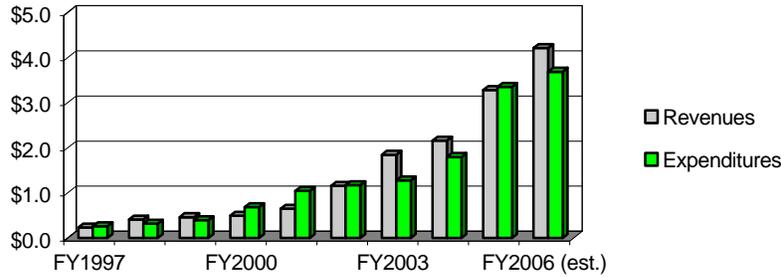
Capital for the Sanitation department totals \$1,810,000. This includes \$1,190,000 for seven new sanitation trucks as well as \$360,000 programmed for vehicle replacement. All capital is paid for utilizing public works development fee funds or sanitation user fees.

City of Surprise Public Works - Sanitation - Capital Fiscal Year 2006		
<u>Description</u>	<u>Account</u>	<u>Amount</u>
Sanitation Trucks & Equipment	21415-644-112-39421	1,190,000
Panel Truck & Equipment	21415-644-112-39421	55,000
Replacement Vehicles	22541-644-112-39421	360,000
Rear Loader Sanitation Truck & Equipment	22541-644-112-2055-39421	205,000
Total		<u>1,810,000</u>

Revenue:

As an enterprise fund all expenditures of the Sanitation Fund are covered by fees charged to the users of the service. Due to an increasing customer base sanitation service revenues are rising annually, unfortunately so are expenditures. As presented the sanitation service user fee will remain constant at \$12.50 per month. For FY2006 estimated resources exceed expenditures by \$449,100. This amount is listed above as an un-programmed contingency that will carry forward into future years to meet the needs of the service.

Sanitation Fund Comparison of Revenues/Expenditures
(excluding General Fund Subsidies)



Goals & Objectives: Goals & Objectives:

Efficient & Effective City Operations, Customer Service, & Public Safety

- Improve efficiency by evaluating benefits of outsourcing
- Promote recycling to keep city’s landfill expenditures to a minimum and thereby minimize or delay the need to increase fees despite increased landfill use fees
- Resume recycling promotion through school visits and HOA presentations
- Implement landfill diversion programs to reduce landfill use and associated fees
- Work with Police to implement an illegal dumping campaign to reduce disposal issues and associated cost to the City

Public Works - Sanitation Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Sanitation Routes	7	8	11	18
Annual Tons Collected	17,241	18,470	21,200	27,500
Average tons collected per route	2,463	2,308	1,927	1,284
Total Services	13,390	15,341	21,800	27,500
Services per route	1,913	1,917	1,982	1,527
Services per employee	1,339	1,394	1,038	916
Stops per Driver per Day	956	958	991	763
Tons Recycled	0	1,582	4,277	4,500



City of Surprise, Arizona
Public Works Development Capital Fund
FY2006 Budget

Purpose:

To account for the inflow of Public Works Development Fees levied on new home starts. 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.

Budget Highlights:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the public works development fee rate increase \$361 to \$885 per single family home on August 27, 2004.

Anticipated resources of this fund exceed current year expenditures by \$7,549,400. This amount has been programmed as unallocated contingencies, however the availability of these funds is crucial to the funding of the City's five-year CIP.

City of Surprise Public Works Development Fund Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Supplies/Services	9,880	180,942	602,000	602,000	1,138,600	89%
Capital	376,494	1,380,505	2,532,400	1,392,400	4,908,300	94%
Contingencies	0	0	<u>2,114,300</u>	0	<u>7,549,400</u>	<u>257%</u>
Total	<u>386,374</u>	<u>1,561,447</u>	<u>5,248,700</u>	<u>1,994,400</u>	<u>13,596,300</u>	<u>159%</u>
Revenues						
Development Fees	1,750,286	3,187,463	2,366,300	5,100,000	6,331,600	168%
Grants	0	200,982	0	0	0	0%
Miscellaneous	134,577	55,018	25,000	50,000	75,000	200%
Other Sources	<u>1,026,659</u>	<u>2,525,148</u>	<u>2,884,100</u>	<u>4,054,095</u>	<u>7,189,700</u>	<u>149%</u>
Total	<u>2,911,522</u>	<u>5,968,611</u>	<u>5,275,400</u>	<u>9,204,095</u>	<u>13,596,300</u>	<u>158%</u>

Public Works Capital purchases required due to growth are detailed in individual departmental budgets as summarized below.

City of Surprise	
Public Works Development Fund	
Fiscal Year 2006	
Engineering	2,872,200
Finance	7,500
Public Works	822,600
Sanitation	<u>2,344,600</u>
Total Public Works Development Fund	<u>6,046,900</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2005 – FY2009 CIP for this fund. As projected, general fund subsidies will be required in future years in order to fund all projects included in the CIP.

21415 - PW Development Fee Fund

	FY2006	FY2007*	FY2008*	FY2009*	FY2010*
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Beginning Balance	7,189,700	1,549,400	19,800	750,600	2,169,500
Revenues	6,406,600	5,207,300	5,295,800	4,948,900	4,417,000
Transfers In	0	3,922,300	0	0	7,102,500
Expenditures	12,046,900	10,659,200	4,565,000	3,530,000	13,689,000
Ending Balance	<u>1,549,400</u>	<u>19,800</u>	<u>750,600</u>	<u>2,169,500</u>	<u>0</u>
2-Months Operating Reserves	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>



City of Surprise, Arizona
Water Replenishment Enterprise Fund
FY2006 Budget

Mission Statement:

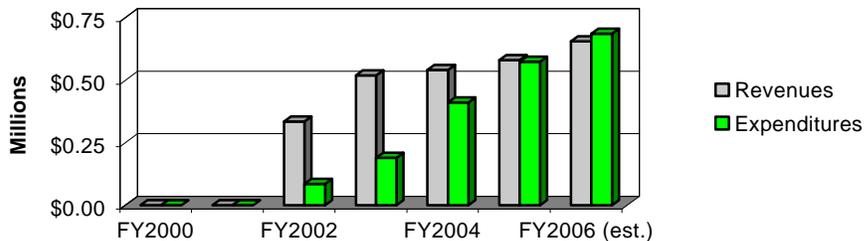
To store water utilizing replenishment facilities located throughout the City. Provide replenishment infrastructure in an effective and responsive manner. To provide for a long-term assured water supply so that the City and its residents may continue to grow and prosper. To be responsive to the replenishment issues and needs of the city residents within the City’s water service area.

Budget Highlights:

The water replenishment department is responsible for the planning, implementation, operation, and maintenance of the city’s water replenishment facilities and water conservation efforts. This is accomplished through three divisions within the department – the Administration Division maintains all the centralized administrative functions, the Operations Divisions handles all the day-to-day operations of the department, and the Conservation Division maintains all the conservation efforts. In FY2006 the City will continue a large scale, systematic replenishment effort. The water resources user fee allows for the long-term management and development of a comprehensive water recovery system for the City of Surprise.

Water recharge is a means of storing excess water supplies so that they may be used in the future. Artificial recharge is an increasingly important tool in the management of the City’s water supplies. Basically, recharge is the process of adding water to aquifers that have been drawn down over a period of time. Recharging the aquifers allow the City to accumulate long-term storage credits or the right to recover water at a later time. Recharge is accomplished by various means including percolation of excess water into aquifers and injection wells that introduces water directly into the aquifers. Storing water underground to ensure an adequate supply for the purpose of satisfying current and future needs is both practical and cost-effective in our desert environment.

Replenishment Fund Comparison of Revenues/Expenditures



In FY2006 the city will continue with its highly successful water conservation program. Established by council direction water services has developed a water conservation program that is based on increased educational and informational opportunities.

Accomplishments:

- Operated and maintained the South Recharge Facility within State and County requirements.

Budget Summary:

Water Resources operations are programmed at \$1,252,500 for FY2006, an increase of 56% over the FY2005 budget. Included in this amount is \$564,900 of un-programmed contingencies, absent this, the water resources fund budget remains relatively constant increasing by 4%. Replenishment activities continue to be entirely supported by a separate water resources fee. The water resources fee will be charged to both water and sewer customers, with sewer customers paying a base rate of \$0.90 per month and water users paying the same base rate plus a usage rate of \$0.25 per 1,000 gallons of water used.

City of Surprise						
Water Services - Replenishment						
Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	73,245	145,183	160,900	152,100	163,800	1.8%
Supplies/Services	116,903	265,473	470,200	392,000	393,800	-16.2%
Capital Debt Service	0	0	30,000	30,000	130,000	333.3%
Contingencies	<u>0</u>	<u>0</u>	<u>141,700</u>	<u>0</u>	<u>564,900</u>	<u>298.7%</u>
Total	<u>190,148</u>	<u>410,656</u>	<u>802,800</u>	<u>574,100</u>	<u>1,252,500</u>	<u>56.0%</u>
<u>Division Summary</u>						
Administration	0	0	32,400	30,200	44,700	38.0%
Operations	158,286	333,618	670,100	464,600	1,035,300	54.5%
Conservation	31,862	77,038	100,300	79,300	72,500	-27.7%
Other Departments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>0.0%</u>
Total	<u>190,148</u>	<u>410,656</u>	<u>802,800</u>	<u>574,100</u>	<u>1,252,500</u>	<u>56.0%</u>
<u>Revenues</u>						
User Fees	319,719	535,862	600,100	575,000	650,000	8.3%
Miscellaneous	16,308	5,557	5,000	5,000	6,000	20.0%
Other Sources	<u>184,100</u>	<u>231,000</u>	<u>197,700</u>	<u>415,969</u>	<u>596,500</u>	<u>201.7%</u>
Total	<u>520,127</u>	<u>772,419</u>	<u>802,800</u>	<u>995,969</u>	<u>1,252,500</u>	<u>56.0%</u>

The overall budget is made up of Personnel, Supplies, Services and Capital. The Water Resources fund consists of a Water Resource Specialist, Water Services Technician, and a Management Assistant. A 1.0 FTE Water Resources Specialist is full time in this department, the remainder of the positions are split between the Water and Sewer departments as indicated in the table below.

Position Summary					
Water Services - Replenishment					
Fiscal Year 2006					
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>change</u>
Water Resources Specialist	1.00	1.50	1.75	1.75	0.00
Water Services Technician	0.50	0.50	0.50	0.60	0.10
Management Assistant (25%)	<u>0.00</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.00</u>
Total	<u>1.50</u>	<u>2.25</u>	<u>2.50</u>	<u>2.60</u>	<u>0.10</u>

The percentage of time allocated to the department for the Water Services Technician was increased from 0.50 to 0.60 for the fiscal year. The Water Resource Specialists are responsible for all reporting requirements and conservation activities associated with the replenishment division. The reports have a direct effect on the water credits that the City will receive and may impact the City’s 100 year assured water supply. Personnel costs compose 25% of the total water resources fund budget.

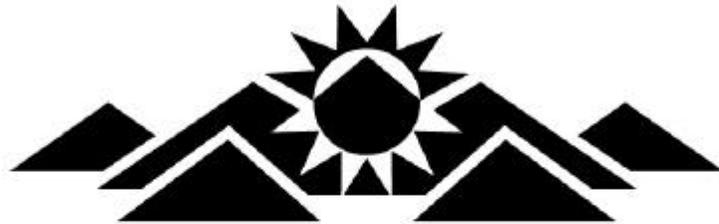
Supplies and Services represent 60% of the total replenishment-operating budget. The majority of these expenses are associated with the normal day-to-day operating expenses of this type of operation including water, electricity and lab services. Anticipated resources of this fund exceed expenditures by \$564,900 which is listed as un-allocated contingency.

Goals/Objectives:

- Ensure the long-term sustainability of the City’s water supply through the use of water replenishment credits.
- Maintain the present level of service to the City’s replenishment customers.

Water Services – Water Resources Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Monthly average water replenishment bill per household	\$0.90	\$0.90	\$0.90	\$0.90
Monthly average water replenishment bill per household – within water service area	\$2.84	\$2.84	\$2.84	\$2.84

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
Water Resources Capital Fund
FY2006 Budget

Purpose:

To account for the inflow of Water Resources Development Fees levied on new home starts. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on Water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water resource development fees, the Water Services Department oversees the planning, designing, developing and operation of recharge facilities throughout the city.

Budget Highlights:

The Water Resources budget of \$6,925,100 is an increase of \$1,344,900 over the adopted FY2005 budget. The overall budget consists of a portion of the development fee update study, capital projects that are related to the explosive growth being experienced by the City and unallocated contingencies. Infrastructure will be built as required within the financial constraints of this revenue source.

City of Surprise						
Water Replenishment Development Capital Fund						
Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Supplies/Services	29,120	28,060	46,700	16,700	7,500	-84%
Capital	45,214	63,079	5,213,200	936,900	4,656,800	-11%
Contingencies	<u>0</u>	<u>0</u>	<u>320,300</u>	<u>0</u>	<u>2,260,800</u>	<u>606%</u>
Total	<u>74,334</u>	<u>91,139</u>	<u>5,580,200</u>	<u>953,600</u>	<u>6,925,100</u>	<u>24%</u>
Revenues						
Development Fees	1,161,368	2,128,521	1,592,500	2,000,000	1,601,800	1%
Investments	54,160	60,613	35,000	60,000	75,000	114%
Other Sources	<u>1,937,900</u>	<u>2,707,200</u>	<u>4,009,700</u>	<u>4,741,875</u>	<u>5,248,300</u>	<u>31%</u>
Total	<u>3,153,428</u>	<u>4,896,334</u>	<u>5,637,200</u>	<u>6,801,875</u>	<u>6,925,100</u>	<u>23%</u>

Revenue:

Revenues are based upon an estimate that 3,500 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots, the city's service area and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the water resources development fee decreased \$368 to \$454 per single family home on August 27, 2004.

As budgeted, anticipated resources of this fund exceed current year expenditures by \$2,260,800. This amount has been programmed as unallocated contingencies; however the availability of these funds is crucial to the funding of the City's five-year CIP.

Capital:

A large portion of the budget continues to be projects carried forward from the prior year (\$3.1 Million), including five groundwater savings and the Surprise Center recharge facility. Additional detail on these projects can be found in the City's Capital Improvement Plan.

City of Surprise				
Water Replenishment Development Capital Fund				
Fiscal Year 2006				
Surprise Center Recharge Facility - Phase 3 (446)	22522-642-112-39223-20621	1,530,000		
Water Operations Technician I - Vehicle & Equipment	22522-642-112-39421-29999	<u>20,500</u>		<u>1,550,500</u>
<u>Carryovers</u>				
Surprise Center Recharge Facility - Phase 1 (372)	22522-642-112-39223-20234	530,000		
South Recharge Facility - Phase 3 (104)	22522-642-112-39223-20412	500,000		
Santa Lucia Groundwater Savings Facility (382)	22522-642-112-39223-20413	150,000		
DTHC Groundwater Savings Facility (383)	22522-642-112-39223-20414	200,000		
Kennly Groundwater Savings Facility (371)	22522-642-112-39223-20415	21,300		
Surprise Center Recharge Facility - Phase 2	22522-642-112-39223-20523	515,000		
Santa Lucia GWSF - Phase 2	22522-642-112-39223-20536	470,000		
G-Farms GWSF - Phase 2	22522-642-112-39223-20537	130,000		
South Recharge Facility - Phase 3 - Basins	22522-642-112-39223-20541	<u>580,000</u>		<u>3,096,300</u>
Total Replenishment Capital Development Fund				<u>4,646,800</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, development fee revenues are sufficient to fund all projects included in the CIP.

22522 - Replenishment Capital Development Fee Fund

	FY2006	FY2007*	FY2008*	FY2009*	FY2010*
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Beginning Balance	5,248,300	2,260,800	1,514,500	1,064,500	(259,600)
Revenues	1,676,800	2,728,700	2,550,000	2,275,900	2,132,500
Expenditures	4,664,300	3,475,000	3,000,000	3,600,000	0
Ending Balance	<u>2,260,800</u>	<u>1,514,500</u>	<u>1,064,500</u>	<u>(259,600)</u>	<u>1,872,900</u>
2-Months Operating Reserves	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>



City of Surprise, Arizona
Water Enterprise Funds
FY2006 Budget

Mission Statement:

To provide the City and its customer's water for drinking, irrigation, commercial, and industrial uses. To provide a quantity and quality of water to its customers that meets or exceeds the standards or requirements for its intended use. Provide water infrastructure in an effective and responsive manner to meet the City's needs and the needs of its customers. Ensure responsiveness to the issues and needs of the customers within the City's water service areas. To provide for a long-term assured water supply so that the City and its residents may continue to grow and prosper.

Budget Highlights:

The Water Services Department consists of two divisions - an Administration Division that maintains all the centralized administrative functions and an Operations Division that oversees all the day-to-day operations of the department.

The Water Services Department is responsible for the planning, implementation, operation, and maintenance of all City of Surprise water facilities and systems. Additionally, the department is responsible for oversight of the water systems operation and maintenance agreement with Arizona-American Water Company.

The City of Surprise continues to be one of the fastest growing cities in the State of Arizona and the City of Surprise Water Services Department is focused on meeting the needs of its ever-expanding customer base. Most activities of the department revolve around the expansion of current facilities and the construction of new facilities. All capital projects and acquisitions associated with new growth are dealt with in the water capital fund section of this document.

Position Summary					
Water Services - Water					
Fiscal Year 2006					
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>change</u>
Water Services Manager	1.0	1.00	0.50	2.00	1.50
Construction Project Manager	0.0	0.00	1.50	1.50	0.00
Management Assistant (25%)	0.0	0.25	0.25	0.25	0.00
Information Technology Specialist	0.0	0.00	0.50	0.50	0.00
Water Services Technician	0.0	0.00	0.00	0.90	0.90
Water Resources Specialist	<u>0.5</u>	<u>0.50</u>	<u>0.75</u>	<u>0.75</u>	<u>0.00</u>
Total	<u>1.5</u>	<u>1.75</u>	<u>3.50</u>	<u>5.90</u>	<u>2.40</u>

The Water Services Department will continue to oversee the operation and maintenance of the existing water system as well as the overall development of the expanding system both within our current service area and into new service areas to the north. The City of Surprise

is serviced by several water systems including Arizona-American Water Company, City of El Mirage, Beardsley Water Company and the City of Surprise. The Water Services Department provides for the coordination of these entities in providing quality service to the citizens of Surprise.

Accomplishments:

- Operated and maintained the City’s Water System within State and County requirements.
- Provided water customers with an Annual Quality Report.

Budget Summary:

The Water Enterprise Fund budget of \$4,683,200 (\$3,504,900 less capital & contingencies) represents an increase of \$652,800 (16%) over the adopted FY2005 budget of \$4,030,400. The operating portion decreases by \$73,900. A total of \$500,200 representing 11% of the overall adopted budget amount is for contingencies. Personnel costs increase by \$196,400 and account for 16% of the operating budget.

City of Surprise Water Services - Water Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	155,279	175,709	347,900	272,600	544,300	56.5%
Supplies/Services	1,755,417	2,152,652	2,516,200	2,517,600	2,960,600	17.7%
Capital/Depreciation/De	217,381	218,459	786,100	658,000	678,100	-13.7%
Contingencies	<u>0</u>	<u>0</u>	<u>380,200</u>	<u>0</u>	<u>500,200</u>	<u>31.6%</u>
Total	<u>2,128,077</u>	<u>2,546,820</u>	<u>4,030,400</u>	<u>3,448,200</u>	<u>4,683,200</u>	<u>16.2%</u>
<u>Division Summary</u>						
Administration	0	0	341,600	273,800	533,100	56.1%
Operations	2,128,077	2,546,820	3,688,800	3,174,400	4,048,600	9.8%
Other Departments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>101,500</u>	<u>0.0%</u>
Total	<u>2,128,077</u>	<u>2,546,820</u>	<u>4,030,400</u>	<u>3,448,200</u>	<u>4,683,200</u>	<u>16.2%</u>
<u>Revenues</u>						
User Fees	2,400,359	3,084,503	3,781,400	4,107,100	4,927,000	30.3%
Miscellaneous	3,419	18,034	5,000	5,000	5,800	16.0%
General Fund Subsidy	15,932	0	0	0	0	0.0%
Other Sources	<u>96,500</u>	<u>147,600</u>	<u>830,800</u>	<u>(722,498)</u>	<u>(249,600)</u>	<u>-130.0%</u>
Total	<u>2,516,209</u>	<u>3,250,137</u>	<u>4,617,200</u>	<u>3,389,602</u>	<u>4,683,200</u>	<u>1.4%</u>

As indicated, the authorized personnel count of this department will increase to 5.90 FTE positions for FY2006 with the addition of a 1.5 FTE Water Services Manager with 0.5 FTE being shared, and a shared 0.90 FTE shared Water Services Technician. Supplies and services increase by 18% over FY2005 primarily due to the operating and equipment needs of the new personnel and overall price increases. The Arizona American service contract accounts for \$2,667,700 million (90%) of the supplies and services budget. Arizona American provides for all billing and servicing of City of Surprise water customers.

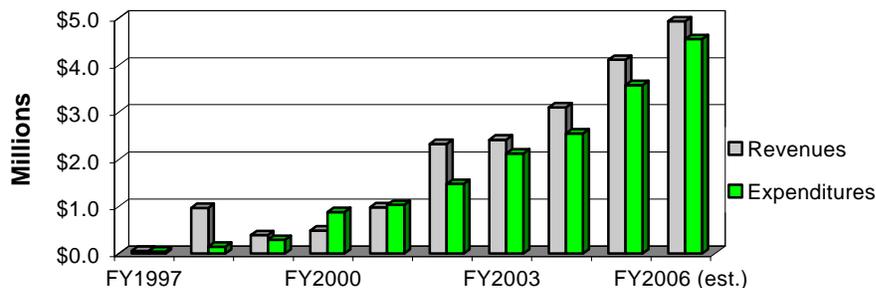
Capital:

Capital items programmed in this fund represent replacement capital; all capital acquisitions related to new growth are programmed in the Water Capital Fund and paid for by impact fees. All replacement capital items must be paid for through water service user fees. One capital item carried forward from last fiscal year, a mutual aid connection to the original townsite water line. The Original townsite of the City of Surprise is serviced by the City of El Mirage water department, this mutual aid line will assure that city residents continue to receive water in the event of problems with the El Mirage system.

City of Surprise Water Services - Water Fiscal Year 2006		
Utility Billing Study & Software	22512-641-112-39223-20633	100,000
Original Townsite Mutual Aide	22512-641-112-39223-20634	<u>128,100</u>
Total Water Capital Operations Fund		<u>228,100</u>

The second capital item programmed in this fund is for a portion of the utility billing study and potential hardware and software purchase. Currently the City out sources all of its utility billing functions, this project will evaluate the current set up and recommend changes. As a relatively new city the majority of wells and pumps are also new, as they age replacement costs will become an increasingly large expense.

Water Enterprise Fund Comparison of Revenues/Expenditures
(Excludes General Fund Transfers)



Revenue:

As an enterprise fund all expenditures of the water system are to be covered by fees charged to the users of the system. Due to an increasing customer base water service revenues are rising annually, unfortunately so are expenditures. As presented the residential water system user fee will continue at a service rate of \$12.20 and a usage rate of \$2.25 per 1,000 gallons. At this rate resources exceed expenditures by approximately \$500,200 however

indirect overhead costs are currently not assessed against this fund. This amount is listed above as un-programmed contingencies and remains in the water enterprise fund available for future use.

Goals/Objectives:

- Continued operation and maintenance of the city’s water supply facilities, wells, and water distribution and transmission systems.
- Continue maintaining levels of service provided to the city’s water customers at the most economical rate possible.
- Continue developing a long-term sustainable water supply.

Water Services – Water Operations Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Average Monthly residential water bill (Assumes 7,750 gallons of water use)	\$29.64	\$29.64	\$29.64	\$29.64



City of Surprise, Arizona
Water Capital Fund
FY2006 Budget

Purpose:

To account for the inflow of Water System Development Fees levied on new home starts. 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.

Budget Highlights:

During the previous fiscal year water services started several projects including three water service facilities, drilling and installation of three wells and the water services master plan. Construction was completed on one water service facility at Roseview and a well at Fox Trails. The Water Services department will continue to oversee the construction and design of several water related projects that will ensure the quality and quantity of drinking water for the city's water customers. All proposed projects address the needs of citizens due to the increased demand placed upon the system by growth.

City of Surprise						
Water Development Capital Fund						
Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	54,437	35,167	84,400	84,400	7,500	-91%
Capital	1,088,425	600,274	13,041,900	1,829,600	21,612,900	66%
Contingencies	0	0	330,700	0	1,552,700	370%
Total	1,142,862	635,441	13,457,000	1,914,000	23,173,100	72%
Revenues						
Development Fees	2,092,902	5,246,978	3,022,500	5,800,000	11,447,500	279%
Miscellaneous	(197,789)	137,286	86,900	150,000	150,000	73%
Other Sources	1,879,900	2,214,400	9,791,500	7,539,619	11,575,600	18%
Total	3,775,013	7,598,664	12,900,900	13,489,619	23,173,100	80%

The budget of \$23,173,100 for the water capital fund is an increase of \$9.6 million (80%) over the adopted FY2005 budget of \$12.9 million. A large portion of the budget continues to be projects carried forward from the prior year (\$12.0 Million). The entire budget of this fund consists of capital items required due to growth and expansion.

Revenue:

Revenues are based upon an estimate that 3,500 new homes will pay this development fee. The estimated number of homes is based upon past experience, service area, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the water development fee decreased \$1,109 to \$2,879 per single family home on August 27, 2004.

Anticipated resources of this fund exceed current year expenditures by \$1,552,700. This amount has been programmed as unallocated contingencies; however the availability of these funds is crucial to the funding of the City's five-year CIP.

Capital:

Capital projects funded through the development fee fund total \$21,238,700 for FY2006. Several projects are carried forward from prior years and will be finalized during the next few fiscal years. The Central Arizona Project (CAP) allocation is a payment to hold our rights to CAP water in the future. Several Water Service Facilities, Distribution Mains and monitoring wells will all be constructed, or started, over the next 12 months. Planning will commence for additional water service facilities associated with new developments.

City of Surprise			
Water Development Capital Fund			
Fiscal Year 2006			
Distribution System Monitoring Station 2 (559)	22512-641-112-39223-20633	150,000	
Distribution System Monitoring Station 3 (560)	22512-641-112-39223-20634	150,000	
SPA 2 Desert Oasis Well Site #3 (735)	22512-641-112-39223-20648	105,600	
Water Development Reimbursement (749)	22512-641-112-39223-20655	5,325,000	
Desert Oasis WSF - Phase 2 (787)	22512-641-112-39223-20671	2,000,000	
Ashton Ranch WSF - Phase 2 (791)	22512-641-112-39223-20674	1,000,000	
CAP Water Proj. Annual Payments (457)	22512-641-112-39511-29999	<u>495,000</u>	<u>9,225,600</u>
<u>Carryovers</u>			
Surprise Center Well/Orchards Well	22512-641-112-39223-20244	344,200	
Ashton Ranch Well 2 (422)	22512-641-112-39223-20323	995,600	
Mountain Gate/Kenly Development	22512-641-112-39223-20507	1,160,000	
Litchfield Road Water Distribution Main	22512-641-112-39223-20520	350,000	
Roseview Water Supply Facility - Phase 2	22512-641-112-39223-20521	1,000,000	
Ashton Ranch Water Supply Facility - Phase 3	22512-641-112-39223-20531	3,000,000	
Ranch Gabriela Water Supply Facility - Phase 2	22512-641-112-39223-20532	2,000,000	
SCADA	22512-641-112-39411-20533	175,000	
Distribution System Monitoring Station 1	22512-641-112-39223-20534	150,000	
South Reclaimed Facility - Phase 1	22512-641-112-39223-20540	970,000	
Rancho Gabriela Water Supply Facility Master Plan	22512-641-112-39223-20542	30,000	
Ashton Ranch Water Supply Facility Master Plan	22512-641-112-39223-20543	30,000	
Mountain Vista Ranch Well 2 - CF \$652,500 (420)	22512-641-112-39223-20241	<u>2,152,500</u>	<u>12,013,100</u>
Total Water Capital Development Fund			<u>21,238,700</u>

In addition to the projects listed above, numerous developer initiated projects will be completed throughout the fiscal year utilizing development fee credits. These projects are included as Water Development Reimbursements and will consist of the payment of credits to developers for the capital infrastructure that is constructed by them for the City's water system.

Additional detail on these projects can be found in the City's Capital Improvement Plan.

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, development fee revenues are sufficient to fund all projects included in the CIP.

22512 - Water Capital Development Fee Fund

	FY2006 Budget	FY2007* Budget	FY2008* Budget	FY2009* Budget	FY2010* Budget
Beginning Balance	11,575,600	1,952,700	771,700	1,076,400	1,565,900
Revenues	11,597,500	8,614,000	8,049,700	7,184,500	6,731,800
Bond Proceeds	0	0	0	0	0
Expenditures	21,620,400	9,995,000	7,945,000	6,695,000	6,595,000
Ending Balance	<u>1,552,700</u>	<u>571,700</u>	<u>876,400</u>	<u>1,565,900</u>	<u>1,702,700</u>
2-Months Operating Reserves	<u>800,000</u>	<u>400,000</u>	<u>200,000</u>	<u>0</u>	<u>0</u>

City of Surprise, Arizona



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FY2006 Adopted Budget



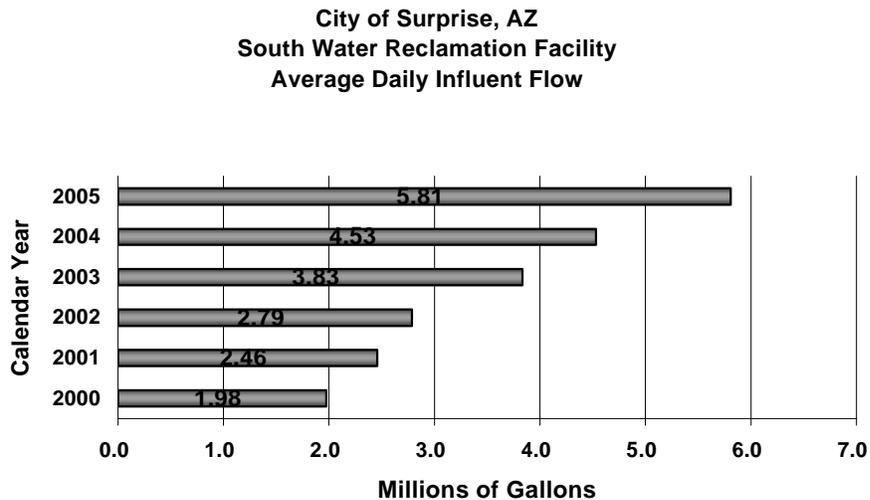
City of Surprise, Arizona
Sewer Enterprise Fund
FY2006 Budget

Mission Statement:

To protect the city and its residents from exposure to health related diseases and issues caused by inadequately treated sewage. To plan, design, implement, operate, and maintain the cities wastewater infrastructure in a cost effective and efficient manner. To satisfy all Federal, State, county and local agency permits, regulations and requirements. To provide infrastructure in an effective and responsive manner to meet the City’s needs for growth and expansion. To be responsive to the problems and needs of the city residents within the City’s wastewater service areas.

Budget Highlights:

The Sewer department is responsible for the planning, implementation, operation, and maintenance of the City’s wastewater facilities and lines. To accomplish this the department includes four divisions – the Administration Division maintains all centralized administrative functions, the Operations Division is responsible for all the day-to-day operations and oversight of construction activities, the Collections Division maintains all the collection activities, and the Blue Stake Division handles all the blue stake activities. Blue stake activities have increased at a rapid pace as indicated in the following performance measures table.



Note: Influent information from 2000 through 2002 was estimated by converting actual effluent (flows out of plant) information to influent (flows coming into plant) by using a standard .97 factor. Effluent flows are approximately 3% less than the influent flows. From 2003 to 2004 actual influent totals are used.

The City of Surprise continues to be one of the fastest growing cities in the State of Arizona, and the City of Surprise’s Sewer Department is focused on meeting the needs of its ever-expanding customer base. Most activities of the department revolve around the expansion

of current facilities and the construction of new facilities. All capital projects and acquisitions associated with new growth are dealt with in the following sewer capital fund section of this document.

The Sewer Department will continue to oversee the operation and maintenance of the existing sewer system as well as the overall development of the expanding system. Unlike the water system, the City of Surprise provides nearly 100% of all sewer services within the City.

Accomplishments:

- Operated and maintained the Litchfield and South Water Reclamation Facilities within State and County requirements.
- Operated and maintained the sewer collection system within State and County requirements.

Budget Summary:

The sewer department budget of \$22,093,300 represents an increase of \$13,624,700 (161%) over the adopted FY2005 budget of \$8,468,600. Un-programmed contingencies make up 67% of the total budget. Depreciation costs are estimated at \$2,575,000 (12%) and will continue to increase as more and more capital is added to the city's infrastructure base. With the increased growth of the department and customer base, the sewer services budget includes the addition of 3.5 FTE net new positions. These include a full time Water Operation Foreman, a full time Secretary, and a 1.5 FTE Water Services Manager with one half time of one of the positions being shared.

Position Summary					
Water Services - Sewer					
Fiscal Year 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Water Services Director	1.0	1.0	1.00	1.00	0.00
Water Services Manager	0.0	0.0	0.50	2.00	1.50
Construction Project Manager	0.0	0.0	0.50	0.50	0.00
Information Technology Specialist	0.0	0.0	0.50	0.50	0.00
Wastewater Operations Supervisor	1.0	1.0	1.00	1.00	0.00
Wastewater Operations Foreman	2.0	2.0	2.00	3.00	1.00
Wastewater Operations Technician II	4.0	3.0	4.00	4.00	0.00
Wastewater Operations Technician I	5.0	5.0	5.00	5.00	0.00
Wastewater Mechanic	0.0	0.0	2.00	2.00	0.00
Electrician	0.0	0.0	1.00	1.00	0.00
Utility Locator	1.0	2.0	1.00	1.00	0.00
Laborer	1.0	2.0	2.00	2.00	0.00
Management Assistant	0.0	0.5	0.50	0.50	0.00
Administrative Assistant	1.0	1.0	1.00	1.00	0.00
Secretary	2.0	2.0	2.00	3.00	1.00
Water Services Technician	0.5	0.5	0.50	0.50	0.00
Water Resources Specialist	<u>0.5</u>	<u>1.0</u>	<u>1.50</u>	<u>1.50</u>	<u>0.00</u>
Total	<u>19.0</u>	<u>21.0</u>	<u>26.0</u>	<u>29.5</u>	<u>3.50</u>

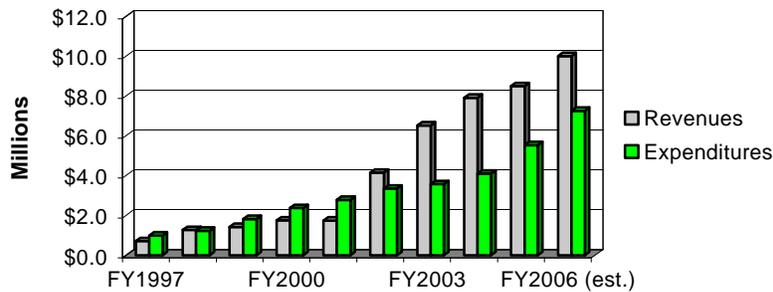
Personnel costs represent \$1,925,300 of the budget, an increase of \$349,600 (22%) over the FY2005 budget. This increase is due to the addition of the new positions described above and annual pay increases. Supplies and services account for \$2,871,700 an increase of \$307,800 (12%) over the FY2005 budget. Increases to these expenditure categories are driven by increased demand and increased scope of services.

Large expenditures of this department include: operating equipment and tools \$119,800 for the South Water Reclamation Facility and new growth, chemical supplies \$413,000 of which \$114,000 is directly related to new growth, lab services \$100,000, electricity \$420,000, and wells/sewer/line/equipment maintenance \$382,500.

City of Surprise Water Services - Sewer Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	923,024	1,116,680	1,575,700	1,427,200	1,925,300	22.2%
Supplies/Services	1,358,787	1,665,280	2,563,900	2,076,900	2,871,700	12.0%
Capital/Depreciation/Debt	1,280,407	1,313,263	2,025,000	1,925,000	2,575,000	27.2%
Contingencies	<u>0</u>	<u>0</u>	<u>2,304,000</u>	<u>0</u>	<u>14,721,300</u>	<u>538.9%</u>
Total	<u>3,562,218</u>	<u>4,095,223</u>	<u>8,468,600</u>	<u>5,429,100</u>	<u>22,093,300</u>	<u>160.9%</u>
<u>Division Summary</u>						
Administration	0	0	870,400	706,900	1,478,000	69.8%
Operations	3,416,947	3,796,858	6,975,200	4,305,050	19,840,100	184.4%
Collections	145,271	298,365	474,400	298,850	355,200	-25.1%
Blue Stake	0	0	148,600	118,300	157,500	6.0%
Other Departments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>262,500</u>	<u>0.0%</u>
Total	<u>3,562,218</u>	<u>4,095,223</u>	<u>8,468,600</u>	<u>5,429,100</u>	<u>22,093,300</u>	<u>160.9%</u>
<u>Revenues</u>						
User Fees	6,183,572	7,782,909	7,541,700	8,400,000	9,850,000	30.6%
Miscellaneous	61,576	132,019	40,000	100,000	160,000	300.0%
Other Sources	<u>273,900</u>	<u>315,700</u>	<u>1,226,000</u>	<u>9,865,380</u>	<u>12,083,300</u>	<u>885.6%</u>
Total	<u>6,519,048</u>	<u>8,230,628</u>	<u>8,807,700</u>	<u>18,365,380</u>	<u>22,093,300</u>	<u>150.8%</u>

As an enterprise fund all expenditures of the Sewer Fund are to be covered by fees charged to the users of the system. Due to an increasing customer base sewer service revenues are rising annually, unfortunately so are expenditures. As presented the Sewer System user fee is \$21.75 per month. This service is now self-sufficient and there is no general fund subsidy required, however indirect overhead costs are currently not assessed against this fund. For FY2006 resources exceed expenditures by an estimated \$14,721,300. This amount is listed above as an un-programmed contingency.

Sewer Enterprise Fund Comparison of Revenues/Expenditures
(Excludes General Fund Transfers)



Capital:

Capital is programmed in this activity for \$475,000. Capital acquisitions related to new growth are programmed in the Sewer Capital Fund and paid for by development fees. Replacement vehicles, upgraded control systems and replacement SCADA equipment complete the funded capital purchases for FY2006.

City of Surprise Water Services - Sewer Fiscal Year 2006		
De-commission Litchfield Water Reclamation Facility	22531-643-601-39223-20459	100,000
Krueger Dynamic Phasing Control Upgrade	22531-643-112-39223-20662	300,000
Replacement Vehicles	22531-643-112-39421-29999	69,000
SCADA	22531-643-112-39431-29999	<u>6,000</u>
Total Sewer Capital Operations Fund		<u>475,000</u>

Goals & Objectives:

- Start operations at the Desert Oasis Water Reclamation Facility
- Provide continued operation and maintenance of the South Water Reclamation Facility
- Provide continued operation and maintenance of the sewer collection system
- Maintain the present level of service to the City's sewer customer's at the most economical rate possible

Water Services – Sewer Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
Number of Blue Stakes Performed	13,000	29,000	30,000	30,000
Monthly Residential Sewer Bill	\$18.50	\$21.75	\$21.75	\$21.75
Average Daily Influent Flow (Million Gallons per Day MGD)	3.8	4.5	5.9	6.8



City of Surprise, Arizona
Sewer Capital Fund
FY2006 Budget

Purpose:

To account for the inflow of Sewer Services 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 sewer services caused by growth. Development fees cannot be used to subsidize operational needs.

Budget Highlights:

The sewer services department will oversee the construction and design of several sewer related projects that will ensure the ability of the sewer system to cleanly and safely handle all effluent, ensuring excellent service for the residents of the City of Surprise. All proposed projects address the needs of citizens due to the increased demand placed upon the system by growth.

In FY2003 the sewer services department completed the design and began construction on a 4.0 million gallon per day sewer treatment plant expansion of the South Water Reclamation Facility. The expansion of this facility increased the total treatment capacity from 3.2 million gallons per day to 7.2 million gallons per day. With this expansion complete another 7.0 MGD expansion is now required due to the increased numbers of homes being constructed in the City.

City of Surprise Sewer Capital Development Fund Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	1,722,702	1,211,848	2,181,000	1,845,600	1,818,500	-17%
Capital	1,543,924	523,091	17,657,800	3,219,000	39,210,400	122%
Contingencies	0	0	4,402,800	0	1,704,600	-61%
Total	3,266,626	1,734,939	24,241,600	5,064,600	42,733,500	76%
Revenues						
Miscellaneous	5,668,480	10,556,379	8,580,000	13,000,000	13,033,200	52%
Developer Funding	0	(600)	0	0	3,600,000	0%
General Fund Subsidy	(188,656)	212,399	115,900	200,000	200,000	73%
Other Sources	8,195,000	8,162,700	15,410,100	17,780,775	25,900,300	68%
Total	13,674,824	18,930,878	24,106,000	30,980,775	42,733,500	77%

The budget for the Sewer capital fund of \$42,733,500 is an increase of \$18,491,900 over the adopted FY2005 budget of \$24,106,000. In addition to this \$42.7 million, an additional \$400,000 million to complete the sewage treatment plant is carried forward in the MPC fund. The entire budget of this fund consists of capital related projects,

transfers, MPC-rent payments and unallocated contingencies. Payment to the MPC Capital projects fund, in the form of rent, is programmed at \$1,803,500 for debt service on the MPC bond sale.

Revenue:

Revenues are based upon an estimate that 7,000 new homes will pay this development fee. The estimated number of homes is based upon past experience, platted lots and existing development agreements. The City Council adopted updated development fees on May 27, 2004. In accordance with ordinance 04-19 the Wastewater System Development fee has been expanded into a two-tiered fee, one for Special Planning Area - 1 (SPA-1) and one for SPAs 2-5. On August 27, 2004 the Wastewater System development fee for SPA-1 decreased \$108 to \$1,808 per single family home and the fee for SPAs 2-5 increased \$329 to \$2,245 per single family home.

These fees have been separated in order to more accurately reflect the impact of where growth occurs on the resources of the wastewater system. Currently most of the development and thus most of the infrastructure has been concentrated in SPA-1, as development spreads out of SPA-1 the cost of providing required infrastructure will increase. It is anticipated that approximately 10% of the homes will be built in SPA 2- 5 during FY2006, this percentage will increase dramatically in future years as the growth in Surprise continues to move west.

Anticipated resources of this fund exceed current year expenditures by \$1,704,600. This amount has been programmed as unallocated contingencies; however the availability of these funds is crucial to the funding of the City’s five-year CIP.

City of Surprise			
Sewer Capital Development Fund			
Fiscal Year 2006			
163rd Avenue Sanitary Sewer Interceptor - Phase 1 (401)	22532-643-601-39223-20616	100,000	
Sewer Development Reimbursements (751)	22532-643-112-39223-20656	3,890,000	
South Plant Interim Solids Handling & Effluent (786)	22532-643-112-39223-20670	1,000,000	
SPA 2 WRF - Plant 1 (245)	22532-643-112-39223-20609	2,000,000	
SPA3 WRF - Land (788)	22532-643-112-39111-20672	1,000,000	
SPA 3 WRF Plant 1 (725)	22532-643-112-39223-20647	1,600,000	
SPA 4 WRF (Land Purchase) (736)	22532-643-112-39111-20649	1,500,000	
SPA 5 (Land Purchase) (737)	22532-643-112-39111-20650	1,500,000	
Camera Truck & Equipment	22532-643-112-39421-29999	250,000	
Wastewater Foreman - Truck & Equipment	22532-643-112-39421-29999	<u>26,600</u>	<u>12,866,600</u>
<u>Carryovers</u>			
Non - Potable Effluent Line Pumping Stations	22532-643-112-39223-20236	112,000	
WRF Technology Analysis (407)	22532-643-601-39223-20417	51,800	
Non-potable Water System Expansion LF to Bell lake	22532-643-601-39223-20418	355,400	
SPA 3 Sanitary Sewer Interceptor - Phase 1	22532-643-601-39223-20518	900,000	
South WRF Plant 4 & Plant 5 - CF \$11,000,000 (405)	22532-643-112-39223-20519	24,800,000	
Southplant	31111-643-112-39223-20228	400,000	
Litchfield Road SSI - Grand Avenue Subarea	22532-643-601-39223-20538	<u>64,600</u>	<u>26,683,800</u>
Total Sewer Capital Development Fund			<u>39,550,400</u>

Capital:

Included in the FY2006 sewer capital budget of \$39,550,400 are \$26.7 million of projects that have been carried forward from the prior year. The majority of this carry forward is associated with the plant 4 & 5 expansion that is projected to be a three-year project. New projects for FY2006 include the location and purchase of land in the outlying SPAs 2-5 that will be experiencing growth in the near future. Construction of waster water facilities in these areas of the City will commence when developers agree to front the money to the City of Surprise and be reimbursed impact fees as homes are constructed.

In addition to the projects listed above, numerous developer initiated projects will be completed throughout the fiscal year utilizing development fee credits. These projects are included as Waste Water Development Reimbursements and will consist of the payment of credits to developers for the capital infrastructure that is constructed by them for the Citys' water system. Additional detail on these projects can be found in the Citys' Capital Improvement Plan.

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, a bond issue and continued up front developer funding will be required in future years in order to fund all projects included in the CIP.

22532 - Sewer Capital Development Fee Fund					
	FY2006 Budget	FY2007* Budget	FY2008* Budget	FY2009* Budget	FY2010* Budget
Beginning Balance	25,900,300	1,718,300	(735,100)	(4,310,000)	(327,200)
Revenues	16,833,200	30,872,800	10,721,300	9,569,000	8,966,000
Bond Proceeds	0	12,000,000	13,000,000	0	0
Expenditures	41,028,900	43,529,800	27,296,200	5,586,200	8,386,200
Ending Balance	<u>1,704,600</u>	<u>1,061,300</u>	<u>(4,310,000)</u>	<u>(327,200)</u>	<u>252,600</u>
2-Months Operating Reserves	<u>1,803,500</u>	<u>1,789,800</u>	<u>3,586,200</u>	<u>3,586,200</u>	<u>3,586,200</u>

City of Surprise, Arizona



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FY2006 Adopted Budget



City of Surprise, Arizona

Storm Water FY2006 Budget

Mission Statement:

To meet all federal and state regulations established to prevent polluted storm water runoff by developing and complying with a Stormwater Management Program submitted as part of a Notice of Intent for Coverage under the AZPDES (Arizona Pollutant Discharge Elimination System) Permit No. AZG2002-002 for Discharges from Small MS4s to Waters of the United States.

Budget Highlights:

The Storm Water Management division is charged with insuring the City complies with all federal and state regulations established to prevent polluted storm water runoff. The primary focus of this program is to reduce the quantity and improve the quality of storm water runoff, to abide by the Federal Clean Water Act, and to restore and maintain the chemical, physical and biological integrity of surface waters in the City and State. The Department is staffed by a full time Storm water Specialist position that develops and implements the Storm water Management Program

Position Summary					
Water Services - Stormwater					
Fiscal Year 2006					
	<u>Actual</u> <u>FY2003</u>	<u>Actual</u> <u>FY2004</u>	<u>Actual</u> <u>FY2005</u>	<u>Budget</u> <u>FY2006</u>	<u>change</u>
Water Resources Specialist	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>

Accomplishments:

- Development of public education and outreach of Storm water information through informational flyers and information available on the City's web page.
- Monthly participation in regional watershed organization, STORM, focused on regional efforts to enhance message uniformity and cost effectiveness of public education and outreach of Storm water information.
- Inspected outfalls for illicit discharges.

Budget Summary:

The stormwater operations are programmed at \$79,000 representing a -30% decrease from last years budget of \$50,900. Personnel costs increases slightly by 5.5% due to annual salary increases. The decrease is in supplies and services and primarily is due to

no longer needing one time costs that were budgeted last year. Supplies and services are programmed at \$14,100 and include the operating supplies and equipment to operate the division.

City of Surprise Water Services - Stormwater Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
<u>Department Summary</u>						
Personnel	0	0	61,500	36,000	64,900	5.5%
Supplies/Services	0	46,885	50,900	50,400	14,100	-72.3%
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>0</u>	<u>46,885</u>	<u>112,400</u>	<u>86,400</u>	<u>79,000</u>	<u>-29.7%</u>
<u>Revenues</u>						
General Fund Subsidy	<u>0</u>	<u>46,885</u>	<u>112,400</u>	<u>86,400</u>	<u>79,000</u>	<u>-29.7%</u>
Total	<u>0</u>	<u>46,885</u>	<u>112,400</u>	<u>86,400</u>	<u>79,000</u>	<u>-29.7%</u>

Goals & Objectives:

- Develop Stormwater Program as specified in City of Surprise Stormwater Management Plan as approved by the Arizona Department of Environmental Quality for coverage under the State General Permit referenced above
- Maintain the required level of storm water protection for the most economical rate possible

Water Services – Stormwater Performance Measures	Actual 2003	Actual 2004	Actual 2005	Target 2006
% Of Annual Stormwater Management Plan requirements Completed	N/a	100%	100%	100%



City of Surprise, Arizona
General Capital Projects Fund
FY2006 Budget

Mission Statement:

The purpose of the General Capital Projects fund is to provide a centralized location for the acquisition of replacement capital. 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.

Fund Budget:

Estimated revenues are based upon transfers from the general fund, miscellaneous items and other sources. At the direction of the City Council the City of Surprise dedicates 75% of estimated construction related sales tax collections to capital purchases. As a one-time source of revenue, the City of Surprise recognizes the importance of using this revenue source on one-time expenditures as opposed to operations. The construction sales tax component of the general fund subsidy is \$13.5 million. The remaining general fund subsidy is an estimate of remaining general fund beginning balance and general fund revenues in excess of approved expenditures (\$13.5 Million).

City of Surprise General Capital Fund Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	161,153	2,009,428	5,138,300	622,100	6,325,400	23%
Capital	903,101	3,904,229	18,961,400	6,034,700	30,674,100	62%
Contingencies	0	0	473,200	488,400	6,284,200	1228%
Transfers Out	<u>789,832</u>	<u>0</u>	<u>11,069,100</u>	<u>9,124,345</u>	<u>5,592,100</u>	<u>-49%</u>
Total	<u>1,064,254</u>	<u>5,913,657</u>	<u>24,099,700</u>	<u>6,656,800</u>	<u>36,999,500</u>	<u>54%</u>
Revenues						
Miscellaneous	0	21,354	5,757,700	772,200	5,000,000	-13%
General Fund Subsidy	3,641,300	9,946,800	26,467,700	26,467,700	27,028,400	2%
Other Sources	<u>0</u>	<u>1,787,216</u>	<u>4,569,900</u>	<u>5,409,880</u>	<u>16,847,400</u>	<u>269%</u>
Total	<u>0</u>	<u>1,787,216</u>	<u>4,569,900</u>	<u>5,409,880</u>	<u>16,847,400</u>	<u>269%</u>

All funds, including general capital fund balance (\$16.8 Million) are programmed for use. The remaining \$5,000,000 of revenue is programmed as unforeseen revenue. This amount is available to increase the budget authority of departments upon verification of a new grant or other unforeseen revenue source.

In addition to the capital purchases detailed in individual departmental budget requests, \$6,284,200 is programmed as unallocated contingencies. Although not tied to any expenditure in the current year these funds are an integral part of the funding of the City's 5-year CIP. Upon approval by council these funds may be used for one-time purchases. Any allocation by council from these funds will reduce the amount that is available and earmarked for the future funding of projects contained in the CIP.

Capital:

Capital projects as itemized in the individual departmental budgets total \$36,999,500.

City of Surprise General Capital Fund Fiscal Year 2006	
City Court	21,700
Communications	23,500
Community & Recreation Services	390,700
Community Development	300,000
Community Initiatives	171,300
Engineering	11,538,100
Finance	10,500
Fire - Emergency Services	3,405,000
General Operations	5,470,200
Information Services	195,400
Police	255,600
Public Works	15,071,000
Water Services - Water	<u>146,500</u>
Total General Capital Fund	<u>36,999,500</u>

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected the general capital fund has revenues exceeding expenditures and funds available for all projects included in the CIP.

21112 - General Capital Fund					
	<u>FY2006 Budget</u>	<u>FY2007* Budget</u>	<u>FY2008* Budget</u>	<u>FY2009* Budget</u>	<u>FY2010* Budget</u>
Beginning Balance	16,847,400	17,287,000	(1,709,700)	4,769,800	7,727,200
Revenues	0	0	0	0	0
Bond Proceeds	0	0	0	0	0
Transfers In	38,028,400	30,550,600	19,054,900	13,772,800	13,227,600
Expenditures	37,591,600	49,547,300	12,575,400	10,815,400	14,408,900
Ending Balance	<u>17,284,200</u>	<u>(1,709,700)</u>	<u>4,769,800</u>	<u>7,727,200</u>	<u>6,545,900</u>
2-Months Operating Reserves	<u>458,200</u>	<u>455,400</u>	<u>455,400</u>	<u>455,400</u>	<u>455,400</u>



City of Surprise, Arizona
Transportation Improvement Fund
FY2006 Budget

Mission Statement:

The purpose of the Transportation Improvement fund is to provide for the collection and expenditure of the dedicated 1.5% local construction transaction tax adopted by the City Council through Ordinance 05-13. This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

Fund Budget:

Estimated revenues are based upon projected construction activity within the City of Surprise. Both the collections and expenditures associated with this dedicated transaction tax is directly related to the rate of growth within the City. The expenditure of these funds are restricted to roadway corridor improvements and construction of new roadways. Associated with that are the costs incurred to plan roadways and transit infrastructure. For FY2006 planning the future of transportation system is the primary use of these funds.

City of Surprise Transportation Improvement Fund Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Supplies/Services	0	0	0	0	50,000	0.0%
Capital	0	0	0	0	11,435,000	0.0%
Contingencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>715,000</u>	<u>0.0%</u>
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,200,000</u>	<u>0.0%</u>
Revenues						
Taxes	0	0	0	0	12,200,000	0.0%
Other Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,200,000</u>	<u>0.0%</u>

Anticipated resources of this fund exceed current year expenditures by \$715,000. This amount has been programmed as unallocated contingencies, however the availability of these funds is crucial to the funding of the City's five-year CIP.

All eligible capital purchases funded through this dedicated revenue source are detailed in the individual departmental budget and the adopted five-year CIP.

City of Surprise Transportation Improvement Fund Fiscal Year 2006	
Engineering	10,060,000
Traffic Engineering	1,375,000
Finance	<u>50,000</u>
Total Transportation Improvement Fund <u>11,485,000</u>	

As a capital improvements fund it is imperative that the city take a multi-year view of the expenditures and revenues of this fund. The following table shows the forecasted resources and planned expenditures as listed in the FY2006 – FY2010 CIP for this fund. As projected, bonding will be required in future years in order to fund all projects included in the CIP.

21418 - Transportation Enhancement Fund					
	FY2006 <u>Budget</u>	FY2007* <u>Budget</u>	FY2008* <u>Budget</u>	FY2009* <u>Budget</u>	FY2010* <u>Budget</u>
Beginning Balance	0	715,000	16,262,500	21,828,900	12,091,400
Revenues	12,200,000	27,495,500	17,149,400	12,395,500	11,904,800
Bond Proceeds	0	0	0	110,000,000	110,000,000
Expenditures	11,485,000	11,948,000	11,583,000	125,133,000	127,762,000
Ending Balance	<u>715,000</u>	<u>16,262,500</u>	<u>21,828,900</u>	<u>19,091,400</u>	<u>6,234,200</u>
2-Months Operating Reserves	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,000,000</u>



City of Surprise, Arizona
Municipal Property Corporation Capital Projects Fund
FY2006 Budget

Mission Statement:

To account for projects funded through the proceeds of the \$59,180,000 MPC bond sale completed in the spring of 2000 and the proceeds of the \$32,000,000 grant from the Tourism and Stadium Authority (TSA). Bond proceeds are to be used for the acquisition or construction of capital assets for public safety facilities, sewer facilities and recreation facilities.

Fund Budget:

Estimated revenues are based upon lease payments from development fee funds for the retirement of debt. Other sources of funds are beginning fund balance from the remaining proceeds from the MPC bond sale and prior year transfers from the general fund. The MPC capital Projects fund serves as a clearinghouse for the payment of debt service on MPC bonds, monitoring of bond proceeds and the expenditure of those funds.

City of Surprise Municipal Property Corporation Fund Fiscal Year 2006						
Expenditures	FY2003 Actual	FY2004 Actual	FY2005 Budget	FY2005 Estimate	FY2006 Budget	Budget Change
Supplies/Services	294,271	33,532	0	0	0	0.0%
Capital	42,496,593	4,986,501	21,653,900	4,837,100	16,654,500	-23.1%
Debt Service	<u>4,939,590</u>	<u>3,831,901</u>	<u>5,735,600</u>	<u>5,735,500</u>	<u>4,805,000</u>	<u>-16.2%</u>
Total	<u>47,730,454</u>	<u>8,851,934</u>	<u>27,389,500</u>	<u>10,572,600</u>	<u>21,459,500</u>	<u>-21.7%</u>
Revenues						
Grants	28,742,803	0	0	0	0	0.0%
Lease Payments	6,518,436	5,699,739	4,831,500	5,735,600	4,805,000	-0.5%
Transfers from other funds	253,900	0	5,755,700	3,810,945	0	-100.0%
Interest	181,835	11,398	0	163,500	0	0.0%
Other Sources	<u>33,678,762</u>	<u>21,645,282</u>	<u>16,820,300</u>	<u>17,517,055</u>	<u>16,654,500</u>	<u>-1.0%</u>
Total	<u>69,375,735</u>	<u>27,356,419</u>	<u>27,407,500</u>	<u>27,227,100</u>	<u>21,459,500</u>	<u>-21.7%</u>

The \$16,654,500 budget is composed of all capital funded with portions of the proceeds of MPC issued bonds, a TSA Grant and the annual debt service payment on MPC bonds. This fund has been divided into individual projects for tracking purposes. All capital purchases are detailed in individual departmental budget requests and include all expenditures associated with finalizing the South Wastewater Treatment Plant expansion (\$400,000) and the Public Safety Building (\$16,254,500). Annual debt service is programmed at \$4,805,000 for FY2006. Per the requirements of the bond sale, reserves equal to one year of debt service have been established in this fund.

City of Surprise, Arizona



SURPRISE

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FY2006 Adopted Budget



City of Surprise, Arizona
Community Facilities District Funds
FY2006 Budget

Mission Statement:

Community Facilities Districts (CFD's) have been 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 City Council acts 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.

Budget Summary:

Currently there is one (1) CFD operated by the City with the possibility of additional districts to be added as the City continues to grow. All street light operational costs are paid for through a special district property tax assessment. The City of Surprise assesses up to the maximum levy of \$3.30 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. \$0.30 of the rate may be used for operational expenditures including maintenance and administrative costs, the remaining \$3.00 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.

For FY2006 it is estimated that the O&M portion of the rate will generate approximately \$10,000 in taxes with all other operational costs to be covered by the developer. Since no debt has been issued there are no required debt payments and no tax levied for this purpose. The CFD has been authorized by the board to issue up to \$80.0 million of bonds. It is estimated that \$20.0 million will be issued over the course of FY2006. The proceeds of this issuance will be utilized to reimburse the developer for authorized infrastructure construction within the District. The estimated assessed value of this district is detailed in the appendix of this document.

City of Surprise						
Community Facilities District Fund						
Fiscal Year 2006						
Expenditures	FY2003 <u>Actual</u>	FY2004 <u>Actual</u>	FY2005 <u>Budget</u>	FY2005 <u>Estimate</u>	FY2006 <u>Budget</u>	Budget <u>Change</u>
Supplies/Services	0	0	0	0	125,200	0.0%
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,000,000</u>	<u>0.0%</u>
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,125,200</u>	<u>0.0%</u>
Revenues						
Taxes	0	0	0	0	10,000	0.0%
Miscellaneous	0	0	0	0	40,000	0.0%
Other Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,075,000</u>	<u>0.0%</u>
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,125,000</u>	<u>0.0%</u>

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona
Capital Improvement Program
FY2006– FY2010

Beyond Expectations

The City of Surprise has transitioned from a small agricultural community to one of the fastest growing communities in the nation. According to the 2000 US Census, Surprise grew by 333.1% over the prior decade. It is estimated that this population growth will continue with the City of Surprise increasing to 169,500 people by the end of FY2010.

Much of Surprise’s infrastructure has been developed in conjunction with this growth with a mix of public and private service providers. Large master planned communities like Sun City Grand and Marley Park have installed local infrastructure (roads, water and sewer lines) to service the projects while the City continues to provide police, fire, and wastewater treatment infrastructure and services for the nearly 15,000 new residents expected to be added annually.



Rapid growth continues to place constant pressure on the City’s ability to provide services. Management worked with Council and all departments throughout the 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 Council in June.

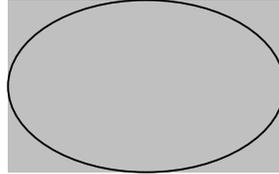


The CIP is a critical piece in the City’s overall planning. It is the most important implementation tool of the City’s Surprise General Plan 2020. Development of the community’s facilities and services is one of the primary functions of municipal government. Without a functional transportation system, water and wastewater facilities, public safety services, drainage systems, parks and recreation facilities, and other public facilities, a community cannot reach its potential as a quality place to live.

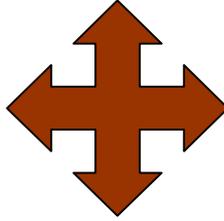
A CIP is a multi-year plan that outlines current capital and infrastructure needs, future anticipated needs, current projects, and future costs to the community. It addresses both repair and replacement of existing infrastructure and purchase of capital equipment as well as the development of new facilities to accommodate future growth and/or improve services. The CIP links the City’s planning and budgeting functions and is updated annually. The entire CIP document is available on our website www.surpriseaz.com.

Annual Update Process

January

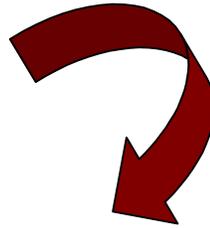
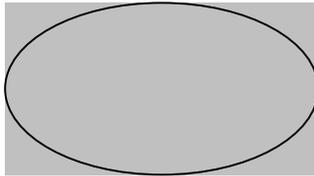
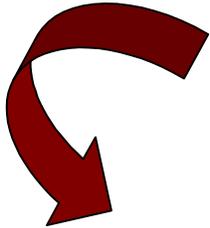


- Review Prior Year
- Review Evaluation Criteria
- Review Policies



- Update CIP Projects
- Develop New CIP Project Sheets
- Financial Analysis

March



Prioritized Project List

Financing Options

May



Council Adoption

As in prior years the recommended budget and CIP include a number of significant capital expenditures, which will greatly improve the desire to live, work and play in the City of Surprise. Most of the projects recommended for inclusion in the FY2006 budget have been in the CIP for several years. As a funded planning document this is what should be expected, most projects should be foreseen long before they become a reality. Last year was the first year that a long hard look was taken at all years of the CIP and that effort has paid off with a recommended budget and CIP that is very similar to what was planned for FY2006.

The following is a summary of the process that was utilized to update this document and a breakdown of some of the major projects that are included in the recommended CIP and FY2006 Budget. The entire CIP has been evaluated to ensure that the City has the ability to fund these projects through completion. Based on current five-year revenue projections the FY2006 – FY2010 CIP is funded and is within our means.

Major Accomplishments\Undertakings:

Capital and One-time Projects – Composing 75% of the total city budget one-time outlays continue to play a major role in the City of Surprise budget. The following is a listing of some of the more noteworthy one-time projects funded in the current year budget and CIP.

- *Design & Build New City Mall* - **\$29.8 million** is programmed over the next three years to design and construct a new City Hall at Surprise Center. This will be the first of several facilities that will be built over time to deal with expanded city staff resulting from the growth being experienced by the City. Planning for several additional facilities will allow for flexibility and adaptability in the provision of city services.
- *Public Safety Building* – Currently funded at \$18.9 million, an additional \$13.5 million is programmed in FY2007 bringing this project total to **\$32.4 million** over three years. It is anticipated that an additional \$40.0 million may be required beginning in FY2010 for additional public safety facilities.
- *Broadcast Center* - **\$1.8 million** over two years to design and equip the City of Surprise Broadcast Center located at the Public Safety Building.
- *Parks & Recreational Facilities* – Approximately **\$11.6 million** is programmed for the construction of new parks and recreational facilities by the City. Some of the projects included in this amount are; a Tennis and Racquet Facility, phase-1 of Lizard Run (Heritage Fund Grant), Dream Catcher Park and Surprise Farm Park Development. Additionally, approximately **\$250,000** is programmed for planning activities related to the expansion of the Library and the development of a city-wide trail system.
 - *Dream Catcher Park* is recommended utilizing Parks & Recreation Development Feesto fund. In the FY2005 budget funding was proposed to come from remaining council contingencies. Due to the intent to have an inclusive facility open to use by all, this project qualifies for development fees and does not require general fund assistance.

- *Surprise Tennis & Racquet Facility* – This project is new to the CIP and is brought forward as a potential means to bring Profession Tennis Tournaments to a Surprise facility. The concept behind this project is that there would be minimal operating costs to the City. Prior to moving forward or expending funds, conclusions and recommendations on operating costs would be presented to council for acceptance and direction.
- *Fire Station #5 & #6 - \$4.2 million* is programmed to design, equip and begin construction on Fire Station number #5 and #6. Both stations will be completed in FY2007 at a total cost of \$7.97 million for both stations.
- *Street Preservation - \$1.5 million* is programmed to continue a systematic street preservation and maintenance program. By adequately funding and maintaining existing surface streets the City will save millions of dollars in replacement costs in the future.
- *Bell Road Improvements - \$8.5 million* is programmed for this project beginning in FY2005, with **\$2.9 million** in the FY2006 budget. Among other things, this project will resurface Bell Road, the City’s only major east/west roadway, improve landscaping and add right turn lanes and traffic timing to improve traffic flow.
- *Transportation Projects & Action Plans* – A total of **\$42.2 million** is programmed over the next five years to enhance the transportation system within the City of Surprise. These projects have been generally identified in the City’s transportation action plan. FY2006 includes **\$1.0 million** of funding for specific project identification and design, with actual arterial roadway and transit system infrastructure construction to begin in FY2007. An additional **\$6.0 million** is included in the FY2006 budget to provide funds for the City’s share of a bridge over the Agua Fria River at Deer Valley. These projects will be funded through a dedicated construction sales tax.
- *Right Turn Lanes - \$3.1 million* is programmed over the next three years to construct right turn lanes at various locations in the City. These improvements will dramatically improve traffic flow.
- *Dysart Road Improvements @ Grand Ave. - \$2.3 million* is programmed for road improvements at the intersection of Southbound Dysart & Grand Avenue. This is one of the busiest and most dangerous intersections in the City.



- *Traffic Signals and Intersection Improvements* - **\$3.2 million** is programmed for traffic signals and intersection improvements. Locations of signals and timing will be determined through traffic warrants.
- *Water Services Infrastructure* - **\$35.9 million** of new utility infrastructure including wells, replenishment facilities and Wastewater Reclamation Facilities (WRF). The WRF include the expansion of the south plant and new construction of plants in SPA-1 & SPA-2. The plants in SPA-1 and SPA-2 will only be constructed if developers agree to pay for their construction upfront.

In addition to the major projects listed above which are funded in the FY2006 budget, the City plans on continuing to make substantial investments in infrastructure and capital acquisition over the next five-years. The following projects are included in the FY2006 – FY2010 CIP:

- *Flood Control and Rural Roads* – Contained within the City of Surprise’s 74 square miles are several rural areas that are located within flood plains. Funds are allocated within the CIP to plan for and provide solutions to these problems.
- *Water & Sewer Infrastructure* – In addition to the infrastructure that will be installed by developers, the City will continue to invest funds in the upgrade and expansion of water, sewer and replenishment facilities.
- *Transit Park & Ride Lot* – In order to aid with the ongoing effort to reduce traffic congestion and air pollution a Park and Ride Lot is planned, contingent upon the expansion of valley metro transit services into the City.
- *Fire Stations* – To handle the explosive growth of the City, four additional fire stations are planned at approximately two-year intervals.
- *Parks & Recreation* – The City of Surprise prides itself on the recreational amenities offered to its residents. This tradition will continue as plans are in place to build additional aquatics facilities, parks, playgrounds, ball fields, recreation centers, a library and bike/trail systems.
- *Engineering* – Implementation of the transportation action plan, including the potential of moving up construction of the 303 through borrowing.
- *Public Works* – Phase II of the Cultural Arts Facility and Parking Garages at Surprise Center
- *Police* – Potential expansion of the Public Safety Building to accommodate continued growth and options for future radio communication requirements.

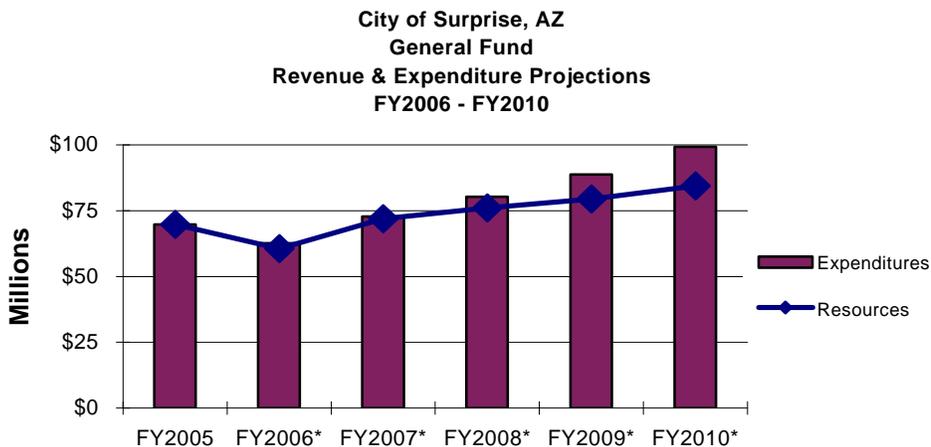


Capital & Operational Finances

In keeping with the city’s policy of sustainability approved capital projects stress continuation of current service levels. Our citizens deserve, and have come to expect the high level of service provided by the City. In order to maintain this high level of service the City has committed many of its one-time sources of funds to pay for capital and infrastructure needs.

The operational requirement of the massive amount of capital that has been built by the City of Surprise has been felt over the last couple of years. With each new project that comes on line there are staffing, maintenance, supply and services costs that must be absorbed on an ongoing basis. It is the funding of these ongoing operational costs that must be determined before a project is approved. By examining operational requirements early in the process the City is assured that when a library is completed, there is funding to open and operate that library without negatively affecting other city services.

The chart on the following page demonstrates the problem that the City of Surprise may be facing in the future as these capital projects come on line. In this projection operating revenues are not keeping pace with operational expenses in the very near future. The cause of this is a combination of increased operational costs associated with both, growth and new capital facilities as well as a leveling off in construction related revenues based on projected Single Family Permit issuance. As construction related revenues level off, other ongoing revenues will continue to grow, including state shared revenues and retail sales taxes.



Due to the hyper-growth being experienced in the City of Surprise, the majority of approved capital projects are directly related to maintaining the current level of service. The City of Surprise is fortunate in that along with the increased spending associated with growth, also comes increased revenues. However, if our projections are accurate, current expenditures adjusted for new capital and services grow at a faster rate than operational revenue, leading to a \$14.8 million annual deficit by FY2010.

In order to address this potential scenario the City has developed a method by which operational cost estimates are included in all CIP requests. Operational cost estimates are currently collected and estimated for CIP projects. This is a large and complicated undertaking, as expenditure projections that are too low, or too high, will have serious implications.

The key to this for the City of Surprise is a project that is nearing completion called “Funding the General Plan”. The City has entered into a contract with a planning/engineering firm to work with City staff in costing out the capital and operational requirements of the City’s voter approved 20-year general plan. At the conclusion of this process the City will have a tool to match the general plan to the CIP and to the annual operating budget and operational forecasts.

The City of Surprise and other high growth cities in Arizona and across the country are facing challenges associated with growth that seem unimaginable in other areas of the country that are in a maintenance or retrenchment mode. Maintenance in the City of Surprise translates to a new fire station every 2-3 years, hundreds of acres of park and open space, several miles of streets, water lines and sewer lines added annually. With this expansion come operational costs that the City is attempting to accurately forecast and control.

The 15,000 – 18,000 new residents who move to Surprise next year will be greeted with a high level of service and amenities. The City Council and City Manager have pledged that we will do what is required to ensure that this level of service is sustainable.



City of Surprise, Arizona



SURPRISE
ARIZONA

FY2006 Adopted Budget

**City of Surprise Arizona
FY2006 - Approved Capital Projects Budget**

*Note: - Carry forwards from prior fiscal years are noted. Budget will be adjusted to reflect FY05 actual.
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<u>Fund</u>	<u>Dept</u>	<u>Division</u>	<u>Object</u>	<u>Project</u>	<u>Description</u>	<u>Budget</u>
Communications						
21412	145	112	39411	20623	Surprise11 Broadcast Center (485)	500,000
21112	145	834	39431	29999	Computer Supplies & Equipment	23,500
21412	145	834	39421	29999	Surprise11 Van & Equipment	26,500
Community & Recreation Services						
21213	444	431	39112	20324	Bicentennial Park - carry forward	54,300
21414	444	111	39411	20405	Recreation Software Program (428) - carry forward	46,200
21414	444	429	39112	20505	Surprise Farm Park Development I	250,000
21414	444	429	39112	20516	Citywide Trail/Bike System - carry forward \$50,000 (370)	100,000
21213	444	431	39211	20517	Lizard Run - Greenbelt (763) - carry forward \$200,000	1,023,800
21213	444	429	39212	20522	Gaines Park (431) - carry forward \$250,000	540,000
21414	444	429	39211	20549	Restrooms - carry forward	204,000
21414	444	431	39211	20550	Surprise Recreation Campus Park - carry forward	297,700
21414	444	429	39211	20551	Recreation Center - carry forward	1,700,000
21414	444	429	39211	20552	Softball Complex - carry forward	2,000,000
21414	444	429	39411	20553	Scoreboards - carry forward	183,800
21414	444	429	39211	20554	Youth Baseball / Softball Complex - carry forward	1,500,000
21414	444	429	39211	20556	Dream Catcher Park - carry forward - \$126,300 (655)	1,154,800
21112	444	431	39211	20557	City Park - Section 10 - carry forward	84,400
21414	444	429	39211	20605	Lighting Shared Facilities (92)	150,000
21414	444	429	39112	20606	Surprise Farm Park Development I (185)	1,500,000
21414	444	429	39211	20618	Skate Park (432)	500,000
21417	444	433	39212	20619	City Library #3 (440)	200,000
21112	444	432	39224	20620	Electrical upgrades to Bullard (442)	150,000
21414	444	429	39211	20635	Public Safety Park Development (607)	200,000
21414	444	431	39431	20636	Mowers (612)	137,500
21112	444	431	39211	20637	Maintenance Yard (613)	30,000
21113	444	421	39431	20638	Home Run Netting (616)	100,000
21414	444	431	39431	20639	Field Lights (629)	100,000
21414	444	429	39211	20640	Veramonte (636)	325,000
21414	444	431	39211	20658	Park Maintenance Yard & Shop (757)	1,023,500
21414	444	429	39211	20660	Surprise Tennis and Racquet Facility (762)	4,710,000
21414	444	111	39211	20661	Recreation Administration Office Expansion (765)	965,000
21213	444	431	39112	20673	OTS Park - Habitat for Humanity (790)	75,000
21414	444	111	39421	29999	Project Manager - Truck & Equipment	19,800
21114	444	421	39431	29999	Campus Maintenance - Replacement Fund	213,000
21414	444	431	39421	29999	Truck & Equipment	24,400
Community Development						
21114	242	212	39421	29999	Replacement Vehicles FY 2005	20,000
21412	242	212-2145	39421	29999	Code Enforcement - Vehicle & Equipment	20,500
Community Initiatives						
21211	441	414	39211	20607	Bus Stops (232)	100,000
21213	441	111	39211	20610	Service Drive (793)	45,000
21112	441	412	39212	20615	Covered Parking & Patio for Senior Center (387)	101,300
21112	441	111	39212	20630	Additional Parking on Rimrock (532)	70,000
21412	441	413	39421	29999	Neighborhood Division - Vehicle & Equipment	20,700
21211	441	414	39212	29999	Equipment - DART Staff	17,800
21211	441	414	39421	29999	RPTA Vehicles - carry forward	90,000
21412	441	414	39421	29999	DART Van & Equipment	52,900
Court						
21112	331	112	37162	20601	Court Remodeling	6,700
21112	331	112	38311	20601	Court Remodeling	15,000

**City of Surprise Arizona
FY2006 - Approved Capital Projects Budget**

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<u>Fund</u>	<u>Dept</u>	<u>Division</u>	<u>Object</u>	<u>Project</u>	<u>Description</u>	<u>Budget</u>
Engineering						
21112	541	112	39112	20424	Section 10 & 11 Drainage problem (615) - carry forward \$272,500	757,500
21112	541	112	39222	20425	Grand Ave-Greenway Rd. to Litchfield RD (95)	324,800
21112	541	112	39222	20432	Section 10 & 11 Road Improvements (453) - carry forward	100,000
21112	541	112	39222	20434	Reems Rd: Waddell to Cactus (271) - carry forward	362,400
21112	541	112	39221	20504	136th Ave & Desert Cove Rd improvements - carry forward	394,100
21418	541	112	39222	20509	Dysart Road @ Grand - carry forward \$75,000 (249)	2,375,000
21112	541	112	39224	20511	Martin Acres Drain & Rd - carry forward \$18,000 (453)	93,000
21112	541	112	39223	20513	Traffic Calming OTS - carry forward \$70,000 (308)	140,000
21112	541	112	39221	20525	Intersection of Park View Place & Greenway Rd - carry forward	98,000
21112	541	112	39223	20526	(512)	400,000
21112	541	112	39223	20529	Palm View Dr curb & gutter & sidewalk - carry forward	58,000
21112	541	112	39222	20547	Bell Road Project (783)	6,305,000
21415	541	112	39222	20547	Bell Road Project (783)	388,000
21415	541	112	39223	20547	Traffic Signals - carry forward	370,000
21112	541	112	39222	20611	Reems Rd Channel: Box Culvert (273)	310,000
21112	541	112	39222	20612	Pave dirt roads (291)	80,000
21112	541	112	39211	20613	Golf cart/sidewalk (337)	55,000
21112	541	112	39224	20628	219 th ave Road & Drainage Improvements (517)	400,000
21418	541	112	39222	20632	Dysart & Thunderbird Intersection Improvements (537)	60,000
21418	541	112	39222	20657	Right Turn Lanes (756)	700,000
21418	541	112	39221	20667	Deer Valley Rd. East West Alt.-Tr. Proj Next 5 Yr (777)	6,000,000
21418	541	112	39221	20668	Transportation Action Plan - New Arterial Capacity (778)	500,000
21418	541	112	39222	20669	Trans. Action Plan - Transit Infrastructure (780)	500,000
21114	541	112	39421	29999	Replacement Vehicles FY 2005	30,000
21415	541	112	39421	29999	Construction Inspector - Vehicle & Equipment	30,700
Finance						
21412	142	111	39411	29999	Document Imaging	18,000
Fire						
21112	342	316	39211	20404	Fire Station #1 (143) carry forward	2,200,000
21112	342	316	39311	20508	Improvements - Radio Purchase - carry forward	50,000
21112	342	316	39411	20508	Radio Purchase - carry forward	300,000
21416	342	316	39111	20559	Fire Station #5 - carry forward (27)	250,000
21416	342	316	39211	20559	Fire Station #5 - Construction (27)	1,445,000
21416	342	316	39421	20559	Fire Station #5 - Apparatus & Equipment (27)	675,000
21416	342	316	39211	20602	Fire Station #6 - Construction (25)	1,450,000
21416	342	316	39421	20602	Fire Station #6 - Apparatus & Equipment (25)	675,000
21416	342	316	39211	20604	Joint Training Center (34)	500,000
21112	342	316	39212	20624	Fire Station 302 Remodel (490)	384,600
21416	342	316	39431	20625	Air Filling Stations (491)	80,000
21112	342	316	39211	20641	Parking Canopy for Fire Apparatus (703)	32,000
21416	342	111	39421	29999	Labor/Support Services Tech./Administration - Vehicle & Equipment	20,500
21112	342	316	39421	29999	Vehicles/Grant Pumper & Equipment - carry forward	339,900
21112	342	316	37165	29999	Operations & Communication Loose Equipment	25,000
21112	342	316	39422	29999	Vehicle Improve - Operations & Communication Equipment	5,000
21112	342	316	39431	29999	Air Mobile & Thermal Imaging Camera	28,000
21114	342	316	39421	29999	Replacement Vehicles FY 2005	798,000
21416	342	316	39421	29999	Ladder Tender - Vehicle & Equipment	528,000
21416	342	316	39431	29999	Ladder Tender - Machinery & Equipment	111,000
21416	342	316	39431	29999	Heart Monitors	74,900
General Operations						
22511	191	112	39411	20659	Hansen 7 Utility Billing (758)	100,000
22521	191	112	39411	20659	Hansen 7 Utility Billing (758)	100,000
22531	191	112	39411	20659	Hansen 7 Utility Billing (758)	200,000
22541	191	112	39411	20659	Hansen 7 Utility Billing (758)	100,000

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Information Services						
21412	144	832	39411	20402	Infrastructure Technology Initiatives (231) - carry forward	18,300
22512	641	112	39411	20402	Infrastructure Technology Initiatives (231) - carry forward	30,000
22522	642	112	39411	20402	Infrastructure Technology Initiatives (231) - carry forward	10,000
22532	643	112	39411	20402	Infrastructure Technology Initiatives (231) - carry forward	60,000
21412	144	832	39411	20446	Call Accounting (366) - carry forward	35,000
21412	144	832	39411	20608	Storage Area Network (234)	210,000
21112	144	832	39411	20614	Voice mail Unified Messaging (365)	47,000
21112	144	832	39411	20622	Cisco Core Switch Upgrade (479)	72,400
21112	144	832	39411	20626	Call Manager 4.0 Upgrade (498)	70,000
21412	144	831	39411	20627	ArcSDE Test System (499)	30,000
21412	144	832	39411	20629	Citrix Dial-in Server (530)	25,000
21412	144	832	39411	20644	Server Management Software (712)	50,000
21111	144	832	39411	29999	Routers, Switches & Net work Hardware Expansion	20,000
21112	144	832	39411	29999	Disk to Disk Backup - carry forward	6,000
21412	144	832	39411	29999	Cisco Management Software - carry forward	34,000
Police						
31111	341	111	39211	20219	Public Safety Building & carry forward	15,254,500
31111	341	111	39411	20219	Public Safety Building FFE - carry forward	1,000,000
21413	341	313	39411	20328	CAD - carry forward & ACJC Grant and partner city matches	90,000
21413	341	111	39431	20447	Community Notification System (348) - carry forward	28,500
21413	341	313	39311	20558	City Owned Radio System - carry forward	150,000
21112	341	313	39431	20631	Patrol Vehicle GPS Hardware (535)	30,000
21413	341	313	39431	20642	Redundant Back-up System for Police CAD RMS (710)	133,000
21413	341	111	39431	20643	Firearms Judgment Shooting (711)	60,000
21112	341	312	39431	29999	Video Equipment & Radar Trailer - carry forward	29,600
21114	341	312	39421	29999	Replacement Vehicles FY 2005	331,000
21114	341	312	39421	29999	Vehicle Replacement Fund	1,341,000
21413	341	312	39421	29999	Animal Control Officer - Vehicle & Equipment	46,800
21413	341	312	39421	29999	Sworn Field Operations Staff - Vehicle & Equipment	292,000
21413	341	312	39421	29999	Vehicles - 15 Police Officers - carry forward	126,600
PW - Facilities						
21112	543	112	39224	20310	Reseal East Parking Lot - carry forward	35,000
21112	543	112	39212	20411	City Hall Complex Remodel/Expansion (456) - carry forward	570,000
21412	543	112	39211	20503	Design & Build New City Mall - carry forward	30,000
21112	543	112	39211	20515	Building Maintenance Storage/work shop - carry forward	260,000
21112	543	112	39411	20515	Building Maintenance Storage/work shop - carry forward	40,000
21112	543	112	39211	20527	Cultural Arts Facility - Building & Structure	2,500,000
21112	543	112	39411	20527	Cultural Arts Facility - Equipment	100,000
PW - Project Management						
21112	543	115	39211	20675	City Hall - (792)	11,000,000
21415	543	115	39421	29999	Project Management Personnel - Vehicle & Equipment	68,800
PW - Sanitation						
21415	644	112	39421	29999	Sanitation Trucks & Equipment	1,190,000
21415	644	112	39421	29999	Panel Truck & Equipment	55,000
22541	644	112	39421	29999	Replacement Vehicles FY 2005	360,000
22541	644	112-2055	39421	29999	Rear Loader Sanitation Truck & Equipment	205,000
PW - Streets						
21112	544	112	39222	20312	Reems Road Co-op - Chip Seal (781)	100,000
21112	544	112	39431	20645	Wash Racks (714)	65,000
21112	544	112	39431	20663	Heavy Duty Broom (769)	42,400
21415	544	112	39431	20665	Soil Compactor (771)	75,000
21112	544	112	39431	20666	Trencher (772)	26,500
21112	544	112	39431	29999	Arrow Board and Trailer	12,000

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PW - Streets (continued)						
21112	544	112	39431	29999	Replacement Low-Boy Trailer	47,000
21112	544	112	39431	29999	Tamper & Saw Cutter	23,500
21114	544	112	39421	29999	Replacement Vehicles FY 2005	217,000
21114	544	112	39421	29999	Vehicle Replacement Fund	175,000
21212	544	112	39222	29999	Street Preservation and Maintenance Program (248)	1,500,000
21415	544	112	39421	29999	Asphalt Patch Truck	144,000
21415	544	112	39421	29999	Emergency Service Call Out Truck & Equipment	63,800
21415	544	112	39421	29999	New Personnel - 4x4 Pick-up & Equipment	39,000
21415	544	112	39421	29999	New Personnel - Dump Truck & Equipment	68,000
21415	544	112	39421	29999	New Street Sweeper	155,000
21415	544	112	39431	29999	New Personnel - Low Boy Trailer	15,000
21415	544	112	39431	29999	New Personnel - Tractor & Equipment	56,000
PW - Vehicle Maintenance						
21112	542	112	39211	20555	Vehicle Maintenance Enclosure - carry forward	200,000
21112	542	112	39431	20664	Anglemaster 3000 (770)	39,600
21114	542	112	39999	29999	Vehicle Replacement Program (652)	4,117,800
21415	542	112	39421	29999	Heavy Duty Service Truck & Equipment	70,500
21415	542	112	39431	29999	Forklift	15,000
21415	542	112	39431	29999	Heavy-Duty & Regular Lifts	34,000
Traffic Engineering						
21415	545	511	39411	20428	Traffic Signal Master Computer System - carry forward	200,000
21415	545	112	39223	20456	Designing Fiber Optics (176) - carry forward	50,000
21112	545	112	39223	20512	Traffic Control Cameras - carry forward	100,000
21415	545	112	39222	20603	Bell Intelligent Transp. System Phase II (176)	75,000
21415	545	512	39211	20651	Sign Fabrication Shop (739)	180,000
21112	545	511	39224	20652	Signal upgrade and re-wire (741)	160,000
21112	545	511	39223	20653	Purchase Temporary Traffic Signals (744)	175,000
21418	545	511	39224	20654	Geometric Improvements for Signalized Intersection (745)	1,375,000
21415	545	112	39421	29999	Traffic Engineering Field Truck & Equipment	30,700
21112	545	511	39222	29999	Road Improvements @ Litchfield & Waddell - carry forward	250,000
21112	545	511	39223	29999	Repair & Replace 20 Streetlights - carry forward	30,000
21415	545	511	39223	29999	Traffic Signals (716) - carry forward \$500,000	1,487,000
21112	545	511	39223	29999	Traffic Signals (716) - Sun City Grand	573,000
21112	545	512	39421	29999	Vehicle - Maintenance Worker - carry forward	5,300
21415	545	512	39421	29999	Sign Installation Truck & Equipment	46,800
Water Services - Replenishment						
22522	642	112	39223	20234	Surprise Center Recharge Facility - Phase 1 (372) - carry forward	530,000
22522	642	112	39223	20412	South Recharge Facility - Phase 3 (104) - carry forward	500,000
22522	642	112	39223	20413	Santa Lucia Groundwater Savings Facility (382) - carry forward	150,000
22522	642	112	39223	20414	DTHC Groundwater Savings Facility (383) - carry forward	200,000
22522	642	112	39223	20415	Kennly Groundwater Savings Facility (371) - carry forward	21,300
22522	642	112	39223	20523	Surprise Center Recharge Facility - Phase 2 - carry forward	515,000
22522	642	112	39223	20536	Santa Lucia GWSF - Phase 2 - carry forward	470,000
22522	642	112	39223	20537	G-Farms GWSF - Phase 2 - carry forward	130,000
22522	642	112	39223	20541	South Recharge Facility - Phase 3 - Basins - carry forward	580,000
22522	642	112	39223	20621	Surprise Center Recharge Facility - Phase 3 (446)	1,530,000
22522	642	112	39421	29999	Water Operations Technician I - Vehicle & Equipment	20,500
Water Services - Sewer						
31111	643	112	39223	20228	South Plant - carry forward	400,000
22532	643	112	39223	20236	Non - Potable Effluent Line Pumping Stations - carry forward	112,000
22532	643	601	39223	20417	WRF Technology Analysis (407) - carry forward	51,800
22532	643	601	39223	20418	Non-potable Water System Expansion LF to Bell lake - carry forward	355,400
22531	643	601	39223	20459	De-commission Lithchfield Water Relclam. Fac. - carry forward	100,000
22532	643	601	39223	20518	SPA 3 Sanitary Sewer Interceptor - Phase 1 - carry forward	900,000

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Water Services - Sewer (continued)						
22532	643	112	39223	20519	South WRF Plant 4 & Plant 5 - carry forward \$11,000,000 (405)	24,800,000
22532	643	601	39223	20538	Litchfield Road SSI - Grand Avenue Subarea - carry forward	64,600
22532	643	112	39223	20609	SPA 2 WRF - Plant 1 (245)	2,000,000
22532	643	601	39223	20616	163rd Avenue Sanitary Sewer Interceptor - Phase 1 (401)	100,000
22532	643	112	39223	20647	SPA 3 WRF Plant 1 (725)	1,600,000
22532	643	112	39111	20649	SPA 4 WRF (Land Purchase) (736)	1,500,000
22532	643	112	39111	20650	SPA 5 (Land Purchase) (737)	1,500,000
22532	643	112	39223	20656	Sewer Development Reimbursements (751)	3,890,000
22531	643	112	39223	20662	Krueger Dynamic Phasing Control Upgrade (767)	300,000
22532	643	112	39223	20670	South Plant Interim Solids Handling & Effluent Mgt (786)	1,000,000
22532	643	112	39111	20672	SPA3 WRF - Land (788)	1,000,000
22531	643	112	39421	29999	Replacement Vehicles FY 2005	69,000
22531	643	112	39431	29999	SCADA Replacement	6,000
22532	643	112	39421	29999	Camera Truck & Equipment	250,000
22532	643	112	39421	29999	Wastewater Operations Foreman - Truck & Equipment	26,600
Water Services - Water						
22512	641	112	39223	20244	Surprise Center Well/Orchards Well #1 - carry forward	344,200
21112	641	112	39223	20312	Reems Road Co-op Water - carry forward	146,500
22512	641	112	39223	20323	Ashton Ranch Well 2 (422) - carry forward	995,600
22511	641	112	39223	20421	Original Town Site Mutual Aid (423) - carry forward	128,100
22512	641	112	39223	20507	Mountain Gate/Kenly Development - carry forward	1,160,000
22512	641	112	39223	20520	Litchfield Road Water Distribution Main - carry forward	350,000
22512	641	112	39223	20521	Roseview Water Supply Facility - Phase 2 - carry forward	1,000,000
22512	641	112	39223	20531	Ashton Ranch Water Supply Facility - Phase 3 - carry forward	3,000,000
22512	641	112	39223	20532	Ranch Gabriela Water Supply Facility - Phase 2 - carry forward	2,000,000
22512	641	112	39411	20533	SCADA - carry forward	175,000
22512	641	112	39223	20534	Distribution System Monitoring Station 1 - carry forward	150,000
22512	641	112	39223	20540	South Reclaimed Facility - Phase 1- carry forward	970,000
22512	641	112	39223	20542	Rancho Gabriela Water Supply Facility Master Plan - carry forward	30,000
22512	641	112	39223	20543	Ashton Ranch Water Supply Facility Master Plan - carry forward	30,000
22512	641	112	39223	20241	Mountain Vista Ranch Well 2 (420) - carry forward \$652,500	2,152,500
22512	641	112	39223	20633	Distribution System Monitoring Station 2 (559)	150,000
22512	641	112	39223	20634	Distribution System Monitoring Station 3 (560)	150,000
22512	641	112	39223	20648	SPA 2 Desert Oasis Well Site #3 (735)	105,600
22512	641	112	39223	20655	Water Development Reimbursement (749)	5,325,000
22512	641	112	39223	20671	Desert Oasis WSF - Phase 2 (787)	2,000,000
22512	641	112	39223	20674	Ashton Ranch WSF - Phase 2 (791)	1,000,000
22512	641	112	39511	29999	CAP Water Proj. Annual Payments (457)	495,000

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget

RESOLUTION #05-97

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA ADOPTING THE BUDGET FOR FISCAL YEAR 2005-2006 IN THE AMOUNT OF \$335,852,600

WHEREAS, in accordance with the provisions of Arizona Revised Statutes (“ARS”) §42-17101 et. seq., the City Council did, on June 9, 2005, 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, and;

WHEREAS, publication has been duly made as required by law of said estimates together with a notice that the City Council would meet on July 14, 2005, at the office of the City Council for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and;

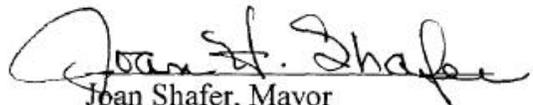
WHEREAS, the City Council met on June 9, 2005, at which meeting any taxpayer was provided the opportunity to appear and be heard in favor of or against any of the proposed expenditures/expenses of tax levies, and;

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in ARS §42-17051;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Surprise, Arizona, that:

Section 1. The said estimates of revenues and expenditures/expenses shown on the schedules attached as Exhibit A, in the amount of \$335,852,600 are hereby adopted as the budget of the City of Surprise, for the Fiscal Year July 1, 2005 - June 30, 2006.

PASSED AND ADOPTED this 23rd day of June, 2005


Joan Shafer, Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

Yeas: Mayor Shafer, Council Members; Elkins, Johnson & Sullivan, & Foro.
Absent: Vice-Mayor Arismendez.

Nays: Council Member Bails.

CITY OF SURPRISE
 Summary Schedule of Estimated Revenues and Expenditures/Expenses
 Fiscal Year 2005-06

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES 2004-05*	ACTUAL EXPENDITURES/EXPENSES 2004-05*	FUND BALANCE/ NET ASSETS (1) July 1, 2005**	DIRECT PROPERTY TAX REVENUES 2005-06	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2005-06	OTHER FINANCING		INTERFUND TRANSFERS		TOTAL FINANCIAL RESOURCES AVAILABLE 2005-06	BUDGETED EXPENDITURES/EXPENSES 2005-06
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 40,414,700	\$ 38,207,303	\$ 15,369,600	Primary: 4,063,300 Secondary: 621,300	\$ 62,792,300	\$ 0	\$ 0	\$ 0	\$ 31,478,000	\$ 60,747,200	\$ 50,747,200
2. Special Revenue Funds	16,823,600	9,078,254	5,676,600		28,187,500	20,000,000	20,000,000	8,878,800	0	43,364,200	43,364,200
3. Debt Service Funds Available	838,900	838,900	63,500	1,091,700	1,500	0	0	0	0	1,156,700	1,156,700
4. Less: Designation for Future Debt Retirement			0	0	0	0	0			0	
5. Total Debt Service Funds	838,900	838,900	63,500	1,091,700	1,500	0	0	0	0	1,156,700	1,156,700
6. Capital Projects Funds	118,947,200	32,887,600	106,092,900		77,590,700	0	0	28,191,300	5,682,100	206,282,800	206,282,800
7. Permanent Funds	86,300	0	87,200		1,000	0	0	0	0	88,200	88,200
8. Enterprise Funds Available	17,167,100	12,804,600	12,355,400		19,813,800	0	0	0	0	32,169,200	32,169,200
9. Less: Designation for Future Debt Retirement			0	0	0	0	0			0	
10. Total Enterprise Funds	17,167,100	12,804,600	12,355,400		19,813,800	0	0	0	0	32,169,200	32,169,200
11. Total Internal Service Funds	1,668,400	1,455,700	346,000		1,698,300	0	0	0	0	2,044,300	2,044,300
12. TOTAL ALL FUNDS	\$ 195,946,200	\$ 95,272,357	\$ 139,991,200	\$ 5,776,300	\$ 180,085,100	\$ 20,000,000	\$ 20,000,000	\$ 37,070,100	\$ 37,070,100	\$ 335,852,600	\$ 335,852,600

EXPENDITURE LIMITATION COMPARISON

	2004-05*	2005-06
1. Budgeted expenditures/expenses	\$ 195,946,200	\$ 335,852,600
2. Add/subtract: estimated net reconciling items	0	0
3. Budgeted expenditures/expenses adjusted for reconciling items	195,946,200	335,852,600
4. Less: estimated exclusions	0	0
5. Amount subject to the expenditure limitation	\$ 195,946,200	\$ 335,852,600
6. EEC or voter-approved alternative expenditure limitation	\$ 195,946,200	\$ 335,852,600

* Includes Expenditure/Expense Adjustments Approved in 2004-05 from Schedule E.
 ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
 *** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts invested in capital assets, net of related debt, and reserved/restricted amounts established as offsets to assets presented for informational purposes (i.e., prepaids, inventory, etc.).

**CITY OF SURPRISE
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2005-06**

	<u>2004-05</u> <u>FISCAL YEAR</u>	<u>2005-06</u> <u>FISCAL YEAR</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A).	\$ <u>3,303,945</u>	\$ <u>3,303,945</u>
2. Amount received from primary property taxation in the 2004-05 fiscal year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18).	\$ <u>0</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>3,303,900</u>	\$ <u>4,063,300</u>
B. Secondary property taxes	<u>1,453,400</u>	<u>1,713,000</u>
C. Total property tax levy amounts	\$ <u>4,757,300</u>	\$ <u>5,776,300</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2004-05 levy	\$ <u>3,303,900</u>	
(2) Prior years' levy	<u>28,300</u>	
(3) Total primary property taxes	\$ <u>3,332,200</u>	
B. Secondary property taxes		
(1) 2004-05 levy	\$ <u>881,798</u>	
(2) Prior years' levy	<u>0</u>	
(3) Total secondary property taxes	\$ <u>881,798</u>	
C. Total property taxes collected	\$ <u>4,213,998</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.7501</u>	<u>0.7277</u>
(2) Secondary property tax rate	<u>0.1600</u>	<u>0.1824</u>
(3) Total city/town tax rate	<u>0.9101</u>	<u>0.9101</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the city was operating 51 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.

*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
Summary by Fund Type of Revenues Other Than Property Taxes
 Fiscal Year 2005-06

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2004-05</u>	<u>ACTUAL REVENUES 2004-05*</u>	<u>ESTIMATED REVENUES 2005-06</u>
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 27,766,600	\$ 31,200,000	\$ 36,800,000
Auto Lieu	1,175,000	1,400,000	1,500,000
Licenses and permits			
Franchise Licenses	1,523,800	1,773,800	1,925,000
Business Licenses	200,000	250,000	300,000
Intergovernmental			
State	5,673,800	5,673,800	6,375,300
Grants	169,600	94,600	97,300
Charges for services			
Building, Engineering & Landscape Charges	11,337,000	13,852,000	12,906,000
Program Fees	1,531,100	1,712,900	1,006,800
Miscellaneous	63,700	60,000	60,000
Fines and forfeits			
Court	823,700	823,700	1,015,000
Interest on investments			
Investments	250,000	500,000	500,000
Miscellaneous			
Other	227,000	186,200	224,000
Miscellaneous	70,000	269,500	82,900
Total General Fund	\$ 50,811,300	\$ 57,796,500	\$ 62,792,300
SPECIAL REVENUE FUNDS			
Campus Operations			
User Fees	\$ 1,725,000	\$ 1,338,900	\$ 905,000
Other	309,600	309,600	550,000
Total	\$ 2,034,600	\$ 1,648,500	\$ 1,455,000
Transit (Local Transportation Assistance Fund)			
LTAF (Lottery)	\$ 265,300	\$ 265,300	\$ 317,800
User Fees	9,000	9,000	10,000
Other	112,800	43,300	74,500
Total	\$ 387,100	\$ 317,600	\$ 402,300
Highway User Revenue Fund			
State Gasoline Tax (HURF)	\$ 2,120,400	\$ 2,120,400	\$ 2,321,600
Other	15,000	0	56,000
Total	\$ 2,135,400	\$ 2,120,400	\$ 2,377,600
10% Set-Aside			
Other	\$ 3,000	\$ 3,000	\$ 966,200
Total	\$ 3,000	\$ 3,000	\$ 966,200
Donations Fund			
Donations	\$ 500,000	\$ 0	\$ 600,000
Total	\$ 500,000	\$ 0	\$ 600,000
Municipal Court Enhancement Fund			
Court Fines	\$ 0	\$ 35,000	\$ 0
Total	\$ 0	\$ 35,000	\$ 0

*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
Summary by Fund Type of Revenues Other Than Property Taxes
 Fiscal Year 2005-06

SOURCE OF REVENUES	ESTIMATED REVENUES 2004-05	ACTUAL REVENUES 2004-05*	ESTIMATED REVENUES 2005-06
Neighborhood Revitalization Fund			
Grants	\$ 346,500	\$ 628,000	\$ 1,007,800
Total	\$ 346,500	\$ 628,000	\$ 1,007,800
Scholarship Fund			
Other	\$ 500	\$ 800	\$ 600
Total	\$ 500	\$ 800	\$ 600
Street Light Improvements Districts			
Other	\$ 1,166,400	\$ 12,900	\$ 1,338,000
Total	\$ 1,166,400	\$ 12,900	\$ 1,338,000
Community Facility Districts			
Other	\$ 1,166,400	\$ 75,200	\$ 20,040,000
Total	\$ 1,166,400	\$ 75,200	\$ 20,040,000
Total Special Revenue Funds	\$ 6,573,500	\$ 4,828,500	\$ 28,187,500
DEBT SERVICE FUNDS			
Debt Service Fund			
Investment Earnings	\$ 5,800	\$ 2,000	\$ 1,500
Total	\$ 5,800	\$ 2,000	\$ 1,500
Total Debt Service Funds	\$ 5,800	\$ 2,000	\$ 1,500
CAPITAL PROJECTS FUNDS			
General Capital Projects Fund			
Grants	\$ 757,700	\$ 763,500	\$ 0
Other	\$ 5,000,000	\$ 8,700	\$ 5,000,000
Total	\$ 5,757,700	\$ 772,200	\$ 5,000,000
General Government Development Fund			
Development Fees	\$ 1,832,000	\$ 2,400,000	\$ 2,264,000
Other	\$ 17,400	\$ 40,000	\$ 81,600
Total	\$ 1,849,400	\$ 2,440,000	\$ 2,345,600
Police Development Fund			
Development Fees	\$ 1,382,600	\$ 3,535,700	\$ 3,381,000
Other	\$ 9,400	\$ 20,000	\$ 20,000
Total	\$ 1,392,000	\$ 3,555,700	\$ 3,401,000
Parks & Recreation Development Fund			
Development Fees	\$ 5,420,600	\$ 7,389,000	\$ 7,889,000
Other	\$ 9,000	\$ 110,000	\$ 75,000
Total	\$ 5,429,600	\$ 7,499,000	\$ 7,964,000
Public Works Development Fund			
Development Fees	\$ 2,366,300	\$ 5,100,000	\$ 6,331,600
Other	\$ 25,000	\$ 50,000	\$ 75,000
Total	\$ 2,391,300	\$ 5,150,000	\$ 6,406,600
Fire & Ems Development Fund			
Development Fees	\$ 829,600	\$ 2,100,000	\$ 3,459,000
Other	\$ 5,600	\$ 5,000	\$ 20,000
Total	\$ 835,200	\$ 2,105,000	\$ 3,479,000
Library Development Fund			
Development Fees	\$ 600,000	\$ 800,000	\$ 1,862,000
Other	\$ 1,000	\$ 2,500	\$ 20,000
Total	\$ 601,000	\$ 802,500	\$ 1,882,000
Transportation Enhancement Fund			
City Sales Tax	\$ 0	\$ 0	\$ 12,200,000
Other	\$ 0	\$ 0	\$ 0
Total	\$ 0	\$ 0	\$ 12,200,000

*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
Summary by Fund Type of Revenues Other Than Property Taxes
 Fiscal Year 2005-06

SOURCE OF REVENUES	ESTIMATED REVENUES 2004-05	ACTUAL REVENUES 2004-05*	ESTIMATED REVENUES 2005-06
Water Development Fund			
Development Fees	\$ 3,022,500	\$ 5,800,000	\$ 11,447,500
Other	4,486,900	150,000	150,000
Total	\$ 7,509,400	\$ 5,950,000	\$ 11,597,500
Water Replenishment Capital Fund			
Development Fees	\$ 1,592,500	\$ 2,000,000	\$ 1,601,800
Other	35,000	60,000	75,000
Total	\$ 1,627,500	\$ 2,060,000	\$ 1,676,800
Sewer Development Fund			
Development Fees	\$ 8,580,000	\$ 13,000,000	\$ 13,033,200
Other	115,900	200,000	3,800,000
Total	\$ 8,695,900	\$ 13,200,000	\$ 16,833,200
MPC Capital Projects Fund			
Intergovernmental	\$ 0	\$ 0	\$ 0
Other	4,831,500	5,899,100	4,805,000
Total	\$ 4,831,500	\$ 5,899,100	\$ 4,805,000
Total Capital Projects Funds	\$ 40,920,500	\$ 49,433,500	\$ 77,590,700
PERMANENT FUNDS			
Firefighter's Pension Fund			
Investment Earnings	\$ 500	\$ 1,000	\$ 1,000
Total	\$ 500	\$ 1,000	\$ 1,000
Total Permanent Funds	\$ 500	\$ 1,000	\$ 1,000
ENTERPRISE FUNDS			
Water			
User Fees	\$ 3,781,400	\$ 4,100,000	\$ 4,927,000
Other	5,000	12,100	5,800
Total	\$ 3,786,400	\$ 4,112,100	\$ 4,932,800
Water Replenishment Fund			
User Fees	\$ 600,100	\$ 575,000	\$ 650,000
Other	5,000	5,000	6,000
Total	\$ 605,100	\$ 580,000	\$ 656,000
Sewer			
User Fees	\$ 7,541,700	\$ 8,000,000	\$ 9,850,000
Other	40,000	500,000	160,000
Total	\$ 7,581,700	\$ 8,500,000	\$ 10,010,000
Sanitation			
User Fees	\$ 2,713,100	\$ 3,255,000	\$ 4,200,000
Other	10,000	29,300	15,000
Total	\$ 2,723,100	\$ 3,284,300	\$ 4,215,000
Total Enterprise Funds	\$ 14,696,300	\$ 16,476,400	\$ 19,813,800
Internal Service Funds			
Risk Management			
Insurance Premiums	\$ 1,248,600	\$ 1,248,600	\$ 1,498,300
Other	200,000	281,000	200,000
Total	\$ 1,448,600	\$ 1,529,600	\$ 1,698,300
Total Internal Service Funds	\$ 1,448,600	\$ 1,529,600	\$ 1,698,300
TOTAL ALL FUNDS	\$ 114,456,500	\$ 130,067,500	\$ 190,085,100

*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
Summary by Fund Type of Other Financing Sources/<Uses>and Interfund Transfers
Fiscal Year 2005-06

FUND	OTHER FINANCING 2005-06		INTERFUND TRANSFERS 2005-06	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
10% Set-Aside Fund	\$ _____	\$ _____	\$ _____	\$ 374,200
General Capital	_____	_____	_____	27,028,400
Campus Operations	_____	_____	_____	2,069,600
Highway Users Revenue Fund (HURF)	_____	_____	_____	1,863,100
Donations Fund (Art Commission)	_____	_____	_____	142,700
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total General Fund	\$ _____	\$ _____	\$ _____	\$ 31,478,000
SPECIAL REVENUE FUNDS				
10% Set-Aside Fund	\$ _____	\$ _____	\$ 374,200	\$ _____
Campus Operations	_____	_____	2,169,600	_____
Highway Users Revenue Fund (HURF)	_____	_____	3,363,100	_____
Donations Fund (Art Commission)	_____	_____	142,700	_____
Transit Fund	_____	_____	100,000	_____
Vehicle Replacement Fund	_____	_____	2,729,200	_____
Community Facilities Districts	20,000,000	20,000,000	_____	_____
_____	_____	_____	_____	_____
Total Special Revenue Funds	\$ 20,000,000	\$ 20,000,000	\$ 8,878,800	\$ _____
DEBT SERVICE FUNDS				
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debt Service Funds	\$ _____	\$ _____	\$ _____	\$ _____
CAPITAL PROJECTS FUNDS				
General Capital	\$ _____	\$ _____	\$ 27,028,400	\$ 5,592,100
Fire & EMS Development	_____	_____	1,162,900	_____
_____	_____	_____	_____	_____
Total Capital Projects Funds	\$ _____	\$ _____	\$ 28,191,300	\$ 5,592,100
PERMANENT FUNDS				
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Permanent Funds	\$ _____	\$ _____	\$ _____	\$ _____
ENTERPRISE FUNDS				
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
Total Enterprise Funds	\$ _____	\$ _____	\$ _____	\$ _____
Internal Service Funds				
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
Total Internal Service Funds	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS	\$ 20,000,000	\$ 20,000,000	\$ 37,070,100	\$ 37,070,100

CITY OF SURPRISE
 Summary by Department of Expenditures/Expenses Within Each Fund Type
 Fiscal Year 2005-06

<u>FUND/DEPARTMENT</u>	<u>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2004-05</u>	<u>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2004-05</u>	<u>ACTUAL EXPENDITURES/ EXPENSES 2004-05*</u>	<u>BUDGETED EXPENDITURES/ EXPENSES 2005-06</u>
GENERAL FUND				
City Council	\$ 369,400	\$ (1,600)	\$ 328,200	\$ 485,900
City Manager	751,400	0	660,400	775,700
Government Relations	120,400	0	115,300	231,600
Legal	708,200	25,000	668,100	1,042,200
City Clerk	522,400	0	520,900	476,200
Finance	1,159,200	0	1,097,600	1,434,200
Human Resources	623,000	29,600	615,100	817,800
Information Services	1,887,400	7,200	1,890,000	2,566,800
Communications	571,500	12,600	555,500	762,300
Management & Budget	658,600	0	609,300	858,700
General Operations	3,131,400	(175,600)	2,627,300	5,064,000
Community Development	3,704,600	117,400	3,497,603	4,568,900
City Court	1,212,200	50,000	1,201,100	1,464,600
Police	8,936,000	140,800	8,646,100	11,468,400
Fire - Emergency Services	6,541,100	31,900	6,409,600	8,125,200
Community Initiatives	1,186,900	(48,400)	1,038,700	1,334,300
Community and Recreation Services	4,528,200	0	4,317,200	4,807,200
Public Works	2,239,100	400	2,175,800	2,674,200
Engineering	1,203,800	56,200	1,147,100	1,710,000
Water Services - Stormwater	149,800	(35,400)	86,400	79,000
Total General Fund	\$ 40,204,600	\$ 210,100	\$ 38,207,303	\$ 50,747,200
SPECIAL REVENUE FUNDS				
Campus Operations	\$ 3,735,500	\$ 40,000	\$ 3,228,700	\$ 3,594,100
Vehicle Replacement Fund	5,274,600	0	636,000	7,367,800
Transit	594,200	0	303,300	678,100
Highway User Revenue Fund	3,045,300	12,300	2,967,000	5,681,900
10% Set-Aside	467,100	(4,000)	158,800	1,688,100
Donations	637,500	0	287,541	742,700
Municipal Court Enhancement	29,700	0	0	79,200
Neighborhood Revitalization	1,128,600	(147,900)	651,013	1,007,800
Scholarship Fund	10,700	0	1,500	10,100
Street Light Improvements Districts	2,000,000	0	844,400	2,389,200
Community Facilities District	0	0	0	20,125,200
Total Special Revenue Funds	\$ 16,923,200	\$ (99,600)	\$ 9,078,254	\$ 43,364,200
DEBT SERVICE FUNDS				
Debt Service Fund	\$ 838,900	\$ 0	\$ 838,900	\$ 1,156,700
Total Debt Service Funds	\$ 838,900	\$ 0	\$ 838,900	\$ 1,156,700
CAPITAL PROJECTS FUNDS				
Capital Projects Fund	\$ 25,726,200	\$ (1,007,400)	\$ 7,145,200	\$ 43,283,700
General Government Development Fund	3,883,800	(52,500)	592,800	7,412,300
Police Development Fund	2,820,700	(201,400)	1,478,500	7,272,700
Parks, Rec & Library Development	10,722,100	380,700	2,726,900	19,440,200
Public Works Capital Development	5,275,400	(26,700)	1,994,400	13,596,300
Fire & EMS Development Fund	0	758,000	445,000	6,101,900
Library Development Fund	0	0	0	2,684,500
Transportation Improvement Fund	0	0	0	12,200,000
Water Capital Development Fund	12,900,900	556,100	1,914,000	23,173,100
Water Replenishment Capital Fund	5,637,200	(57,000)	953,600	6,925,100
Sewer Capital Development Fund	24,106,000	135,600	5,064,600	42,733,500
MPC Capital Projects Fund	27,407,500	(18,000)	10,572,600	21,459,500
Total Capital Projects Funds	\$ 118,479,800	\$ 467,400	\$ 32,887,600	\$ 206,282,800
PERMANENT FUNDS				
Firefighter's Pension Fund	\$ 86,300	\$ 0	\$ 0	\$ 88,200
Total Permanent Funds	\$ 86,300	\$ 0	\$ 0	\$ 88,200
ENTERPRISE FUNDS				
Water	\$ 4,617,200	\$ (586,800)	\$ 3,448,200	\$ 4,683,200
Water Replenishment	802,800	0	574,100	1,252,500
Sewer	8,807,700	10,900	5,429,100	22,093,300
Sanitation	3,517,300	(2,000)	3,353,200	4,140,200
Total Enterprise Funds	\$ 17,745,000	\$ (577,900)	\$ 12,804,600	\$ 32,169,200
INTERNAL SERVICE FUNDS				
Risk Management	1,668,400	0	1,455,700	2,044,300
Total Permanent Funds	\$ 1,668,400	\$ 0	\$ 1,455,700	\$ 2,044,300
TOTAL ALL FUNDS	\$ 195,946,200	\$ 0	\$ 95,272,357	\$ 335,852,600

*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.

RESOLUTION #05-98

**A RESOLUTION OF THE MAYOR AND CITY 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 2005/2006 TO BE ASSESSED AGAINST THE
VALUATION OF REAL PROPERTY FOR PRIMARY AND
SECONDARY TAX PURPOSES.**

WHEREAS, the City Council is required by Arizona Revised Statutes (“ARS”) §42-17253 to adopt an annual tax levy based upon the rate to be assessed per each One Hundred Dollars (\$100.00) of valuation of property within the City, and;

WHEREAS, the primary and secondary tax levy for Fiscal Year 2005/2006 beginning July 1, 2005 must be adopted prior to the third Monday in August, and not less than fourteen days after adoption of the municipal budget, and;

WHEREAS, the municipal budget of the City of Surprise was adopted at a meeting of the City Council held on June 23, 2005, at least fourteen days prior to the hearing date for this Resolution #05-98, and;

WHEREAS, the City has computed tax rates per One Hundred Dollars (\$100.00) of valuation to be levied and collected, at \$.7277 for primary taxes, \$.1824 for secondary taxes plus secondary tax rates for Street Light Districts up to the maximum rate of \$1.20 of valuation per Exhibit A;

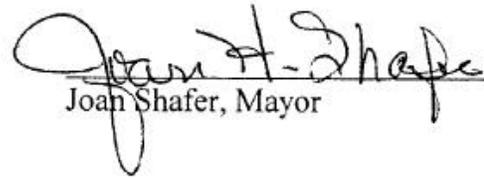
NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, that:

Section 1. There is hereby levied against the primary assessed value of all property, both real and personal, within the corporate limits of the City of Surprise, except such property as is exempt by law, a primary property tax levy in the sum of Four Million Sixty-Three Thousand Three Hundred and Twenty-Four Dollars (\$4,063,324) for the fiscal year beginning July 1, 2005, such amount to be collected as provided by law.

Section 2. In addition to the primary property tax levy established above, there is hereby levied against the secondary assessed valuation of all property, both real and personal, within the corporate limits of the City of Surprise, except such property as is exempt by law, a secondary property tax levy in the sum of One Million Ninety-One Thousand and Seven Hundred Dollars (\$1,091,700.00) for the fiscal year beginning July 1, 2005, plus secondary tax levy amounts at the rate of up to \$1.20 per One Hundred Dollars (\$100.00) of valuation for Street Lighting Districts per Exhibit A, to be collected as provided by law for the purpose provided by law.

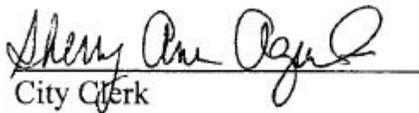
Section 3. Any failure by the Maricopa County officials to properly return the delinquent tax list, irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings nor invalidate any title conveyed by any tax deed, any sale or proceeding 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.

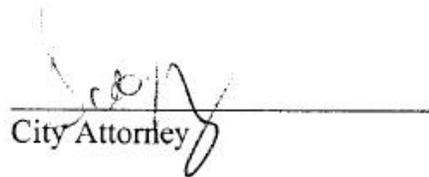
PASSED AND ADOPTED this 14th Day of July, 2005


Joan Shafer, Mayor

ATTEST:

APPROVED AS TO FORM:


City Clerk


City Attorney

Yeas: Mayor Shafer, Vice-Mayor Arismendez, Council Members; Bails, Elkins, Foro, Johnson & Sullivan.

Nays: _____

City of Surprise - Lighting Districts Property Tax Levy Requirements Fiscal Year 2006

District Name	Assessed Value	Est. Tax Rate	Levy Amount	District Name	Assessed Value	Est. Tax Rate
Arizona Kingswood Parke	9,579,750	0.0000	0	Rancho Gabriella 2, 3, 4A-B SLID	9,001,671	0.5999
Sun City Grand	30,684,519	0.4507	138,300	Greenway Parc #2	3,046,700	0.0000
Westpoint Towne Center	16,689,450	0.0827	13,800	Greenway Parc #3	821,430	0.1704
Continental at Kingswood Parke	4,038,750	0.0000	0	Bell West Ranch 1A	2,090,780	0.0335
Arizona Mountain Vista	3,508,650	0.0000	0	Tash/Westem Meadows	1,161,043	0.0689
Sun City Grand II	78,708,845	0.1612	126,900	Roseview 5, 5a, 7, 8	6,647,490	0.0000
Sun City Grand III	3,641,382	1.2000	43,700	Orchards 1, 2, 3, 4, 5	3,285,102	0.5449
Bell West Ranch	1,832,817	0.0000	0	Surprise Farms 1A	3,442,129	0.2615
Canyon Ridge West	5,404,085	0.0000	0	Legacy Parc Parcels e, f, & j	1,108,874	0.0000
Ashton Ranch I	2,638,375	0.2160	5,700	Sierra Montana Ph 1a*	5,094,738	25.9203
Ashton Ranch II	3,192,400	0.0000	0	Bell West Ranch II	1,426,800	1.2000
Arizona Mountain Vista II	7,189,892	0.0000	0	Royal Ranch Unit I†	1,947,810	15.5143
Arizona Mountain Vista III	4,777,450	0.0335	1,600	Surprise Farms 1B	0	1.2000
Legacy Parc	6,347,289	0.0851	5,400	Desert Oasis No. 1	0	1.2000
Greenway Parc@Surprise	3,177,800	0.3241	10,300	Sierra Montana Ph II	0	1.2000
Roseview Units 1-6	8,796,115	0.1239	10,900	Litchfield Manor	0	1.2000
Countryside	8,460,980	0.0248	2,100	Cotton Gin	0	1.2000
Park Row	769,300	0.8579	6,600	Summerfield @ Litchfield	0	1.2000
Northwest Ranch II	3,404,810	0.0000	0	Marley Park I	0	1.2000
Bell W Ranch Pcl 1B	1,320,206	0.3484	4,600	Greer Ranch South	0	1.2000
Ashton Ranch III	2,825,850	0.0000	0	Bell West Ranch III	0	1.2000
Ashton Ranch IV	2,440,062	0.0000	0	Sierra Montana Parcel 12	0	1.2000
Legacy Parc GHI	1,627,170	0.2335	3,800	Sierra Verde Ph I	0	1.2000
Rancho Gabriella - Phase I	5,317,302	0.0000	0	Surprise Farms II	0	1.2000
Northwest Ranch #1	3,404,810	0.1175	4,000	Royal Ranch Unit II	0	1.2000
Sun City Grand IV	33,120,040	0.1905	63,100			

*Equal Apportionment District - Each parcel within the district is charged a flat rate

All Street Light Districts have property tax levies set at the amount raised by the maximum allowable property tax rate of \$1.20 per 100 of assessed value. For information pertaining to these special assessment districts and their tax rates, please contact the City of Surprise



ADMINISTRATIVE POLICY
CITY OF SURPRISE
ADMINISTRATIVE STANDARDS

SUBJECT: Budget Amendments & Transfers

NUMBER: 070804-1

REPLACES: Transfer policy
adopted on 1/24/02

AUTHORITY: City Council

ISSUED: July 8, 2004

PURPOSE: The following policy and procedures are established to implement a consistent and efficient process by which the adopted city budget may be amended and budget authority transferred.

POLICY: Throughout the course of the fiscal year amendments to the budget are necessary in order to address new issues, increased prices and changes in the scope of existing projects. The Budget Office following appropriate authorization by Council, the City Manager or Department head, as detailed in Table A on the following page, will process budget amendments. This policy applies to all budget amendments initiated by council, the city manager's office or departments.

PROCEDURE: All budget amendments must be processed through the Budget Office and include a description of the requested amendment, why the amendment is required, where the funds are coming from and what the impact of utilizing those funds will be. All amendments must be rounded up to the nearest \$100 and generally will not be processed within the same category within a division. A summary of all budget amendments will be provided to council on a quarterly basis.

Based on the level of authorization required requests for budget amendments must be submitted as follows:

Department Head - Amendments requiring department head approval must be submitted via e-mail or memo from the department head to the Budget Office.

City Manager/Assistant City Manager – Amendments requiring CM/ACM approval must be submitted to the budget office via e-mail or memo. The budget office will prepare a background summary on the request and present it and the department request to CM/ACM for review and approval.

City Council - Amendments requiring Council approval must be submitted to the budget office via memo. The budget office will prepare a background summary on the request and present it and the department request to ACM/CM for review and approval. If approved, the department will prepare a council action form and attach both their original request and the CM/ACM approval.

Table A: Budget Amendment Authorizat0n Levels

- No transfers are to be made from internal charge accounts (depreciation, transfers, insurance, etc...)			
- Any increase in Total Authorized positions must be approved by council			
Type of Transfer	Category	Authorization	Comments
Intra-Department (as listed in Schedule E of state budget forms)	Personnel:		
	Intra-Category	Department Director	Within personnel category of department.
	Inter-Category	City Manager/ACM	Between Personnel and Services (Temporary Help)
	Inter-Category	Council	Between Personnel and Supplies & Services (change in scope)
	Supplies & Services:		
	Intra-Category	Department Director	Between divisions
	Inter-Category	Department Director	Within a division or between divisions
	Capital:		
	Capital Improvement Program	Council	All capital items/projects included in the CIP
Non-CIP or Minor CIP budget changes	City Manager/ACM	All capital items/projects not included in the CIP	
Carryovers	Management & Budget Director	Adjustments to budget amount on projects or items carried forward from a previous year to reflect actual prior year expenditures.	
Contingencies	Contingencies	Council	Any transfer from contingencies
Inter-Fund or Inter-Department	All	Council	As listed in Schedule E of adopted state budget forms
Unforeseen Revenue/Expenditures	All	Council	Grant award or unforeseen revenue must be verified by the Budget Office

City of Surprise, Arizona
FY2006 Adopted Budget Expenditures
Category Summary by Department

Department	Personnel	Supplies & Services	Total Operations	Capital & Depreciation	Debt Service	Transfers	Contingencies	Total All
City Council	272,000	213,900	485,900	0	0	0	0	485,900
City Manager	690,000	85,700	775,700	0	0	0	0	775,700
Governmental Relations	161,900	69,700	231,600	0	0	0	0	231,600
City Attorney	856,600	185,600	1,042,200	0	0	0	0	1,042,200
City Clerk	383,600	92,600	476,200	0	0	0	0	476,200
Finance	1,054,300	379,900	1,434,200	0	0	0	0	1,434,200
Human Resources	665,500	152,300	817,800	0	0	0	0	817,800
Information Technology	1,124,500	1,423,800	2,548,300	20,000	0	0	0	2,568,300
Communications - Public Inf. Office	428,500	333,800	762,300	0	0	0	0	762,300
Management & Budget	757,000	101,700	858,700	0	0	0	0	858,700
General Operations	0	4,564,000	4,564,000	0	0	31,478,000	500,000	36,542,000
Community Development	3,625,700	356,600	3,982,300	0	0	0	0	3,982,300
Economic Development	417,400	169,200	586,600	0	0	0	0	586,600
City Court	1,160,900	303,700	1,464,600	0	0	0	0	1,464,600
Police	10,498,600	968,300	11,466,900	0	0	0	0	11,466,900
Fire	6,737,900	1,379,300	8,117,200	8,000	0	0	0	8,125,200
Community Initiatives	693,600	640,700	1,334,300	0	0	0	0	1,334,300
Community and Recreation Services	2,901,900	1,905,300	4,807,200	0	0	0	0	4,807,200
Public Works	1,763,100	911,100	2,674,200	0	0	0	0	2,674,200
Engineering	1,312,400	397,600	1,710,000	0	0	0	0	1,710,000
Water Services - Stormwater	64,900	14,100	79,000	0	0	0	0	79,000
Total General Fund	35,570,300	14,648,900	50,219,200	28,000	0	31,478,000	500,000	82,225,200
Internal Service Funds								
Risk Management	91,800	1,952,500	2,044,300	0	0	0	0	2,044,300
Total Internal Service Funds	91,800	1,952,500	2,044,300	0	0	0	0	2,044,300
Debt Service Fund								
Debt Service Fund	0	0	0	0	1,156,700	0	0	1,156,700
Total Debt Service Funds	0	0	0	0	1,156,700	0	0	1,156,700
Special Revenue Funds								
Donations	0	742,700	742,700	0	0	0	0	742,700
Transit	336,700	133,600	470,300	207,800	0	0	0	678,100
Campus Operations	1,341,600	2,152,500	3,494,100	100,000	0	0	0	3,594,100
Vehicle Replacement	0	125,000	125,000	3,125,000	0	0	4,117,800	7,367,800
HURF	2,587,100	1,594,800	4,181,900	1,500,000	0	0	0	5,681,900
10% Set-A-Side	0	150,000	150,000	1,538,100	0	0	0	1,688,100
Municipal Court Enhancement	0	32,000	32,000	0	0	0	47,200	79,200
Neighborhood Revitalization	27,200	980,600	1,007,800	0	0	0	0	1,007,800
Special Districts	0	2,514,400	2,514,400	20,000,000	0	0	0	22,514,400
Scholarship	0	10,100	10,100	0	0	0	0	10,100
Total Special Revenue Funds	4,292,600	8,435,700	12,728,300	26,470,900	0	0	4,165,000	43,364,200
Permanent Funds								
Firefighter Pension Fund	0	88,200	88,200	0	0	0	0	88,200
Total Permanent Funds	0	88,200	88,200	0	0	0	0	88,200
Enterprise Funds								
Water	544,300	2,960,600	3,504,900	678,100	0	0	500,200	4,683,200
Sewer	1,925,300	2,871,700	4,797,000	2,575,000	0	0	14,721,300	22,093,300
Replenishment	163,800	393,800	557,600	130,000	0	0	564,900	1,252,500
Sanitation	1,444,300	1,341,800	2,786,100	905,000	0	0	449,100	4,140,200
Total Enterprise Funds	4,077,700	7,567,900	11,645,600	4,288,100	0	0	16,235,500	32,169,200
Capital Funds								
Capital Improvements	0	6,325,400	6,325,400	30,674,100	0	5,592,100	6,284,200	48,875,800
Parks and Recreation Development	0	1,929,800	1,929,800	16,945,100	0	0	565,300	19,440,200
Library Development	0	7,500	7,500	200,000	0	0	2,477,000	2,684,500
General Government Development	0	160,200	160,200	1,070,900	0	0	6,181,200	7,412,300
Police Development	0	563,000	563,000	926,900	0	0	5,782,800	7,272,700
Fire & EMS Development	0	292,500	292,500	5,809,400	0	0	0	6,101,900
Transportation Improvement	0	50,000	50,000	11,435,000	0	0	715,000	12,200,000
MPC - Fund	0	0	0	16,654,500	4,805,000	0	0	21,459,500
Water Capital Fund	0	7,500	7,500	21,612,900	0	0	1,552,700	23,173,100
Sewer Capital Fund	0	1,818,500	1,818,500	39,210,400	0	0	1,704,600	42,733,500
Replenishment Capital	0	7,500	7,500	4,656,800	0	0	2,260,800	6,925,100
Public Development Expansion Fund	0	1,138,600	1,138,600	4,928,100	0	0	7,529,600	13,596,300
Total Capital Funds	0	12,300,500	12,300,500	154,124,100	4,805,000	5,592,100	35,053,200	211,874,900
Total Budget	44,032,400	44,993,700	89,026,100	184,911,100	5,961,700	37,070,100	55,953,700	372,922,700

City of Surprise, AZ
Fund Balance Analysis

Fund Balance
21111 - General Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	9,695,900	16,491,539	15,663,000	23,739,005	15,369,600	
Revenues	38,149,700	50,850,861	54,374,600	61,150,400	66,855,600	
Expenditures	47,835,800	41,054,960	70,124,500	67,741,303	82,225,200	
Ending Balance	9,800	26,287,440	(86,900)	17,148,102	0	0
2-Months Operating Reserves	6,303,400	6,303,400	8,922,300	8,922,300	10,805,700	0

Fund Balance
21112 - General Capital Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	1,204,400	1,787,216	4,569,900	5,409,880	16,847,400	
Revenues	5,000,000	21,354	6,758,200	772,200	5,000,000	
Transfers In	9,946,800	9,946,800	26,467,700	26,467,700	27,028,400	
Expenditures	17,193,000	5,913,657	35,642,000	16,269,545	48,875,800	
Ending Balance	(1,041,800)	5,841,714	2,153,800	16,380,235	0	0
2-Months Operating Reserves	0	0	455,400	455,400	458,200	0

Fund Balance
21113 - Campus Operations Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	306,800	473,755	(6,700)	0	(30,500)	
Revenues	1,494,600	1,440,590	2,034,600	1,648,500	1,455,000	
Transfers In	1,135,600	446,054	1,702,900	1,530,000	2,169,600	
Expenditures	2,937,000	2,441,419	3,775,500	3,228,700	3,594,100	
Ending Balance	0	(81,020)	(44,700)	(50,200)	0	0
2-Months Operating Reserves	139,100	139,100	255,800	255,800	242,500	0

Fund Balance
21114 - Vehicle Replacement Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	0	0	0	0	4,638,600	
Revenues	0	0	0	0	0	
Transfers In	0	0	5,274,600	5,274,600	2,729,200	
Expenditures	0	0	5,274,600	636,000	7,367,800	
Ending Balance	0	0	0	4,638,600	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance
21211 - Transit

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	(172,900)	(109,652)	207,100	164,383	175,800	
Revenues	249,400	396,420	387,100	317,600	402,300	
Transfers In	208,100	208,100	0	0	100,000	
Expenditures	423,200	284,689	593,400	303,300	678,100	
Ending Balance	(138,600)	210,179	800	178,683	0	0
2-Months Operating Reserves	41,600	41,600	45,700	45,700	55,100	0

Fund Balance
21212 - HURF

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	728,100	550,322	(36,200)	(127,329)	(58,800)	
Revenues	2,029,800	2,692,466	2,135,400	2,120,400	2,377,600	
Transfers In	635,100	0	946,100	946,100	3,363,100	
Expenditures	3,393,000	3,035,816	3,057,600	2,967,000	5,681,900	
Ending Balance	0	206,972	(12,300)	(27,829)	0	0
2-Months Operating Reserves	361,100	361,100	355,900	355,900	386,900	0

City of Surprise, AZ
Fund Balance Analysis

**Fund Balance
21213 - 10% Set-Aside**

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	55,000	33,983	90,900	134,304	347,700	
Revenues	3,000	2,500	3,000	3,000	966,200	
Transfers In	225,200	225,200	369,200	369,200	374,200	
Expenditures	283,200	127,378	463,100	158,800	1,688,100	
Ending Balance	0	134,304	0	347,704	0	0
2-Months Operating Reserves	0	0	0	0	0	0

**Fund Balance
21214 - Donations Fund**

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	22,500	54,208	31,700	181,741	0	
Revenues	500,000	193,907	500,000	0	600,000	
Transfers In	70,800	70,800	105,800	105,800	142,700	
Expenditures	593,300	140,213	637,500	287,541	742,700	
Ending Balance	0	178,702	0	0	0	0
2-Months Operating Reserves	0	0	0	0	0	0

**Fund Balance
21215 - Municipal Court Enhancements Fund**

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	28,600	27,798	29,700	61,243	79,200	
Revenues	0	33,445	0	35,000	0	
Transfers In	0	0	0	0	0	
Expenditures	28,600	0	29,700	0	79,200	
Ending Balance	0	61,243	0	96,243	0	0
2-Months Operating Reserves	0	0	0	0	0	0

**Fund Balance
21216 - Neighborhood Revitalization Fund**

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	38,000	7,168	76,800	7,013	0	
Revenues	656,900	415,347	887,900	628,000	1,007,800	
Transfers In	0	0	16,000	16,000	0	
Expenditures	733,700	415,502	1,128,600	651,013	1,007,800	
Ending Balance	(38,800)	7,013	(147,900)	0	0	0
2-Months Operating Reserves	0	0	0	0	0	0

**Fund Balance
21311 - Debt Service Fund**

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	60,200	127,420	63,800	131,100	63,500	
Revenues	767,200	775,839	775,100	771,300	1,093,200	
Transfers In	0	0	0	0	0	
Expenditures	827,400	772,158	838,900	838,900	1,156,700	
Ending Balance	0	131,101	0	63,500	0	0
2-Months Operating Reserves	0	0	0	0	0	0

City of Surprise, AZ
Fund Balance Analysis

Fund Balance

21412 - General Government Capital Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	923,900	1,402,774	1,981,900	3,219,493	5,066,700	
Revenues	615,000	2,136,416	1,849,400	2,440,000	2,345,600	
Transfers In	0	0	0	0	0	
Expenditures	1,538,900	319,696	3,831,300	592,800	7,412,300	
Ending Balance	0	3,219,495	0	5,066,693	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance

21413 - Police Capital Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	1,164,600	1,310,889	954,000	169,196	3,871,700	
Revenues	770,000	2,852,934	1,392,000	3,555,700	3,401,000	
Transfers In	373,100	0	138,000	138,000	0	
Expenditures	3,358,600	2,092,520	2,619,300	1,478,500	7,272,700	
Ending Balance	(1,050,900)	2,071,304	(135,300)	2,384,396	0	0
2-Months Operating Reserves	0	439,700	672,900	472,900	477,100	0

Fund Balance

21414 - Parks & Recreation Capital Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	107,100	1,117,100	5,315,700	6,465,791	11,476,200	
Revenues	2,505,000	7,474,042	5,429,600	7,499,000	7,964,000	
Transfers In	1,445,500	0	0	0	0	
Expenditures	1,585,600	1,468,363	11,102,800	2,726,900	19,440,200	
Ending Balance	2,472,000	7,122,779	(357,500)	11,237,891	0	0
2-Months Operating Reserves	0	1,849,700	1,910,600	1,910,600	1,922,300	0

Fund Balance

21415 - PW Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	1,775,600	2,525,148	2,857,400	4,054,095	7,189,700	
Revenues	1,225,000	3,443,463	2,391,300	5,150,000	6,406,600	
Transfers In	0	0	0	0	0	
Expenditures	3,000,600	1,561,447	5,248,700	1,994,400	13,596,300	
Ending Balance	0	4,407,164	0	7,209,695	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance

21416 - Fire & EMS Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	0	0	0	1,229,183	1,460,000	
Revenues	0	0	835,200	2,105,000	3,479,000	
Transfers In	0	0	0	0	1,162,900	
Expenditures	0	0	898,200	445,000	6,101,900	
Ending Balance	0	0	(63,000)	2,889,183	0	0
2-Months Operating Reserves	0	0	0	200,000	200,000	0

City of Surprise, AZ
Fund Balance Analysis

Fund Balance
21417 - Library Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	0	0	0	0	802,500	
Revenues	0	0	601,000	802,500	1,882,000	
Transfers In	0	0	0	0	0	
Expenditures	0	0	601,000	0	2,684,500	
Ending Balance	0	0	0	802,500	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance
21418 - Transportation Enhancement Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	0	0	0	0	0	
Revenues	0	0	0	0	12,200,000	
Transfers In	0	0	0	0	0	
Expenditures	0	0	0	0	12,200,000	
Ending Balance	0	0	0	0	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance
22511 - Water Operations Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	147,600	147,600	244,000	(722,498)	(249,600)	
Revenues	2,789,900	3,102,537	3,786,400	4,112,100	4,932,800	
Transfers In	0	0	0	0	0	
Expenditures	2,612,000	2,546,820	4,030,400	3,448,200	4,683,200	
Ending Balance	325,500	703,317	0	(58,598)	0	0
2-Months Operating Reserves	465,000	465,000	631,100	631,100	822,100	0

Fund Balance
22512 - Water Capital Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	2,214,400	2,214,400	5,947,600	7,539,619	11,575,600	
Revenues	1,575,000	5,384,264	7,509,400	5,950,000	11,597,500	
Transfers In	0	0	0	0	0	
Expenditures	3,789,400	635,441	13,457,000	1,914,000	23,173,100	
Ending Balance	0	6,963,223	0	11,575,619	0	0
2-Months Operating Reserves	2,050,000	2,050,000	800,000	800,000	800,000	0

Fund Balance
22521 - Replenishment Enterprise Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	231,000	231,000	197,700	415,969	596,500	
Revenues	462,800	541,419	605,100	580,000	656,000	
Transfers In	0	0	0	0	0	
Expenditures	488,300	410,656	802,800	574,100	1,252,500	
Ending Balance	205,500	361,763	0	421,869	0	0
2-Months Operating Reserves	77,100	77,100	100,900	100,900	109,300	0

City of Surprise, AZ
Fund Balance Analysis

Fund Balance

22522 - Replenishment Capital Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	2,707,200	2,707,200	3,952,700	4,741,875	5,248,300	
Revenues	874,500	2,189,134	1,627,500	2,060,000	1,676,800	
Transfers In	0	0	0	0	0	
Expenditures	3,581,700	91,139	5,580,200	953,600	6,925,100	
Ending Balance	0	4,805,194	0	5,848,275	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance

22531 - Sewer Enterprise Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	315,700	315,700	886,900	9,865,380	12,083,300	
Revenues	5,806,000	7,914,928	7,581,700	8,500,000	10,010,000	
Transfers In	0	0	0	0	0	
Expenditures	5,484,800	4,095,223	8,468,600	5,429,100	22,093,300	
Ending Balance	636,900	4,135,405	0	12,936,280	0	0
2-Months Operating Reserves	967,700	967,700	1,263,600	1,263,600	1,658,300	0

Fund Balance

22532 - Sewer Capital Development Fee Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	8,162,700	8,162,700	15,210,300	17,780,775	25,900,300	
Revenues	3,100,000	10,768,178	8,695,900	13,200,000	16,833,200	
Transfers In	0	0	0	0	0	
Expenditures	11,262,700	1,734,939	24,241,600	5,064,600	42,733,500	
Ending Balance	0	17,195,939	(335,400)	25,916,175	0	0
2-Months Operating Reserves	0	2,710,300	1,792,600	1,792,600	1,803,500	0

Fund Balance

22541 - Sanitation Enterprise Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	154,500	780,670	792,200	784,603	(74,800)	
Revenues	2,098,000	2,163,313	2,723,100	3,284,300	4,215,000	
Transfers In	0	0	0	0	0	
Expenditures	1,903,700	1,798,483	3,515,300	3,353,200	4,140,200	
Ending Balance	348,800	1,145,500	0	715,703	0	0
2-Months Operating Reserves	349,700	349,700	453,900	453,900	702,500	0

Fund Balance

22611 - Risk Management Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	194,200	198,778	219,800	272,124	346,000	
Revenues	1,282,100	1,129,878	1,448,600	1,529,600	1,698,300	
Transfers In	50,000	50,000	0	0	0	
Expenditures	1,526,300	1,106,532	1,668,400	1,455,700	2,044,300	
Ending Balance	0	272,124	0	346,024	0	0
2-Months Operating Reserves	0	0	0	0	0	0

City of Surprise, AZ
Fund Balance Analysis

Fund Balance
23211 - Scholarship Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	10,200	11,213	10,200	10,159	9,500	
Revenues	500	947	500	800	600	
Transfers In	0	0	0	0	0	0
Expenditures	10,700	2,000	10,700	1,500	10,100	
Ending Balance	0	10,160	0	9,459	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance
23312 - Firefighters Pension Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	85,800	84,801	85,800	86,162	87,200	
Revenues	500	1,361	500	1,000	1,000	
Transfers In	0	0	0	0	0	
Expenditures	86,300	0	86,300	0	88,200	
Ending Balance	0	86,162	0	87,162	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance
31111 - MPC - Fund

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	22,102,700	21,645,282	15,757,700	17,517,055	16,654,500	
Revenues	5,134,500	50,955,322	4,831,500	5,899,100	4,805,000	
Bonding	0	0	0	0	0	
Transfers In	0	0	5,755,700	3,810,945	0	
Expenditures	27,237,200	8,851,934	27,389,500	10,572,600	21,459,500	
Ending Balance	0	63,748,670	(1,044,600)	16,654,500	0	0
2-Months Operating Reserves	5,100,000	0	0	0	0	0

Fund Balance
41000 - Street Light District Funds

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	137,200	292,032	85,800	487,841	439,900	
Revenues	1,862,800	798,940	500	798,500	1,949,300	
Transfers In	0	0	0	0	0	
Expenditures	2,000,000	840,408	86,300	844,400	2,389,200	
Ending Balance	0	250,564	0	441,941	0	0
2-Months Operating Reserves	0	0	0	0	0	0

Fund Balance
42211 - Marley Park Community Facilities District Street Light District Funds

	FY2004		FY2005		FY2006	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Beginning Balance	0	0	0	0	75,200	
Revenues	0	0	0	75,200	20,050,000	
Transfers In	0	0	0	0	0	
Expenditures	0	0	0	0	20,125,200	
Ending Balance	0	0	0	75,200	0	0

FY2006 Summary of Authorized Personnel

	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY 2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
General Government						
Mayor/City Council						
Mayor	1.0	1.0	1.0	1.0	1.0	0.0
Vice-Mayor	1.0	1.0	1.0	1.0	1.0	0.0
Council Member	5.0	5.0	5.0	5.0	5.0	0.0
Secretary	1.0	0.0	0.0	0.0	0.0	0.0
Administrative Assistant	0.0	1.0	1.0	1.0	0.0	0.0
Total Mayor/City Council	8.0	8.0	8.0	8.0	7.0	0.0
City Manager's Office						
City Manager	1.0	1.0	1.0	1.0	1.0	0.0
Assistant City Manager	2.0	2.0	1.0	2.0	1.0	0.0
Deputy City Manager	0.0	0.0	0.0	0.0	1.0	0.0
Assistant to City Manager	1.0	1.0	0.0	1.0	1.0	0.0
Executive Assistant	1.0	2.0	1.5	2.0	2.0	0.0
Administrative Assistant	1.0	0.0	0.0	0.0	0.0	0.0
Intern	0.5	0.5	0.0	0.0	0.0	0.0
Total City Manger's Office	6.5	6.5	3.5	6.0	6.0	0.0
City Attorney's Office						
City Attorney	1.0	1.0	1.0	1.0	1.0	0.0
Chief Deputy City Attorney	0.0	0.0	0.0	1.0	1.0	0.0
Deputy City Attorney	3.0	3.0	3.0	1.0	2.0	1.0
Assistant Deputy City Attorney	0.0	0.0	0.0	1.0	2.0	1.0
Legal Assistant	1.0	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	0.0	1.0	1.0	1.0	1.0	0.0
Legal Secretary	1.0	0.0	0.0	0.0	0.0	0.0
Secretary	0.0	1.0	1.0	1.0	1.0	0.0
File/Clerk Typist	1.0	0.0	0.0	0.0	0.0	0.0
Legal Clerk	0.0	0.0	1.0	1.0	2.0	1.0
Intern	0.7	0.7	0.7	0.7	0.0	(0.7)
Total City Attorney's Office	7.7	7.7	8.7	8.7	11.0	2.3
City Clerk's Office						
City Clerk	1.0	1.0	1.0	1.0	1.0	0.0
Deputy City Clerk	1.0	2.0	2.0	2.0	2.0	0.0
Administrative Assistant	1.0	0.0	0.0	0.0	1.0	0.0
Secretary	0.0	1.0	1.0	1.0	1.0	0.0
Records Clerk	1.0	0.0	0.0	0.0	0.0	0.0
Office Support Specialist	1.0	1.0	1.0	1.0	1.0	0.0
Total City Clerk's Office	5.0	5.0	5.0	5.0	6.0	0.0
Governmental Relations						
Director of Governmental Relations	1.0	1.0	0.0	1.0	1.0	0.0
Intern	0.3	0.5	0.0	0.5	0.0	(0.5)
Management Assistant	0.0	0.0	0.0	0.0	1.0	1.0
Government Relations Liason	0.0	0.0	1.0	0.0	0.0	0.0
Total Intergovernmental Relations	1.3	1.5	1.0	1.5	2.0	0.5
Finance Department						
Chief Fiscal Officer	1.0	1.0	1.0	1.0	1.0	0.0
Executive Assistant	0.0	0.0	0.5	0.0	0.0	0.0
Administrative Assistant	0.0	0.0	0.0	1.0	1.0	0.0
Accounting Manager	1.0	1.0	1.0	1.0	1.0	0.0
Accounting Clerk Supervisor	1.0	0.0	0.0	0.0	1.0	1.0
Budget Manager	1.0	1.0	1.0	0.0	0.0	0.0
Purchasing & Materials Manager	1.0	1.0	1.0	0.0	0.0	0.0
Senior Accountant	1.0	1.0	2.0	2.0	2.0	0.0
Accountant II	1.0	1.0	1.0	1.0	2.0	1.0
Accountant	0.0	1.0	1.0	1.0	1.0	0.0
Tax Auditor	1.0	1.0	1.0	1.0	1.0	0.0
Grants Administrator	1.0	1.0	1.0	0.0	0.0	0.0
Risk Coordinator	1.0	1.0	1.0	0.0	0.0	0.0
Accounting Technician	0.0	3.2	3.2	3.2	3.2	0.0
Accounting Clerk	4.0	2.0	2.0	2.0	2.0	0.0
Purchasing Clerk	1.5	1.5	1.5	0.0	0.0	0.0
Senior Management Analyst	1.0	1.0	1.0	0.0	0.0	0.0
Intern P T	0.0	0.5	0.5	0.0	0.0	0.0
Cashier	0.0	0.0	0.0	0.5	1.0	0.0
Total Finance	16.5	18.2	19.7	13.7	16.2	2.0

FY2006 Summary of Authorized Personnel

	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY 2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Human Resources Department						
Human Resources Director	1.0	1.0	1.0	1.0	1.0	0.0
Human Resources Manager	0.0	0.0	0.0	1.0	1.0	0.0
Benefits Coordinator	1.0	0.0	0.0	0.0	0.0	0.0
Human Resources Analyst	1.0	2.0	2.0	2.0	4.0	1.0
Sr. Human Resources Coordinator	0.0	1.0	1.0	0.0	0.0	0.0
Human Resources Technician	1.0	1.0	1.0	2.0	2.0	0.0
Secretary	1.0	0.0	0.0	0.0	0.0	0.0
Administrative Assistant	0.0	0.0	0.0	0.0	1.0	0.0
Office Support Specialist	0.0	0.0	0.5	1.0	1.0	0.0
Total Human Resources	5.0	5.0	5.5	7.0	10.0	1.0
Information Services Department						
Chief Information Officer	1.0	1.0	1.0	1.0	1.0	0.0
Network Administrator	1.0	1.0	1.0	1.0	2.0	0.0
Database Analyst	0.0	1.0	1.0	1.0	1.0	0.0
Application Analyst	0.0	0.0	0.0	0.0	1.0	1.0
Telecommunication Administrator	0.0	1.0	1.0	1.0	1.0	1.0
IT Training Specialist	0.0	1.0	1.0	1.0	1.0	0.0
IT Specialist II	2.0	1.0	1.0	2.0	1.0	0.0
IT Specialist I	0.0	0.0	0.0	0.0	1.0	0.0
GIS Administrator	1.0	1.0	1.0	1.0	1.0	0.0
GIS Specialist	1.0	1.0	2.0	2.0	3.0	1.0
Administrative Assistant	0.0	0.0	0.0	0.0	1.0	0.0
Office Support Specialist	0.0	0.0	0.0	1.0	0.0	0.0
Total Information Services	6.0	8.0	9.0	11.0	14.0	3.0
Management & Budget Office						
Management & Budget Director	0.0	0.0	0.0	1.0	1.0	0.0
Purchasing & Materials Manager	0.0	0.0	0.0	1.0	1.0	0.0
Contract Officer	0.0	0.0	0.0	1.0	1.0	0.0
Risk Coordinator	0.0	0.0	0.0	1.0	1.0	0.0
Senior Management & Budget Analyst	0.0	0.0	0.0	1.0	2.0	1.0
Management & Budget Analyst	0.0	0.0	0.0	0.0	1.0	1.0
Grants Administrator	0.0	0.0	0.0	1.0	1.0	0.0
Buyer	0.0	0.0	0.0	1.0	1.0	0.0
Purchasing Clerk	0.0	0.0	0.0	1.5	1.5	0.0
Office Support Specialist	0.0	0.0	0.0	0.0	0.5	0.0
Intern	0.0	0.0	0.0	0.5	0.0	0.0
Total Management & Budget	0.0	0.0	0.0	9.0	11.0	2.0
Public Information Office						
Communications Director	1.0	1.0	1.0	1.0	1.0	0.0
Public Information Officer	0.0	0.0	0.0	0.0	1.0	0.0
Public Information Specialist	1.0	1.0	1.0	1.0	0.0	0.0
Management Assistant	0.0	0.0	0.0	0.0	1.0	0.0
Administrative Assistant	0.0	1.0	1.0	1.0	0.0	0.0
Secretary	1.0	0.0	0.0	0.0	0.0	0.0
Web Master	0.0	0.0	0.0	1.0	1.0	0.0
Video Production Specialist	0.0	0.0	0.0	1.0	1.0	0.0
Total Public Information Office	3.0	3.0	3.0	5.0	5.0	0.0
Community Development						
Economic Development						
Economic Development Director	1.0	1.0	0.0	1.0	1.0	0.0
Economic Development Manager	0.0	0.0	1.0	0.0	0.0	0.0
Economic Development Specialist	1.0	1.0	1.0	2.0	3.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	0.0
Intern	0.0	0.0	0.0	0.0	0.5	0.5
Total Economic Development	3.0	3.0	3.0	4.0	5.5	1.5
Community Development Department						
Community Development Director	1.0	1.0	1.0	1.0	1.0	0.0
Planning Manager	1.0	1.0	1.0	1.0	1.0	0.0
Senior Planner	1.0	0.0	1.0	1.0	2.0	1.0
Building Official	1.0	1.0	1.0	1.0	1.0	0.0
Transportation Planner	0.0	1.0	0.0	0.0	0.0	0.0
Development Services Manager	0.0	0.0	1.0	1.0	1.0	0.0

FY2006 Summary of Authorized Personnel

	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY 2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Community Development (continued)						
Development Project Coordinator	0.0	1.0	0.0	0.0	0.0	0.0
Code Enforcement Officer	1.0	0.0	0.0	0.0	0.0	0.0
Planner II	3.0	3.0	3.0	3.0	3.0	0.0
Planner I	1.0	1.0	1.0	2.0	2.0	0.0
Associate Planner	2.0	0.0	0.0	0.0	0.0	0.0
Planning Technician	0.0	3.0	3.0	2.0	3.0	0.0
Senior Plans Examiner	1.0	0.0	0.0	0.0	0.0	0.0
Plans Examiner	2.0	3.0	3.0	6.0	6.0	0.0
Code Compliance Supervisor	1.0	1.0	1.0	1.0	2.0	1.0
Code Compliance Specialist II	2.0	2.0	2.0	2.0	2.0	0.0
Code Compliance Specialist	6.0	8.5	8.5	14.0	16.0	0.0
Administrative Assistant	2.0	1.0	1.0	1.0	2.0	0.0
Development Services Supervisor	0.0	0.0	0.0	0.0	1.0	1.0
Permit/Licensing Technician II	2.0	2.0	2.0	2.0	3.0	0.0
Permit/Licensing Technician I	2.0	3.0	3.0	4.0	5.0	1.0
Office Support Specialist	0.0	0.5	0.5	1.0	1.0	0.0
Intern	0.5	0.5	0.5	0.5	0.5	0.0
Secretary	0.0	1.5	2.0	2.0	1.0	0.0
Total Community Development	29.5	35.0	35.5	45.5	53.5	4.0

Public Safety

Fire Department

Fire Chief	1.0	1.0	1.0	1.0	1.0	0.0
Assistant Fire Chief	1.0	1.0	1.0	2.0	2.0	0.0
Fire Marshall	1.0	1.0	1.0	1.0	1.0	0.0
Batallion Chief	3.0	3.0	3.0	3.0	3.0	0.0
Fire Captain	10.0	10.0	13.0	13.0	16.0	3.0
Fire Inspector	1.0	1.0	1.0	2.0	2.0	0.0
Fire Engineer	9.0	9.0	12.0	12.0	15.0	3.0
Firefighter	30.0	30.0	30.0	30.0	39.0	9.0
Public Safety Education Specialist	0.5	0.5	1.0	1.0	1.0	0.0
AR Van Coordinator	0.0	0.5	1.0	1.0	1.0	0.0
Secretary	1.0	0.0	0.0	1.0	2.0	1.0
Plans Examiner	0.0	0.0	0.0	1.0	1.0	0.0
Permit/Licensing Technician	0.0	0.0	0.0	0.0	1.0	0.0
Management Assistant	0.0	0.0	0.0	0.0	1.0	0.0
Administrative Assistant	0.0	1.0	1.0	1.0	1.0	1.0
Office Support Specialist	0.0	0.0	1.0	0.0	0.0	0.0
Laborer	0.0	0.0	0.0	0.0	1.0	1.0
Total Fire	57.5	58.0	66.0	69.0	88.0	18.0

Police Department

Police Chief	1.0	1.0	1.0	1.0	1.0	0.0
Police Commander	1.0	1.0	1.0	2.0	2.0	0.0
Police Lieutenant	3.0	4.0	4.0	4.0	4.0	0.0
Police Sergeant	12.0	12.0	12.0	12.0	14.0	2.0
Detective	4.0	0.0	0.0	0.0	0.0	0.0
Police Officer	48.0	51.0	57.0	62.0	81.0	14.0
Community Service Officer	0.0	1.0	3.0	4.0	6.0	0.0
Technical Services Manager	1.0	1.0	1.0	1.0	1.0	0.0
Property Evidence Specialist	1.0	1.0	1.0	0.0	0.0	0.0
Management Assistant	0.0	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	0.0
Secretary	1.0	0.0	0.0	0.0	0.0	0.0
Police Records Clerk	2.0	3.0	3.0	4.0	4.0	0.0
Office Support Specialist	0.0	1.0	1.0	1.0	1.0	0.0
Communications Supervisor	1.0	1.0	1.0	1.0	4.0	3.0
Criminal/Traffic Analyst	0.0	0.0	0.0	0.0	1.0	1.0
Communications Officer	9.5	10.0	11.0	11.0	11.0	0.0
Animal Control Officer	0.5	1.0	1.0	2.0	3.0	1.0
Victim Advocate (Grant Funded)	0.0	0.0	1.0	1.0	1.0	0.0
Information Technology Specialist	0.0	0.0	0.0	1.0	1.0	0.0
Total Police	86.0	90.0	100.0	109.0	137.0	21.0

City Court

Presiding Judge	1.0	1.0	1.0	1.0	1.0	0.0
Associate Judge	0.0	0.0	0.0	0.0	1.0	1.0

FY2006 Summary of Authorized Personnel

	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY 2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
City Court (continued)						
Court Administrator	1.0	1.0	1.0	1.0	1.0	0.0
Collector	1.0	0.0	0.0	0.0	0.0	0.0
Court Clerk Supervisor	0.0	3.0	3.0	2.0	2.0	0.0
Lead Court Clerk	0.0	0.0	0.0	0.0	1.0	1.0
Sr. Court Clerk	4.0	4.0	5.0	6.0	6.0	0.0
Court Clerk	4.0	2.0	2.0	4.0	6.0	2.0
Total City Court	11.0	11.0	12.0	14.0	18.0	4.0

Community and Recreation Services

Community Initiatives Department

Community Initiatives Director	1.0	1.0	1.0	1.00	1.00	0.00
Community Initiatives Manager	1.0	1.0	1.0	1.00	1.00	0.00
Recreation Aide	0.0	0.5	0.5	0.50	1.50	1.00
Neighborhood Liaison	1.0	1.0	1.0	2.00	3.00	0.00
Senior Programs Coordinator	1.0	0.0	0.0	0.00	0.00	0.00
Community Programs Specialist	0.0	2.0	2.0	2.00	1.00	0.00
Senior Programs Supervisor	0.0	1.0	1.0	1.00	1.00	0.00
Administrative Assistant	1.0	1.0	1.0	1.00	1.00	0.00
Case Worker	1.0	0.0	0.0	0.00	0.00	0.00
Office Support Specialist	1.0	0.5	0.5	0.50	0.50	0.00
Van Driver	2.5	3.0	3.5	0.00	0.00	0.00
Facilities Maintenance Worker	0.0	0.0	0.0	0.0	0.5	0.5
Transit Operator	0.0	0.0	0.0	5.00	6.00	1.00
Transit Supervisor	0.0	0.0	0.0	0.0	1.0	0.0
Dispatcher	0.0	1.0	1.0	1.00	1.00	1.00
Total Community Initiatives	9.5	12.0	12.5	15.00	18.50	3.50

Parks, Recreation & Library Department

Parks & Recreation Director	1.0	1.0	1.0	1.0	1.0	0.0
Recreation Manager	1.0	2.0	2.0	2.0	2.0	0.0
Sports Complex Operations Manager	1.0	1.0	1.0	1.0	1.0	0.0
Construction Project Manager	0.0	0.0	0.0	0.0	1.0	1.0
Management Assistant	1.0	1.0	1.0	1.0	1.0	0.0
Recreation Supervisor	2.0	2.0	2.0	3.0	4.0	1.0
Recreation Programs Coordinator	3.0	2.0	2.0	3.0	5.0	1.0
Senior Recreation Aide	1.0	1.0	1.0	4.0	4.0	0.0
Recreation Aide	1.0	2.0	2.0	1.0	1.0	0.0
Office Support Specialist	2.0	1.0	1.0	1.0	1.0	0.0
Parks Maintenance Manager	1.0	1.0	1.0	2.0	2.0	0.0
Assistant Parks Maintenance Manager	1.0	1.0	1.0	0.0	0.0	0.0
Baseball/Parks Maintenance Supervisor	3.0	3.0	3.0	3.0	3.0	0.0
Maintenance Technician	4.0	5.0	5.0	6.0	6.0	0.0
Facilities Maintenance Technician	0.0	0.0	0.0	1.0	1.8	0.8
Maintenance Worker	5.0	9.0	9.0	9.0	10.0	1.0
Laborer	0.0	0.0	0.0	0.0	2.0	2.0
Groundskeeper	0.0	0.0	0.0	0.0	6.0	6.0
PT Seasonal Positions	14.9	36.85	55.3	59.2	37.40	(18.8)
Administrative Assistant	0.0	0.0	0.0	1.0	1.0	0.0
Total Parks and Recreation	41.9	68.9	87.3	98.23	90.20	(6.03)

Public Works

Engineering Department

City Engineer	1.0	1.0	1.0	1.0	1.0	0.0
Assistant City Engineer	1.5	1.0	1.0	1.0	1.0	0.0
Associate Engineer	0.0	0.0	0.0	1.0	3.0	1.0
Civil Engineering Supervisor	1.0	1.0	1.0	1.0	1.0	0.0
Plans Examiner	2.0	2.0	2.0	2.0	2.0	0.0
Construction Inspector	3.0	3.0	3.0	5.0	6.0	1.0
Engineering Technician	0.0	0.0	0.0	1.0	0.0	0.0
Permit Licensing Technician	0.0	2.0	2.0	2.0	2.0	0.0
Administrative Assistant	0.0	0.0	0.0	0.0	1.0	1.0
Secretary	1.0	0.0	0.0	0.0	1.0	0.0
Office Support Specialist	1.0	1.0	1.0	1.0	0.0	0.0
Total Engineering	10.5	11.0	11.0	15.0	18.0	3.0

FY2006 Summary of Authorized Personnel

	<u>Actual FY2002</u>	<u>Actual FY2003</u>	<u>Actual FY 2004</u>	<u>Actual FY2005</u>	<u>Budget FY2006</u>	<u>change</u>
Water Services						
Stormwater						
Water Resources Specialist	0.0	0.0	0.0	1.0	1.0	0.0
Total Stormwater	0.0	0.0	0.0	1.0	1.0	0.0
Water Replenishment						
Water Resources Specialist	0.0	1.0	1.5	1.75	1.75	0.00
Water Services Technician	0.0	0.5	0.5	0.50	0.60	0.10
Management Assistant (25%)	0.0	0.00	0.25	0.25	0.25	0.00
Total Water Replenishment	0.0	1.5	2.3	2.50	2.60	0.10
Water Department						
Water Services Manager	1.0	1.0	1.0	1.00	2.00	1.50
Construction Project Manager	0.0	0.0	0.0	0.50	1.50	0.00
Information Technology Specialist	0.0	0.0	0.0	0.50	0.50	0.00
Water Resources Specialist	1.0	0.5	0.5	0.75	0.75	0.00
Water Services Technician	0.0	0.0	0.0	0.00	0.90	0.90
Management Assistant (25%)	0.0	0.0	0.25	0.25	0.25	0.00
Total Water	2.0	1.5	1.8	3.00	5.90	2.40
Sewer Department						
Water Services Director	1.0	1.0	1.0	1.00	1.00	0.00
Water Services Manager	0.0	0.0	0.0	0.00	2.00	1.50
Construction Project Manager	0.0	0.0	0.0	0.50	0.50	0.00
Information Technology Specialist	0.0	0.0	0.0	0.50	0.50	0.00
Wastewater Operations Supervisor	1.0	1.0	1.0	1.00	1.00	0.00
Wastewater Operations Foreman	0.0	2.0	2.0	2.00	3.00	1.00
Wastewater Operations Technician II	5.0	4.0	3.0	4.00	4.00	0.00
Wastewater Operations Technician I	3.0	5.0	5.0	4.00	5.00	0.00
Administrative Assistant	1.0	1.0	1.0	1.00	1.00	0.00
Secretary	1.0	2.0	2.0	2.00	3.00	1.00
Utility Locator	1.0	1.0	2.0	2.00	1.00	0.00
Laborer	2.0	1.0	2.0	2.00	2.00	0.00
Office Support Specialist	0.5	0.0	0.0	0.00	0.00	0.00
Management Assistant	0.0	0.0	0.5	0.50	0.50	0.00
Water Services Technician	0.0	0.5	0.5	0.50	0.50	0.00
Water Resources Specialist	0.0	0.5	1.0	1.50	1.50	0.00
Wastewater Mechanic	0.0	0.0	0.0	0.00	2.00	0.00
Maintenance Technician	0.0	0.0	0.0	1.00	0.00	0.00
Electrician	0.0	0.0	0.0	1.00	1.00	0.00
Total Sewer	15.5	19.0	21.0	24.50	29.50	3.50
TOTALS	374.40	427.75	476.70	553.63	658.40	88.27

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2006 Adopted Budget



City of Surprise, Arizona

*Glossary
FY2006 Budget*

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
Adoption	Formal action by the City Council that sets the spending limits for the fiscal year
Appropriation	Specific amount of monies authorized by the City Council for the purposes of incurring obligations and acquiring goods and services
Assessed Valuation	A value set upon real property by the County Assessor for the purpose of levying property taxes
Base Budget	The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the City Council
Bonds	A certificate of debt guaranteeing a payment of a specified amount of money by a specified future date
Budget	Financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving Council goals and objectives
Capital Items	Any item with a purchase price exceeding \$2,500
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
Cash Basis	A basis of accounting in which transactions are recognized only when cash is increased or decreased
CFD	Community Facility District – A special assessment district established by council to levy taxes to pay for new infrastructure improvements associated with growth
CIP	Capital Improvement Plan
Contingency	Monies which have not been allocated to any specific purpose and may only be utilized after receiving council approval

Capital Projects Funds	This fund accounts for resources providing for the acquisition or construction of all capital facilities and items
Debt Service	Principal and interest payments on borrowed funds such as bonds
Debt Service Funds	Used to account for the accumulation of resources for, and the payment of, general long – term debt, principal and interest
Encumbrance	Accounting concept that recognizes a commitment to expend resources in the future
Enterprise Fund	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 (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges
Estimated Revenue	The amount of projected revenue to be collected during the fiscal year
Expenditure	Represents a decrease in fund resources for the acquisition of goods or services
Expenditure Limitation	An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission sets the limit based upon population growth and inflation. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received. Surprise citizens have approved the Home Rule Option since the inception of the expenditure limitation.
F.T.E.	Full Time Equivalent – 2080 hours worked equates to 1.0 full time equivalent position
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
Fund	A set of self-balancing accounts that record revenues and expenditures associated with specific activities
Fund Balance	Carry over funds due to actual revenues exceeding actual expenditures
General Fund	The fund used to measure all financial transactions of the municipality except those required by law or agreement to be accounted for in another fund. The general fund is primary operating fund of the city.

General Obligation (G.O.) Bond	Type of bond backed by full faith and credit of the City.
Goal	A statement of broad direction, purpose or intent on the needs of the community a goal is general and timeless
Grant	A contribution by the State or Federal government or other organization to support a particular function.
Highway User Revenue Fund (HURF)	This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purpose
Infrastructure	Facilities on which the continuance and growth of a community depend on such as roads, water lines, sewers, public buildings, parks, airports, etc
Intergovernmental Revenue (Shared)	Revenue received from other governmental agencies (e.g., State Sales Tax, State Income Tax, gasoline tax, motor vehicle license)
Internal Service Funds	Used 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
Long Term Debt	Debt with a maturity of more than one year after the date of issuance
Maintenance and Operation (M&O) Costs	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
Management Indicators	A measurable means of evaluating impact of budget on achieving stated objects
Municipal Property Corporation (MPC)	A non-profit corporation established for the purpose of issuing debt to purchase municipal facilities and equipment that it leases to the City.
Objectives	A desired outcome that is measurable and that can be achieved within a specific time frame
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
Operating Comparison	All Expenditure/Revenues except for Capital and Debt Service

Performance Indicators	Statistical information which denotes the demands for services within a department/division
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
Property Tax Rate	The amount of tax levied for each \$100 of assessed valuation
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
ROW	Right of Way
RPTA	Regional Public Transportation Authority
Special Planning Area (SPA)	Designated areas within the City of Surprises' 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 five SPAs in the City of Surprise.
Secondary Property Tax	Voter approved tax levy which 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) that are legally restricted to expenditure for specific purposes
Street Light Improvement District	Special Taxing district established to pay the costs of electricity associated with street lights within a specific sub-division. Tax rate is limited to a maximum of \$1.20 per \$100 of assessed value
Tax Levy	The total amount to be raised by general property taxes for purposes specified in the Tax Levy ordinance
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 firemen's pension boards