



City of Surprise  
**2010**  
ANNUAL BUDGET



**City of Surprise  
Adopted Budget  
Fiscal Year 2010**

**Adopted June 2009**

**Prepared by the City of Surprise  
Office of Management & Budget**

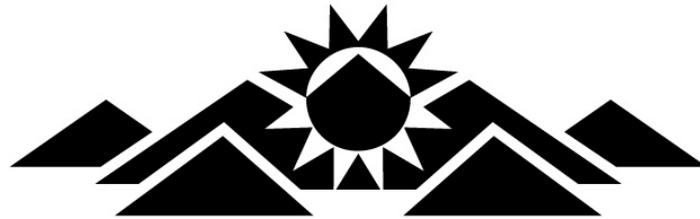


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*City of Surprise, Arizona*



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*FY2010 Adopted Budget*



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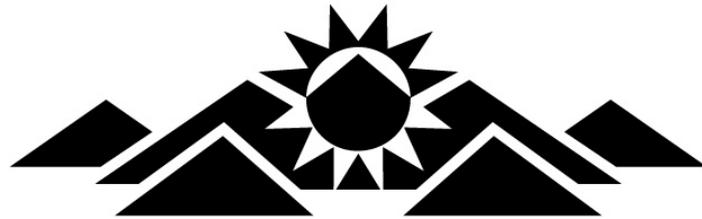
For the Fiscal Year Beginning

**July 1, 2008**

President

Executive Director

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*



## Table of Contents

<b>Title Page</b> .....	<b>a</b>
<b>Government Finance Officers Association Award</b> .....	<b>c</b>
<b>Table of Contents</b> .....	<b>e</b>
<b>City Manager’s Budget Message</b> .....	<b>g</b>
City Manager’s Budget Message .....	1
<b>General Information</b> .....	<b>h</b>
Mayor and Council Members .....	7
Organizational Chart .....	11
History of Surprise .....	13
Statistical Information .....	15
Map of Surprise .....	17
<b>Budget Summary</b> .....	<b>i</b>
Budget Summary .....	19
Budget Calendar .....	27
<b>Revenue</b> .....	<b>j</b>
Revenue Summary .....	29
Major Revenue Accounts .....	33
<b>General Government</b> .....	<b>k</b>
Mayor and Council .....	65
City Manager .....	67
Intergovernmental Relations .....	69
Communications .....	71
City Attorney .....	73
City Clerk .....	75
Finance .....	77
Risk Management Fund .....	81
Office of Management & Budget .....	83
Human Resources .....	85
Information Technology .....	89
Debt Service Fund .....	93
Employee Dependent Scholarship Fund .....	95
Donations Fund .....	97
General Government Development Fund .....	99
General Operations .....	101
<b>Community Development</b> .....	<b>l</b>
Economic Development .....	103
Community Development .....	107
<b>Public Safety</b> .....	<b>m</b>
Fire & Emergency Services .....	111
Firefighter’s Pension Fund .....	115
Fire & EMS Development Fund .....	117
Police .....	119
Police Development Fund .....	125
Municipal Court .....	127
Municipal Court Enhancement Fund .....	129
<b>Community &amp; Recreation Services</b> .....	<b>n</b>
Community & Recreation Services .....	131
Campus Operations Fund .....	135
Parks & Recreation Development Fund .....	137
Library Development Fund .....	139
Community Initiatives .....	141
10% Set-Aside Fund .....	143

<b>Public Works</b> .....	<b>o</b>
Transportation – Highway User Revenue Fund.....	145
Transit Fund.....	149
Transportation Improvement Fund.....	151
Roads of Regional Significance Development Fund .....	153
Public Works .....	155
Public Works – Highway User Revenue Fund.....	161
Public Works Development Fund.....	165
Street Light Improvement District Fund .....	167
<b>Utilities</b> .....	<b>p</b>
Water Replenishment Operations Fund.....	169
Water Replenishment Development Fund.....	171
Water Operations Fund.....	173
Water System Development Fund.....	177
Sewer Operations Fund .....	179
Sewer System Development Fund .....	183
Sanitation Operations Fund .....	185
<b>Capital Purchases/Projects</b> .....	<b>q</b>
General Capital Fund.....	189
Vehicle Replacement Fund.....	191
Municipal Property Corporation Fund .....	193
Community Facilities District Funds.....	195
Capital Improvement Program .....	197
FY2010 Approved Capital Projects Budget .....	201
Capital Improvement Operating Costs.....	205
<b>Appendix</b> .....	<b>r</b>
Budget Adoption Resolution .....	207
State Forms.....	211
Tax Levy Resolution.....	229
Budget Transfer Policies & Procedures .....	235
Strategic Plan.....	239
Expenditure Summary.....	255
Fund Balance Analysis.....	259
Schedule of Personnel .....	263
Glossary .....	273

***City Manager's Budget Message***

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**City Manager's Office**  
**Charles R. Oliver, PE CPA**  
16000 North Civic Center Plaza  
Surprise, Arizona 85374  
Ph: 623-222-1100  
Fax: 623-222-1021

July 8, 2009

The Honorable Lyn Truitt, Mayor  
Members of the City Council

Dear Mayor Truitt and Members of the City Council:

We are pleased to present the adopted fiscal year 2010 budget for the city of Surprise. The FY2010 budget continues to deliver a wide variety of services to meet the varying and diverse needs of our community with limited resources in challenging times. It is a service-oriented budget, which directly addresses the councils' goals of transportation, economic development, quality of life, community revitalization, and organizational effectiveness. While we have reduced staff at all levels, the reductions in the FY2010 budget will have minimal direct impact on services to our citizens. We would note that a change to the state shared revenue formula could have a dramatic impact on the city of Surprise's level of service to our citizens, including public safety.

Despite these challenging economic times, the city has managed to maintain a strong general fund balance. The fact that the city is able to maintain such a strong financial condition reaffirms our continuing practice of making financially conservative and timely decisions. The city's recent increase in our rating from Standard and Poor's (S&P) of AA- to AA in these difficult times demonstrates this strong leadership. We plan to seek a corresponding rating increase from Moody's Financial Services.

### **BUDGET OVERVIEW**

The FY2010 budget includes funding for everything that is planned over the next 12 months, including revisions made by the Mayor and Council during the budget process. The simple fact is that if an item is not in the budget, then it is not funded and it will not get accomplished.

Our approach in this budget is based on several key premises as previously discussed:

- **Council Goals** – aligning and targeting services to address the Mayor and Council's goals and adopted policies;
- **Key Services** – providing key services to the citizens of Surprise that are efficient and effective; and
- **Financial Stability** – establishing an affordable and predictable foundation for the city's long term fiscal health by (1) using conservative, yet realistic revenue forecasts that are reflective of existing and anticipated market conditions; (2) ensuring one-time revenues are only used to fund one-time expenditures; (3) maintaining operational reserves equivalent to two months operating revenues; and (4) adjusting both the organization structure and staffing levels to meet the needs of our citizens, work load demands, and changing financial conditions.

With this budget, we endeavor to program public funds in a focused and effective manner based upon sound financial principles, council policy, council goals, and input from the Mayor and Council and the community.

The adopted city of Surprise FY2010 budget totals \$279,816,500 including amounts carried forward from the prior year's budget. This is a reduction of \$73,473,000 from the FY2009 amended budget.

## **REVENUES**

Projected total revenue for FY2010 is \$167,661,700. This represents a decrease of \$28,430,200 (14.5%) from FY2009 estimates. Our projected revenue collections are highly influenced by the state of the economy. Limited growth in population, retail sales, and permit activity is anticipated as the economy works to create jobs, correct housing prices, and absorb excess housing/commercial stock.

Revenue associated with permit activity is broken into two categories: (1) residential and (2) commercial. Single family residential permits are projected over the five-year period at 2,600 permits. This was reduced from last year's projected five-year estimate of 3,780. For FY2009 commercial square footage (including multi-family residential, retail, commercial, industrial, and office) was projected at 1.5 million square feet; however, this estimate has been revised down to 1.2 million square feet with nearly 1.0 million square feet of that estimate permitted in the first quarter of FY2009. As activity has dropped off dramatically since that time, FY2010 commercial activity is projected at 500,000 square feet. Our five-year projections have been modified from FY2009's projected 7.5 million square feet to an anticipated 3.125 million square feet.

Due to the slowing economy, the sales tax projections for FY2010 decrease 1.4% from the FY2009 budget. Though modest compared to past years, population growth and inflation are expected to offset the effects of the economy somewhat. The other major source of general fund operating revenue is state shared revenues, which decrease 14.2% from the FY2009 budget based on information provided by the state via the Arizona League of Cities and Towns. At this time, the state's budget is not balanced, and further efforts to bring it into balance can impact these revenue sources.

For FY2010 ongoing revenues are projected to generate \$108,983,900, which represents an increase of 6.5% from the FY2009 estimated amount of \$102,358,300. This increase is being driven by the updated service/collection fees for water, sewer, and sanitation. General fund operating revenues are projected to be \$69,080,600, a decrease of 2.5% from the FY2009 estimates. One-time revenue projections anticipate total collections of \$58,677,800 in FY2010, a reduction of 37.4% from the FY2009 estimate of \$93,733,600 and 54.1% from the FY2009 Budget of \$127,933,475.

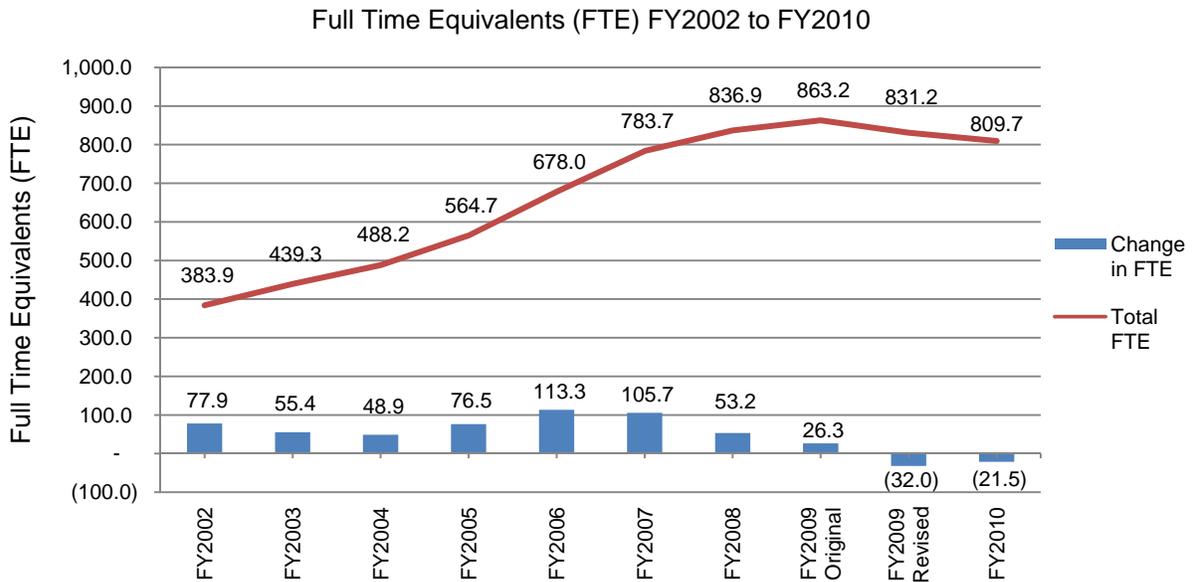
Beginning fund balances are budgeted at \$112,154,800 for the FY2010 budget. Included in that amount is \$87,971,300 for projects that are carried forward from FY2009. The remaining fund balance is used for new capital projects or is budgeted as contingency. Contingency amounts will be needed to fund capital projects in future years.

## **EXPENDITURES**

Expenditures of the city are either one-time or ongoing in nature. Ongoing expenditures are broken into the three major categories of personnel, supplies, and services. These expenditures represent the effort it takes to provide service on a daily basis. The budget includes reductions in ongoing expenditures, which will have an impact on service levels and will change the way the city provides services. In addition to the pro-active steps council took mid-year to reduce FY2009 and FY2010 expenditures this budget includes further reductions that reflect decreased revenue collections, organizational changes, and overall reductions in workload.

## **PERSONNEL**

It became necessary in FY2009 to reduce expenditures as revenue collections fell short of budgeted projections. This resulted in the removal of 32.0 FTE positions from the budget in February 2009 and the lay-off of 24 city employees. As part of the FY2010 budget an additional 22.5 FTE positions have been eliminated to keep expenditures in line with reduced revenues. Of these positions, 7.0 were vacant and 15.0 were occupied. One of these occupied positions will remain through the end of the calendar year; all other positions were reduced in May. With the addition of a position in the Police Department, funded through dedicated impound fees, the net authorized personnel for FY2010 reflects a decrease of 21.5 FTE. The combined FY2009 and FY2010 reductions of 53.5 FTE decrease the city's total authorized position count to 809.7 FTE. The following graph shows the staffing levels and changes each year from FY2002 to FY2010.



Management staffing has not been immune to organizational and budgetary reductions. To increase the organizational effectiveness of the city of Surprise the number of Departments has been reduced to 12 and four Department Director level positions have been eliminated including the Directors of Community Initiatives, Management and Budget, and Water Services Departments. Water Services has been consolidated with the Public Works Department, and the Director position downgraded to an Assistant Director. The functions of the Community Initiatives Department have been transferred to the Community Development and the Community and Recreation Services Departments, while the duties of the Management and Budget Department have been transferred to the Finance Department and the City Manager's Office. With these consolidations, the positions of Community Initiatives Director and the Management and Budget Director have been eliminated. Several other management positions throughout the city were downgraded to more accurately reflect the new organizational structure of the city. In addition to these organizational changes, the Mayor and Council directed that an Assistant City Manager position and the Deputy City Manager position be eliminated from the budget. The net decrease in director level positions is a 23.5% reduction, compared to 5.9% reduction in all other positions.

A number of employee benefit costs change effective for FY2010 including a 6.5% increase in health insurance costs, a 0.05% decrease in the Arizona State Retirement System (ASRS) employer contribution, a 0.86% decrease in the Police Public Safety Personnel Retirement System (PSPRS) employer contribution, and a 1.15% decrease in the Fire PSPRS employer contribution. Pension contributions are actuarially determined for ASRS and PSPRS contribution rates. In addition to these regular benefit changes, an additional \$25 per month for health insurance will be charged to all employees with city health insurance coverage, including those who have employee only coverage. Other benefit changes include elimination of all auto stipends, suspension of the City's 1% 457 match, suspension of the tuition reimbursement program, one-time reduction of annual paid time off (PTO) dump by 50%, and the suspension of the end of year payout of up to 80 hours (120 for fire) of accrued PTO. The FY2010 budget does not have any cost of living adjustments, and city employees will not receive merit increases for the second straight year as we continue to match expenditures to our tightening revenues.

### **OPERATING INCREASES**

The operating costs associated with major capital projects are included in the FY2010 budget as are increased operating expenses associated with current and expanded parks, right-of-way, streetlights, and technology. The largest of these operational increases include:

- Surprise Farms Park      \$320,000
- Veramonte Park            \$129,000
- New City Hall              \$113,500
- Current parks              \$368,400
- Right-of-way               \$185,700
- Streetlights                \$148,200
- Technology                 \$ 52,100

Operational increases in the enterprise funds of water, sewer, and sanitation total \$2,827,000 of which \$1,860,500 or 65.8% is directly associated with the transition of water system operations to the city. This increase in water system operation costs will be offset by a reduction in payments to a third party to operate the water system.

### **OTHER CONSIDERATIONS**

Since the Heard Museum first came to the city of Surprise, we have had agreements in place whereby in addition to the building provided to them, the city would subsidize the operational costs of the Heard Museum West. As an enhancement to this contractually obligated subsidy, the Mayor and Council directed, during the FY2009 budget process, that an additional \$70,000 of financial assistance be given to the museum. The city has fulfilled those commitments and no funding is included in the FY2010 budget for ongoing support of the Heard Museum.

The FY2010 budget also anticipates the equalization of the utility franchise fee on all service providers providing water services within the city. Additionally, a haulers fee will be imposed on all solid waste vehicles providing service within the city to partially compensate for the wear and tear on the city's infrastructure. These fees will be charged to all providers, including the city of Surprise.

Modifications to the city's vehicle replacement program to reflect actual experience has resulted in an increase to the average expected life of fleet vehicles. This modification eliminates the requirement for a general fund transfer to the vehicle replacement fund in FY2010. Forty percent (40%) of this increase was attributable to increasing the anticipated life of a fire truck from 10 to 15 years. This change is consistent with good management practices. All enterprise fund replacement cycles were left unchanged.

The Street Preservation and Maintenance (SPM) program is partially funded in FY2010 by a transfer of \$463,900 from the general fund. Annual funding for this program is recommended at approximately \$4.5 million, however projections indicate funding levels in future years will be at the following levels: FY2011 \$1.5 million, FY2012 \$2.2 million, FY2013 \$2.8 million, FY2014 \$1.6 million. Funding levels for this critical program were \$4.5 million in FY2008 and FY2009. It was funded at \$2.0 million prior to FY2008. While this is a short-term bridge to address a funding shortfall, securing funding for this item in the long-term is critical, as such some elements of the SPM are included in a potential General Obligation (G.O.) Bond Issue.

The Municipal Court will become self-sufficient over the next two years. The goal of Management and the Municipal Court is that expenditures less incarceration, booking fees, and prosecutor costs will equal Municipal Court revenues. This budget provides for a subsidy of \$164,800 from the general fund in FY2010, a reduction of \$568,300 from FY2009. It is assumed that no general fund subsidy will be required in FY2011.

We have increased the Mayor and Council contingency from \$425,300 to \$496,300, with the goal to re-establish this fund at \$500,000 for FY2011. This increase replenishes a portion of the operational uses of these funds recommended and approved by the Mayor and Council in FY2009. Any use of these operational funds needs to be carefully considered in these challenging economic times, remembering that any funding of ongoing costs will permanently reduce the amount in future years.

## **CAPITAL IMPROVEMENTS PLAN**

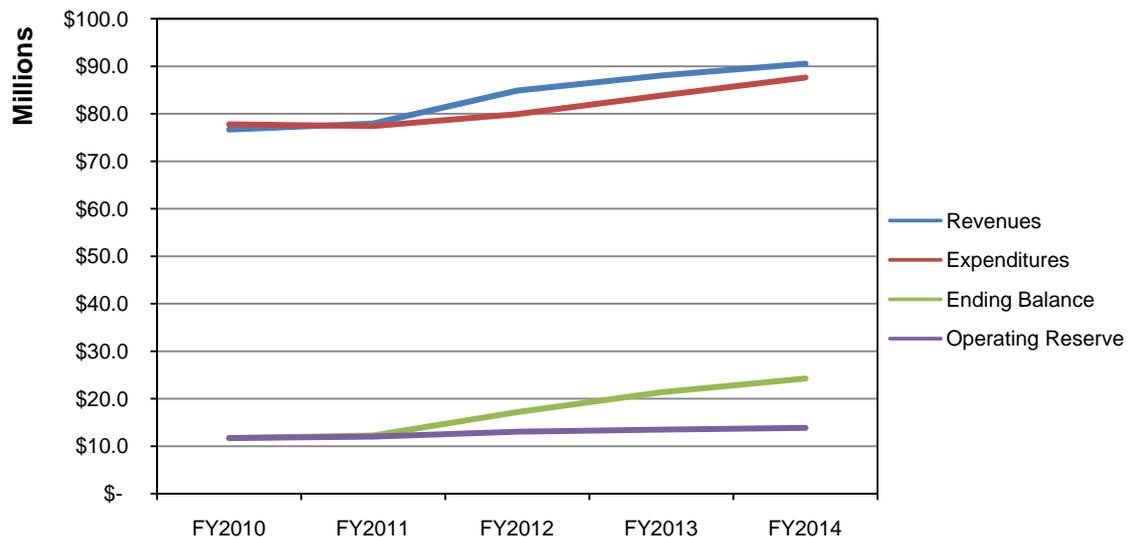
The Capital Improvement Plan (CIP) is a multi-year plan that outlines projects anticipated to fulfill current and future capital and infrastructure needs. The plan incorporates estimated project costs and associated ongoing operating costs. It addresses both repair and replacement of existing infrastructure, purchase of capital equipment, and development of new facilities. It allows the city to anticipate and plan for future projects, and for funding, long before the projects are necessary.

All CIP projects are reviewed and updated annually to reflect current scope, needs, and costs. It is evaluated to ensure the city has the ability to fund all recommended projects through completion, including operations. Based on current five-year revenue projections the FY2010 – FY2014 recommended CIP is fully funded. Projects that would require bond funding are **not** included in the recommended CIP. This change, combined with reduced revenue projections, has altered the CIP dramatically from last year.

As stated, **no** bond funds are included as part of the five-year CIP, as such no projects requiring bond funding are included in the recommended CIP. During FY2009, the Mayor and Council appointed a 17-member Citizen's Bond Election Committee to hear public input and recommend to council whether a G.O. Bond issue should be pursued. Following five months of education, public meetings, and deliberation the Citizen's Bond Election Committee presented to the Mayor and Council in May a prioritized list of projects in the categories of transportation, economic development, recreation, and public safety, which emphasizes the need to limit additional operational costs associated with recommended capital projects. The Committee also recommended that the Mayor and Council forward this question to the voters of Surprise. On July 2, 2009 the Mayor and Council passed resolution 09-130 forwarding the question of authorizing bond capacity for the city up to an amount of \$184,900,000. Due to the timing of this bond election in November of 2009, it is anticipated that if a bond is approved, no bond-funded project would begin during FY2010. As such, the results of the bond election will not change the FY2010 budget.

The graph below illustrates general fund operating revenues to operating expenditures as projected over a five-year period. Utilization of the results from the 2010 census for allocating state shared revenues accounts for the significant increase of revenue in FY2012.

### **General Fund Five-Year Projection**



Operational impacts of completed capital projects are carefully considered to avoid exacerbating the impact on the operating budget. Ongoing costs associated with staffing, maintenance, supplies, and services must be absorbed into the ongoing operating budget. The examination of operational costs early in the process ensures that when capital projects, such as a fire station, are completed, there is sufficient funding to open and operate the station without negatively affecting other city services.

Major capital projects for FY2010 include Greenway Road and Bullard Avenue Construction (funded by transportation improvement construction sales tax), the Special Planning Area 2 Water Reclamation Facility (funded by developer contributions), the Bell Road reconstruction (funded with federal grants), City Hall Solar (funded with federal grants), Recreational Campus LED sign, AZ TechCelerator LED sign, and the Park and Ride Lot project (funded with federal grants).

The CIP for the FY2010 budget totals \$80,330,900 comprising 28.7% of the total FY2010 budget, including carryovers. New projects funded in FY2010 total \$17,458,800.

### **CONCLUSION AND ACKNOWLEDGEMENTS**

The wide range of services provided, coupled with the city's infrastructure investment, enables Surprise to improve its position in the competition for population, economic growth, job creation, and culture. City services remain a "best buy". Taxes are the primary means by which we determine a shift in buying power from individual choice to community choice. Citizens pay, on average, \$1.76 per day for an extraordinary range of services, from law enforcement to street maintenance, from fire protection to animal control. The budget priorities reflect the goals of the Mayor and Council and the result of team oriented planning.

I would like to take this opportunity to personally thank Mr. Doug Sandstrom, Assistant City Manager and Mr. Jared Askelson, Budget Manager, the staff of the Office of Management and Budget, and all the departments for their efforts and hard work in achieving a balanced budget under difficult circumstances. I would also like to thank the Mayor and Council for their continued leadership and service to this community and look forward to working with you implementing the budget for FY2010 during these challenging times.

Respectfully submitted,

Charles R. "Randy" Oliver, CPA PE  
City Manager

## ***General Information***

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- Mayor and Council Members
- Organizational Chart
- History of Surprise
- Statistical Information
- Map of Surprise

### **MAYOR LYN TRUITT – [Mayor@surpriseaz.com](mailto:Mayor@surpriseaz.com)**



Lyn Truitt has been mayor of Surprise since January 1, 2008. He believes open government, jobs in cutting edge industries, educational opportunities and integrated transportation form the foundation of a bright Surprise future. His belief in community spirit and partnerships inspire a vision of Surprise as a creative, innovative, compassionate place, drawing talented people and creative forces from across the nation and around the world.

During his term, Surprise has set new standards for opening government with the introduction of live internet streaming of city council meetings and an interactive on line agenda where residents select an agenda item and immediately view the relevant portion of the meeting.

Mayor Truitt introduced monthly “workshop” public meetings where council members meet informally to discuss ideas and receive information from staff on issues such as transportation, economic development and the environment.

Mayor Truitt and the council have encouraged more citizen involvement by appointing unprecedented numbers of residents to city boards and commissions, including the Transportation Committee, the re-named Revitalization Advisory Board, a new Board of Adjustment Committee, an ad hoc Committee on Foreclosure, a Citizen Committee on General Obligation Bonds, plus a committee on Tourism in Surprise.

Mayor Truitt has been elected by his west valley peers to co-chair the Luke/West Valley Mayors’ Council, which leads the fight to retain Luke Air Force Base in its west valley home. He is also deeply involved in regional issues, serving as a member of the MAG Regional Council and the Transportation Policy Committee.

Mayor Truitt has seen many important transportation developments since taking office: the expansion of Grand Avenue through Surprise and the expansion of SR303 are now firmly on schedule, two phases of Bell Road reconstruction were finished this fiscal year, and council approved an important lighting, landscaping and signage project on Bell east of Grand to mark this important roadway as a gateway to Surprise.

Innovative education partnerships such as the “CommuniversiTY” at the new Surprise City Hall with Rio Salado College, and creative cutting edge job strategies such as the formation of the Arizona Techcelerator concept at the prior Surprise City Hall campus are examples of the Mayor’s leadership on these vital issues.

Mayor Truitt is currently organizing the first “Summit at Surprise”, an unprecedented event this August where Congressional representatives and Governor Jan Brewer will join mayors and tribal leaders from around Arizona to discuss the important issues impacting all Arizonans.

An active community member for many years, prior to his election Lyn chaired the Surprise Planning and Zoning Commission, served as a volunteer at Saint Mary’s Westside Food Bank and on several school committees. He continues to be a strong supporter of local educational excellence.

Lyn and his family moved to Surprise in 1997. He has two children and three grandchildren. Lyn is owner/broker of L.E. Truitt & Associates Real Estate Brokerage and a Certified International Property Specialist. As a CIPS, Lyn has helped families relocate to the United States from 23 different countries, an experience he believes has broadened his perspective and given him insight into the dream of education and opportunity shared by people all over the world.

Truitt’s term expires in December 2011. He is elected at-large.

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**VICE MAYOR JOE JOHNSON** – [Joe.Johnson@surpriseaz.com](mailto:Joe.Johnson@surpriseaz.com)



Joe is a small business owner who has lived in Arizona for more than 3 decades. He believes District 5 is moving ahead.

“Just look at Surprise Center today, with the Tennis and Racquet Center, DreamCatcher Park, the Heard Museum West, the Public Safety Building, and construction of the New City Hall. We are building the city center we envisioned.”

Joe sees progress city-wide, such as the opening of three new fire stations, the ongoing development of Surprise Point and Skyway Business Park, bringing Prasad to Surprise, and the ongoing improvements to Bell Road.

“I will continue to lobby here and in Washington for the expansion of SR 303,” he says.

Other priorities include public safety and community health and recreation, he adds.

District 5 encompasses the northwest portion of the Original Townsite, the northern portion of West Point Towne Center, The Orchards and Kingswood Parke.

The father of two, Johnson is a founding member of Parents Plus, a parent/teacher organization at Willow Canyon High School. In his spare time, Johnson plays tennis and participates in coaching in the local schools.

Johnson's term expires in December 2009.

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**RICHARD ALTON** – [Richard.Alton@surpriseaz.com](mailto:Richard.Alton@surpriseaz.com)



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

Richard is not new to city of Surprise committees and commissions. Since arriving in Surprise in 2003, he has served as a member of the Surprise Revitalization Committee, served on the ad hoc committee to analyze and recommend an auto mileage reimbursement method (Alton voted for the IRS standards) and most recently, he served as a Commissioner on the Surprise Planning and Zoning Commission.

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

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

He and his wife re-located to Surprise from the Seattle, Washington area. He has 6 children (all grown) and 7 grandchildren.

Alton's term expires in December 2011.

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**SKIP HALL – [Skip.Hall@surpriseaz.com](mailto:Skip.Hall@surpriseaz.com)**



Skip Hall was elected in a March 2008 recall election to represent Palo Verde District (6). The Palo Verde District includes Coyote Lakes, Canyon Ridge West, Rose Garden, Sunflower Resort, Sun Village, Fox Hill Run, and the eastern portion of the city's Original Townsite.

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

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

He grew up in Idaho and received a business degree from Seattle University. Hall is a Vietnam War Veteran and was awarded the Bronze Star for his outstanding service 1969-1970. He worked in the restaurant and lodging business for decades, opening restaurants in California, Oregon, and Washington and earning a certification in Hotel Administration. He was involved in multi-unit management for two lodging chains and achieved the Best Practice Award from American Express and the National Lodging Institute. He has worked with Junior Achievement, Veterans of Foreign Wars and is currently working with the U.S. Department of Education on testing programs for Arizona students. He has also taught community college courses on the hospitality business and restaurant and hotel management.

Councilmember Hall has two daughters, a son, and five grandchildren.

Hall's term expires in December 2009.

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**JOHN LONGBAUGH – [John.Longabaugh@surpriseaz.com](mailto:John.Longabaugh@surpriseaz.com)**



John Longabaugh, a Surprise resident in Sun City Grand since 2003, represents the Acacia District (1). Appointed to the City Council in a June 2007, his current term expires in December of 2009.

Longabaugh had a 33 year career at Santa Clara County in California, serving in human resources and as the administrator of the county's disabilities program before retiring.

He was appointed by the City Council to the newly formed Disability Advisory Commission in 2004 and chaired the Commission from July, 2005 until his appointment to the City Council. His proudest accomplishment during his tenure was the completion of Dreamcatcher Park.

He is the father of a son and a daughter and has three grandchildren. He enjoys traveling with his family including his Cavalier King Charles Spaniel.

Longabaugh says for the next two years his goals are to guide the growth of Surprise, and ensure Public Safety for citizens by enhancing Fire Safety and Police Protection. In addition, he dedicates himself to being a team player on the Council, working in harmony with both his fellow council members and the City's staff.

When he is not representing District 1, Longabaugh is an avid Bocce Player, enjoys a good game of Bridge, and plays Mah Jongg. He also can be found three or four times a week at the community pool working to keep in shape.

He likes being stopped in his travels throughout the District to meet and listen to his constituents. He believes the ultimate public service in a City is being a Councilmember--a true servant of the people he or she represents. The Acacia District encompasses the northwest portion of Surprise, including Sun City Grand, Happy Trails, and Arizona Traditions.

Longabaugh's term expires in December 2009.

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**ROY VILLANUEVA** – [Roy.Villanueva@surpriseaz.com](mailto:Roy.Villanueva@surpriseaz.com)



As he rejoins the city council as the council member from District 4, Roy Villanueva brings a combined 25 years of experience as Surprise Mayor, Vice Mayor and council member.

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

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

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

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

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

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

Villanueva's term expires in December 2011.

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**JOHN WILLIAMS** – [John.Williams@surpriseaz.com](mailto:John.Williams@surpriseaz.com)



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

A graduate of Hofstra University in New York, John also holds a Masters in Health Science from Towson University in Maryland. His professional career began in Sports Medicine and transitioned into education when he and Melissa came to Surprise.

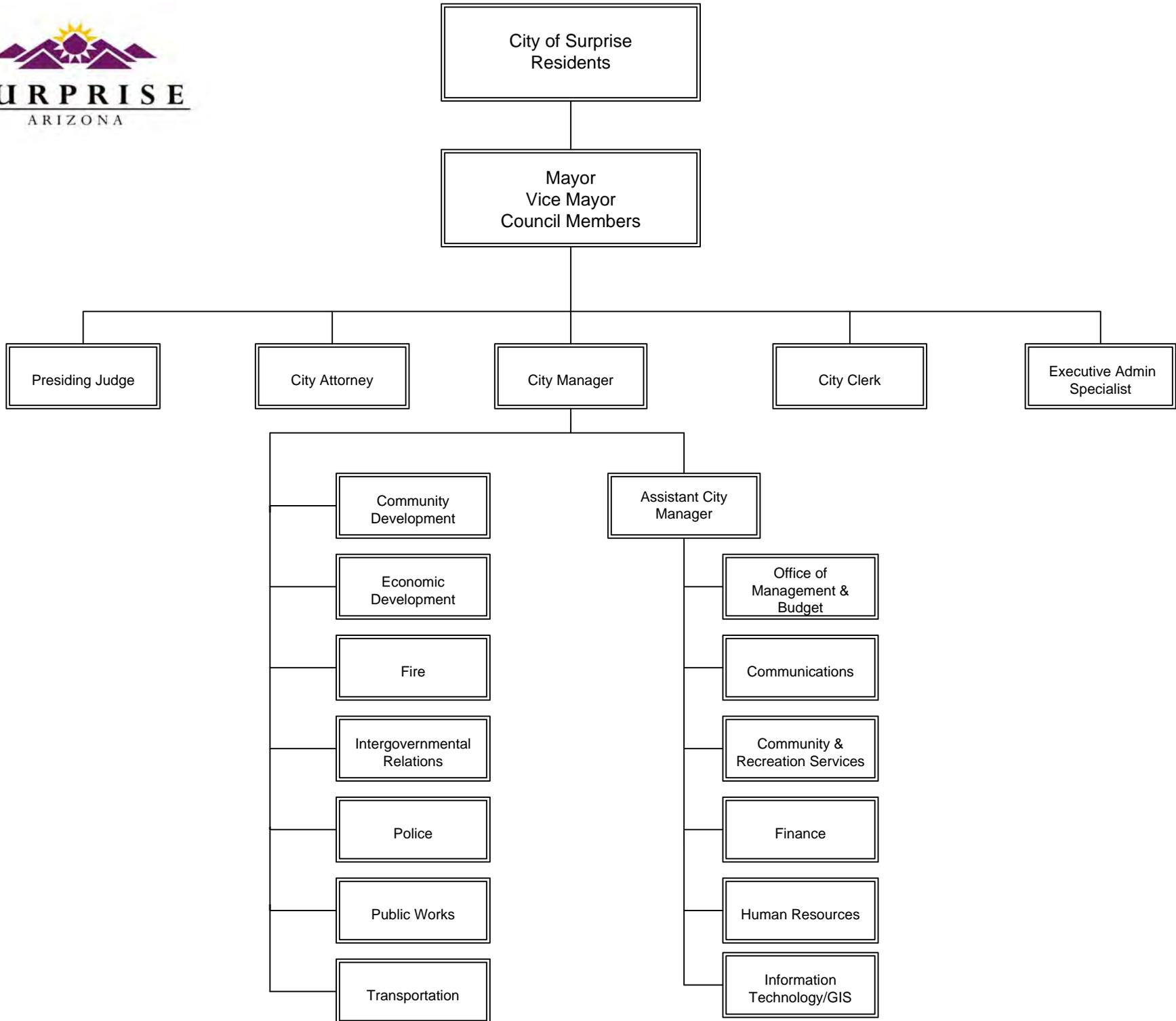
For the past 7 years, he has been working as a teacher, building the Career and Technical Education Sports Medicine program in the Peoria Unified School District. He has been selected by his peers to be the Program Lead for the past 2 years.

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

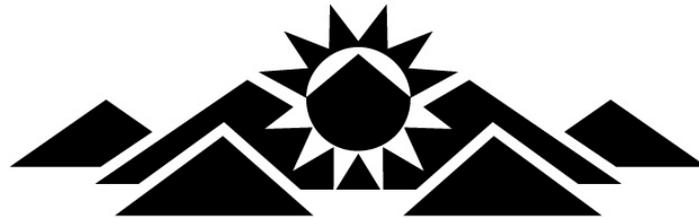
"I want to give my kids, our kids, the opportunity to be part of the city that is defining vibrant southwest living. In 15 years, I hope my oldest, Connor, can attend the next great university right here in Surprise. I hope when he graduates he will have the option of building his own family here because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

William's term expires in December 2011.

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*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## History of Surprise

Surprise, located just 35 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. The former small farming village now encompasses 105.6 square miles, including urban and commercial developments, ranches, and industrial and business parks. Surprise strives to achieve a balance between the needs of residential communities and the growth of business and industrial areas. Industrial growth zones are selected to operate competitively, but harmoniously, with the residential community.

Over the past 48 years, Surprise has grown from 500 residents to a city of over 108,000 people in 2009, evolving from a small town government to a regional governmental entity. The city offers a broad range of living styles, from small family subdivisions to a number of secluded ranches. Surprise also

Year	End of the Year Population	Percentage Change
2001	38,400	N/A
2002	45,125	17.51%
2003	51,885	14.98%
2004	64,210	23.75%
2005	88,265	37.46%
2006	96,425	9.24%
2007	98,140	1.78%
2008	104,895	6.40%
2009	108,040	6.60%
2010	111,280	3.00%

offers a number of retirement communities that address the needs and lifestyles of active adults. There are many recreational 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 the Kansas City Royals.

### 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 Vision, Mission, and Value Statements are as follows:

#### Vision

Surprise defines vibrant Southwest living; a place of educational excellence where community, family, and traditions are built. Surprise is a collection of distinctive neighborhoods with a small town feel and big city amenities.

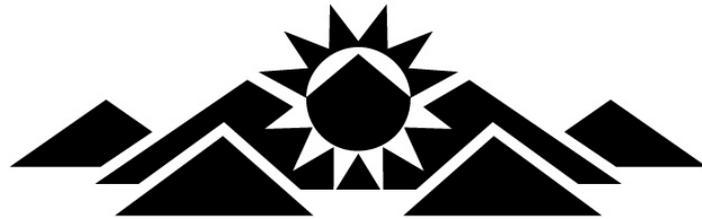
#### Mission

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

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Statistical Information

### Population Information:

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

Source: U.S. Census Bureau

### Median Household Income

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

Source: U.S. Census Bureau

### Median Age

Year	Median Age	Percentage Change
1980	20.3	
1985	24.2	19%
1990	33.0	63%
1995	41.7	26%
2000	46.1	11%
2005	35.4	28%

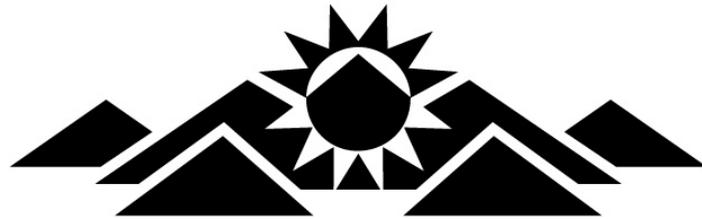
Source: U.S. Census Bureau

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

Date	Incorporated Square Miles (Approximately)
1960	1
1970	1
1980	2
1990	63
1997	67
2000	72
2005	76
2007	89
2008	103
2009	105.6

Source: City of Surprise

*City of Surprise, Arizona*

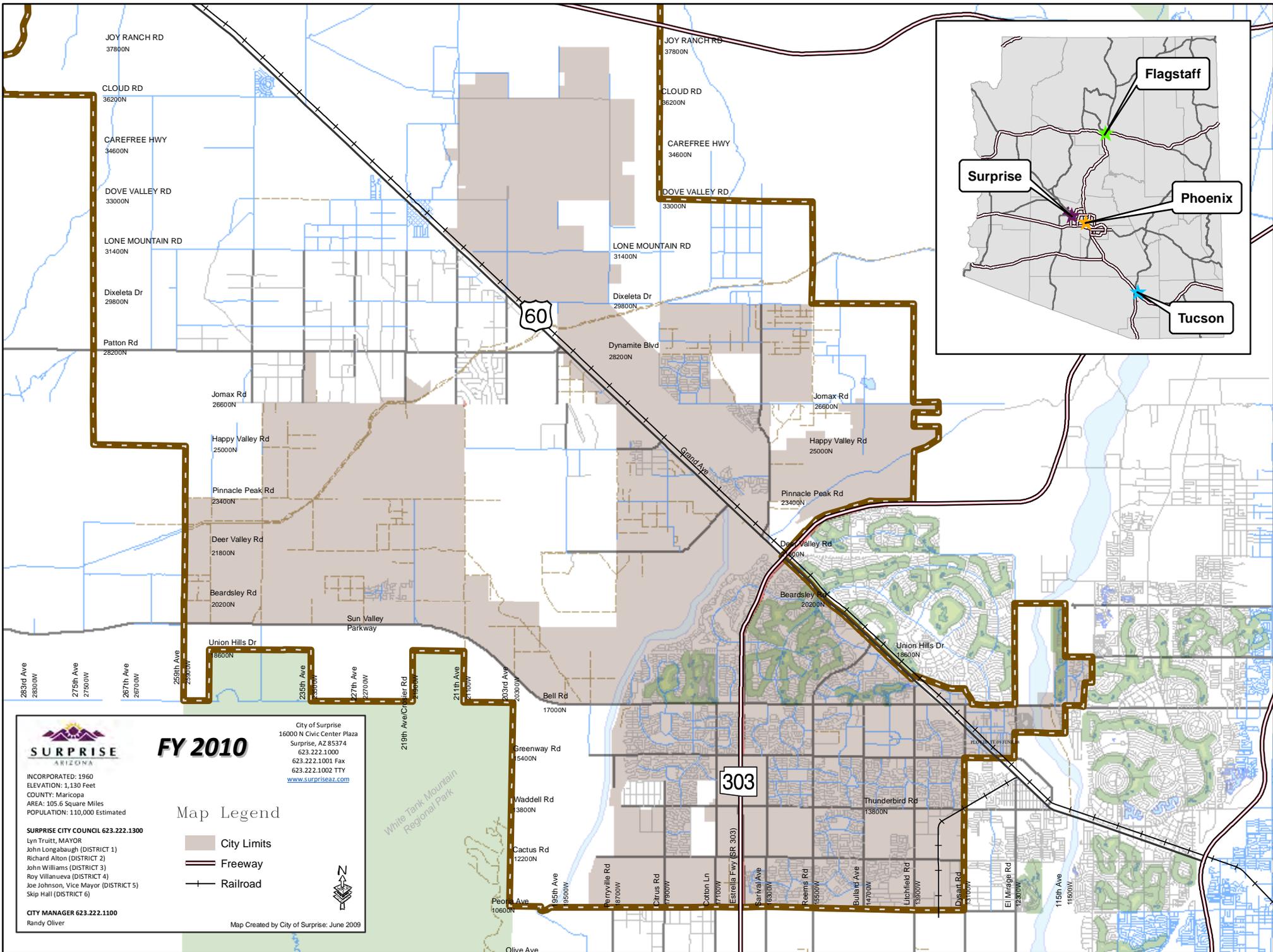


**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*



# FY 2010

INCORPORATED: 1960  
 ELEVATION: 1,130 Feet  
 COUNTY: Maricopa  
 AREA: 105.6 Square Miles  
 POPULATION: 110,000 Estimated

**SURPRISE CITY COUNCIL 623.222.1100**

- Lyn Truitt, MAYOR
- John Longabaugh (DISTRICT 1)
- Richard Alton (DISTRICT 2)
- John Williams (DISTRICT 3)
- Roy Villanueva (DISTRICT 4)
- Joe Johnson, Vice Mayor (DISTRICT 5)
- Skip Hall (DISTRICT 6)

**CITY MANAGER 623.222.1100**  
 Randy Oliver

City of Surprise  
 16000 N Civic Center Plaza  
 Surprise, AZ 85374  
 623.222.1000  
 623.222.1001 Fax  
 623.222.1002 TTY  
[www.surpriseaz.com](http://www.surpriseaz.com)

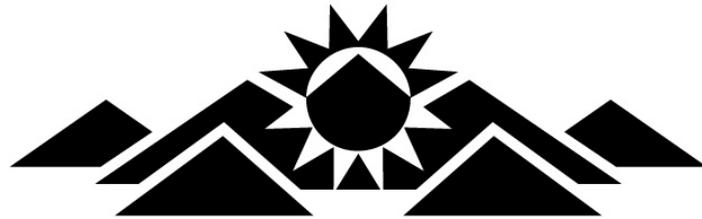
## Map Legend

- City Limits
- Freeway
- Railroad



Map Created by City of Surprise: June 2009

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## ***Budget Summary***

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- Budget Summary
- Budget Calendar

## Budget Summary

### **Why have we prepared a budget?**

Prior to the adoption of a city budget, Arizona state law requires the publication of estimates of expenses under A.R.S. §42-17103. This publication of estimates is accomplished with the publication of the state budget forms, which are printed in the appendix of this document. The state budget forms contain a summary setting forth sources and uses of funds; and include consolidated revenues and expenditures by category, department, and fund; truth in taxation calculations; and primary and secondary property tax levies. Following the publication of estimates of expenses, the city is required to adopt an annual expenditure limitation budget under A.R.S. §42-17105. With the adoption of the budget “the total amounts that are proposed to be spent in the budget shall not exceed the total of amounts that were proposed for expenditure in the published estimates”. For the city of Surprise, the FY2010 adopted expenditure limitation budget is \$279,816,500 excluding inter-fund transfers.

For the residents and the general public, the budget reveals the planned activities of the city for the next twelve months. The budget represents not only a detailed twelve-month plan, but also a framework for the future with five-year revenue projections and five-year planned capital projects.

The adopted budget is also used as a management tool and is programmed to allow as much flexibility as possible while still imposing guidelines. To this end, the budget is monitored at the departmental level for operating expenditures and at the project level for capital expenditures. The budget is also allocated by fund, division, and expenditure category.

### **Budget Amendments**

Changes to the adopted budget must be made in accordance with the city’s budget transfer policy as adopted by the Mayor and Council on July 8, 2004. The budget transfer policy specifies the approval levels required for various types of budget transfers. During the fiscal year, transfer requests are submitted to the Office of Management and Budget (OMB) for preparation and processing. Transfers can only be made pursuant to the 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 funds (e.g. the general fund and Highway User Revenue Fund) are prepared on a modified accrual basis. This means that obligations of the city, such as outstanding purchase orders, are budgeted as expenditures, while revenues are budgeted only when they are measurable and available.

The enterprise funds of water, sewer, and sanitation also budget encumbrances as expenditures when a commitment is made. Revenues, however, are budgeted when they are obligated to the city. For example, water user fees are budgeted as revenue when bills are produced.

In all funds, if goods and services are not received by year end, then the encumbrances lapse unless re-budgeted as a carry forward into the next budget year.

The annual audited financial statements detail the status of the city’s finances based on Generally Accepted Accounting Principles (GAAP). In most cases, the city budget is consistent with GAAP accounting with the exception of:

- Compensated absences are expended when paid under the budget and accrued as earned by employees under GAAP.
- Capital outlays within the enterprise funds are expended on a budget basis and recorded as assets on a GAAP basis.

## Funds

State law only requires the appropriation of two funds, the general fund and the Highway User Revenue Fund (HURF). All other funds of the city have been created by agreement, ordinance, contract, or 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. The following section briefly outlines the funds and fund groups utilized by the city as shown in the schedule below.

Summary of Major Revenues and Expenditures (in thousands)							
	General Fund	Revenue Funds	Service Funds	Project Funds	Permanent Funds	Enterprise Funds	Total
<b>Revenue</b>							
Sales Tax	29,435.2	0.0	0.0	2,340.9	0.0	0.0	31,776.1
Property Tax	6,859.5	3,998.8	909.4	0.0	0.0	0.0	11,767.7
Licenses & Permits	4,493.9	0.0	0.0	0.0	0.0	0.0	4,493.9
State Shared	21,776.6	5,654.9	0.0	0.0	0.0	0.0	27,431.5
Charges for Services	3,477.1	520.0	0.0	5,202.5	0.0	29,838.3	39,037.9
Grants	1,866.0	2,343.3	0.0	5,812.0	0.0	55.0	10,076.3
Fines & Forfeitures	1,868.7	80.0	0.0	0.0	0.0	0.0	1,948.7
Interest Income	589.1	28.2	0.0	0.0	1.0	220.0	838.3
Miscellaneous	3,265.5	2,809.7	0.0	12,621.1	0.0	1,545.0	20,241.3
Other Financing Sources	0.0	20,050.0	0.0	0.0	0.0	0.0	20,050.0
<b>Sub-Total Revenue</b>	<b>73,631.6</b>	<b>35,484.9</b>	<b>909.4</b>	<b>25,976.5</b>	<b>1.0</b>	<b>31,658.3</b>	<b>167,661.7</b>
Transfer In	3,057.5	3,841.3	0.0	18,310.4	0.0	0.0	25,209.2
<b>Total Revenue</b>	<b>76,689.1</b>	<b>39,326.2</b>	<b>909.4</b>	<b>44,286.9</b>	<b>1.0</b>	<b>31,658.3</b>	<b>192,870.9</b>
<b>Expenditures</b>							
<b>Current</b>							
Community & Recreation	9,693.8	3,669.6	0.0	1,922.5	0.0	0.0	15,285.9
Community Development	5,727.2	3,583.2	0.0	0.0	0.0	0.0	9,310.4
General Government	13,384.4	1,902.7	0.0	37.5	0.0	0.0	15,324.6
Non-Departmental	1,996.4	60.7	0.0	5,694.2	98.1	0.0	7,849.4
Public Safety	33,725.8	452.6	0.0	709.6	0.0	0.0	34,888.0
Public Works	6,595.2	9,970.9	0.0	1,156.0	0.0	4,499.7	22,221.8
Water Services	95.3	0.0	0.0	8,098.1	0.0	17,980.2	26,173.6
Capital & Depreciation	525.2	22,344.4	0.0	74,676.4	0.0	12,055.6	109,601.6
Debt Service	0.0	0.0	909.4	6,686.6	0.0	0.0	7,596.0
Contingencies	496.3	10,696.4	0.0	4,422.6	0.0	15,949.9	31,565.2
<b>Sub-Total Expenditures</b>	<b>72,239.6</b>	<b>52,680.5</b>	<b>909.4</b>	<b>103,403.5</b>	<b>98.1</b>	<b>50,485.4</b>	<b>279,816.5</b>
Transfers Out	5,543.3	0.0	0.0	10,258.7	0.0	9,407.2	25,209.2
<b>Total Expenditures</b>	<b>77,782.9</b>	<b>52,680.5</b>	<b>909.4</b>	<b>113,662.2</b>	<b>98.1</b>	<b>59,892.6</b>	<b>305,025.7</b>
<b>Rev over/(under) Exp</b>	<b>(1,093.8)</b>	<b>(13,354.3)</b>	<b>0.0</b>	<b>(69,375.3)</b>	<b>(97.1)</b>	<b>(28,234.3)</b>	<b>(112,154.8)</b>
<b>Operating Reserves</b>	<b>(11,699.9)</b>	<b>(2,235.7)</b>	<b>0.0</b>	<b>(8,523.2)</b>	<b>0.0</b>	<b>(4,980.6)</b>	<b>(27,439.4)</b>
<b>Fund Balance</b>							
Beginning of year	12,793.7	15,590.0	0.0	77,898.5	97.1	33,214.9	139,594.2
End of year	0.0	0.0	0.0	0.0	0.0	0.0	0.0

- **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 Surprise’s Spring Training Complex. These funds are restricted by contract.
  - *Vehicle Replacement* – This 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 areas that have an approved revitalization plan. 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 Municipal Court technology improvements. City policy restricts the use of these funds.
  - *Neighborhood Revitalization* – This fund is used to track all revenues and expenditures associated with the city’s neighborhood revitalization program. This program is funded through a combination of federal, state, and local funds. City policy, grant agreements, and contractual obligations restrict the use of these funds.
  - *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 Street Light Improvement Districts (SLIDs) have been established by ordinance to provide a centralized location for the collection of taxes from properties located in the district. These proceeds are legally restricted to the payment of electricity to operate the street lights within the district.
  - *Community Facilities District* – Two Community Facilities Districts (CFDs) have been established 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 Funds – This fund is used to track those activities relating to the issuance and repayment of General Obligation and Community Facility District debt.
- Capital Project 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 Municipal Property Corporation (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 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 firefighter’s 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 **revenues** generated by a variety of activities. Such activities include but are not limited to state shared revenue, charges for service, user fees, taxes, and development fees. The city is projecting \$147.6 million in revenues from all funds in FY2010. Included in this amount are both one-time and ongoing revenue.

The second source of funding is from **fund balances**, which are prior year’s excess revenue carried forward into the current fiscal year (savings). This source of funding is expected to be used to offset capital expenditures. The programmed beginning fund balance for all funds is \$139.6 million. The large available fund balance is due exclusively to the investment in infrastructure. The FY2010 budget includes approximately \$88.0 million carried forward from FY2009.

The third source is **borrowing**. Borrowing can be accomplished 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% and 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. The following table shows the city’s anticipated G.O. debt capacity for FY2010.

**Legal General Obligation Bond Capacity**

Secondary Assessed Valuation		\$ 1,353,294,533	\$ 1,353,294,533
Limitation	X	6%	20%
G.O. Bond Limit	=	81,197,672	270,658,907
Less Outstanding G.O. Debt	-	0	0
<b>Available Debt Capacity</b>	<b>=</b>	<b>\$ 81,197,672</b>	<b>\$ 270,658,907</b>

Anticipated borrowing during FY2010 totals \$20.0 million. That amount is associated with the Marley Park Community Facilities District (CFD). As a separate legal entity, any debt issued by the CFD does not count towards the city’s debt limit. The growth occurring over the last five years and strengthening of the city’s financial position have contributed to the current city bond rating of AA.

Uses of Funds

Fund usage is broken into five major expenditure categories. These include personnel, supplies and services, capital and depreciation, debt service, and contingency. The first of these categories, **personnel**, is used to record all personnel related expenditures including full-time, part-time, and overtime salaries. Also included are stipends, taxes, and benefits. For FY2010 personnel is budgeted at \$65.4 million or 23.4% of the budget.

The second of these categories is **supplies and services**. This category includes expenditures for supplies used to continue the operations of the city. Expenditures under this category include but are not limited to office and computer supplies, fuel, and postage. Utilities, service agreements, building maintenance, and general consulting services all fall under the services side of this category. Supplies and services account for 23.5% of the FY2010 budget at \$65.7 million.

**Capital and depreciation** are budgeted in the third category at \$109.6 million, 39.2% of the FY2010 budget. Vehicle purchases, building and structure purchases, land purchases and street improvements are all included under capital. Depreciation of buildings, structures, equipment, and other improvements is budgeted at \$6.8 million in FY2010.

The fourth category includes **debt service**. Debt service is budgeted at \$7.6 million, 2.7% of the FY2010 budget, and includes both principle and interest. In the debt service fund, principle is budgeted at \$205,000 and interest is budgeted at \$704,400. Bond interest in the MPC fund is budgeted at \$6.7 million.

Unallocated expenditures are set aside under the final category, **contingency**, and are set aside for unforeseen uses. Transfers out of contingency and into another expenditure category require Mayor and Council approval pursuant to the budget transfer policy. Contingencies of \$31.6 million, 11.3% of fund uses, are reserved for FY2010.

#### Inter-Fund Transfers

In addition to the sources and uses described above, **inter-fund transfers** represent a reallocation of resources between funds that do not affect the bottom line of the expenditure limitation budget. For FY2010 inter-fund transfers have been programmed at \$25.2 million and are detailed in the appendix of this document as part of the required state budget forms.

#### Reserves

Operating **reserves** of \$27.4 million are set aside to offset fluctuations in operating revenue sources which are most susceptible to changes in the economy. Reserve balances are equal to two months of operating revenues for operating funds and one year of debt service payments for debt other than general obligation debt.

### **Financial Policies**

Each year the Mayor and Council re-affirm 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 Mayor and 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, Mayor and Council policy, or 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 residents receiving service and approved by the Mayor and Council. Rate adjustments for enterprise operations (water, water replenishment, sewer, and sanitation) 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 grants 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.

- Mayor and 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 OMB and approved by the City Manager, prior to requesting Mayor and 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. The Capital Improvement Plan is adopted at a project level. Any transfers between departments, funds, or projects and out of contingency require Mayor and Council approval. All requests for adjustment require written justification explaining the fiscal impact, which is reviewed by the OMB and approved by the City Manager, prior to requesting Mayor and Council approval.
- Comparison of service delivery should be made to ensure that quality services are provided to Surprise residents 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.

### **FY2010 Budget Process**

The budget is monitored year-round; however, the formal budget process begins with an initial meeting on August 15<sup>th</sup> between the OMB and the budget points of contact in each department. During this meeting the budget calendar was distributed, accompanied by a discussion of changes made to the budget process from the prior year. New monthly reports were also presented as a means of monitoring department expenditures. Lastly, direction was given regarding performance measures and the city’s participation in the Center for Performance Measurement (CPM) program through the International City/County Management Association (ICMA).

The initial budget meeting with all budget points of contacts is followed by meetings with individual departments as necessary during the months of October and November. They are attended by OMB staff, the Department Director, the budget point of contact, and Division Managers as needed. These meetings are held to discuss the monthly expenditure report, performance measures, and proposed supplemental requests.

The budget request database is opened on December 1<sup>st</sup> for departments to input supplemental requests, prepare FY2009 expenditure estimates, update existing capital projects, and input new capital projects. All new supplemental requests must be communicated to OMB by December 31<sup>st</sup>. OMB staff review requests and solicit additional information or data as needed from February 3<sup>rd</sup> through February 27<sup>th</sup>. Supplemental requests and additional research are then compiled by OMB staff.

A detailed book of supplemental requests and capital projects is presented to the City Manager’s Office. Department Directors then discuss capital and operating requests with the Assistant City Managers in individually scheduled meetings held March 9<sup>th</sup> through March 20<sup>th</sup>. All supplemental requests are considered in light of available resources before recommendations are made by the City Manager’s Office. The recommended budget is refined by the City Manager’s Office between March 20<sup>th</sup> and April 21<sup>st</sup> when the budget books are made available to the Mayor and Council.

The City Manager’s recommended budget is presented to the Mayor and Council for review and discussion at a two day budget retreat held on May 1<sup>st</sup> and 2<sup>nd</sup>. During the retreat city staff presents the recommended budget and is available to address questions from the Mayor and Council.

As a result of the two day budget retreat, revisions are made to the recommended budget, and the tentative budget is presented to the Mayor and Council for adoption at a regular Council meeting on May 14<sup>th</sup>. Following adoption, the tentative budget is published for two consecutive weeks in the local paper. A public hearing is then held on the budget, after which the Mayor and Council vote on the final budget adoption on May 28<sup>th</sup>. Budget adoption adheres to all statutory hearings, publications, and requirements. The property tax is levied on June 11<sup>th</sup>, fourteen days after the final budget has been adopted following all Truth in Taxation requirements.

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

### **Strategic Planning**

In September 2008, the city of Surprise hired Partners for Strategic Action, Inc. to work with the Mayor and Council and management staff to develop a Mayor and Council Strategic Plan. PSA facilitated a two-day planning retreat in 2008 and then returned in February 2009 to facilitate a retreat to review and update the Plan. Retreat discussions focused on the development of a new vision for the city, the analysis of strengths, weaknesses, opportunities, and threats, and the development of strategic priorities. Together these items comprise the 2009 Strategic Plan. The purpose of the 2009 Strategic Plan is to provide guidance and direction for the upcoming year and budget cycle.

The 2009 Strategic Plan contains priorities organized in eight focus areas. The City Manager's Office has consolidated these focus areas into five goals for implementation:

1. **Transportation:** Improve local and regional transportation to improve connectivity, encourage economic development, and improve quality of life.
2. **Economic Development:** Strengthen and expand the local economy by building upon the community's assets, creating jobs, promoting tourism, and implementing a proactive strategy that is compatible with the community's quality of life.
3. **Quality of Life:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.
4. **Community Revitalization:** Ensure that all areas of the city of Surprise remain economically viable, safe, aesthetically pleasing, and vibrant.
5. **Organizational Effectiveness:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

Department goals and objectives are linked to the five goals listed above. Department performance measures demonstrate the progression towards achieving the established goals and objectives. The full 2009 Strategic Plan is published in the appendix of this document.

### **Format of this Document**

This document discloses the planned activities of the city for the next twelve months. The budget represents not only a detailed twelve-month plan, but also a framework for the future with five-year revenue projections and five-year planned capital projects. This document is divided by tabs into 12 major sections. The sections are as follows:

The **City Manager's budget message** provides the framework under which financial decisions are based for FY2010. It also gives the reader a summary of major revenue changes. It also provides a brief discussion, expenditure include personnel changes, operational changes, and capital projects. Other considerations of note are also included.

The **general information** section contains Mayor and Council profiles. It also contains an organization chart, a map of Surprise, and historical and statistical information. This information provides the reader with background information on the structure, location, and demographics of the city.

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

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

The next six sections including **general government, community development, public safety, community and recreation services, public works, and utilities** divide the city by service area. Each area may contain multiple departments and funds. The department and fund pages contain a description and a narrative describing major expenditure allocations and changes. Expenditure, revenue, and personnel tables for each department/operating fund depict prior year actual, FY2009 budget and estimate, and FY2009 Budget. Capital funds also contain a five-year fund balance table. Department operating pages also include goals, objectives, performance measures, and accomplishments.

The **capital** tab contains capital fund pages for the general capital fund, the vehicle replacement fund, the MPC fund, and CFD funds. It also contains a summary of the FY2010-FY2014 Capital Improvements Plan (CIP), an accounting of the approved projects, and a schedule of ongoing operating costs.

The final section, the **appendix**, contains the budget adoption resolution, the required state budget forms, the tax levy resolution, and the Mayor and Council adopted budget transfer policies and procedures. It also contains an expenditure summary, fund balance analysis, and personnel schedules. A glossary is included in this section to define terms and acronyms used frequently in this book.

This document serves as a guide to the FY2010 budget of the city of Surprise. It provides insight into the operations of the city and with a balance budget demonstrates the city's commitment to fiscal responsibility and the needs of the residents.

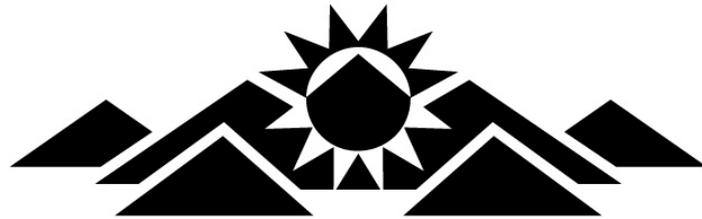
## Budget Calendar

**Start Date**

**Activity**

8/15/2008	Initial meeting with budget contacts (define role, budget process, performance measures)
10/1-11/30/2008	Department meetings (identify supplements, review quarterly expense report, performance measures)
12/1/2008	Database opened
11/26-12/12/2008	Additional database training as needed
12/31/2008	New supplemental requests due to OMB
2/3-2/27/2009	OMB assembles info for City Manager's Office, follow up with Departments as necessary
3/9-3/20/2009	City management meetings with Departments
4/21/2009	Mayor and Council books available
5/1 & 5/2/2009	Mayor and Council budget retreat
5/14/2009	Tentative budget adoption City of Surprise
5/28/2009	Truth in Taxation Hearing – City of Surprise
5/28/2009	Final budget City of Surprise
5/28/2009	Tentative Budget – Marley Park Community Facilities District
6/11/2009	Final Budget – Marley Park Community Facilities District
6/11/2009	Property tax levy adoption City of Surprise Marley Park Community Facilities District

*City of Surprise, Arizona*



**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*

## ***Revenue***

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- Revenue Summary
- Major Revenue Accounts

## Revenue Summary

### Overview

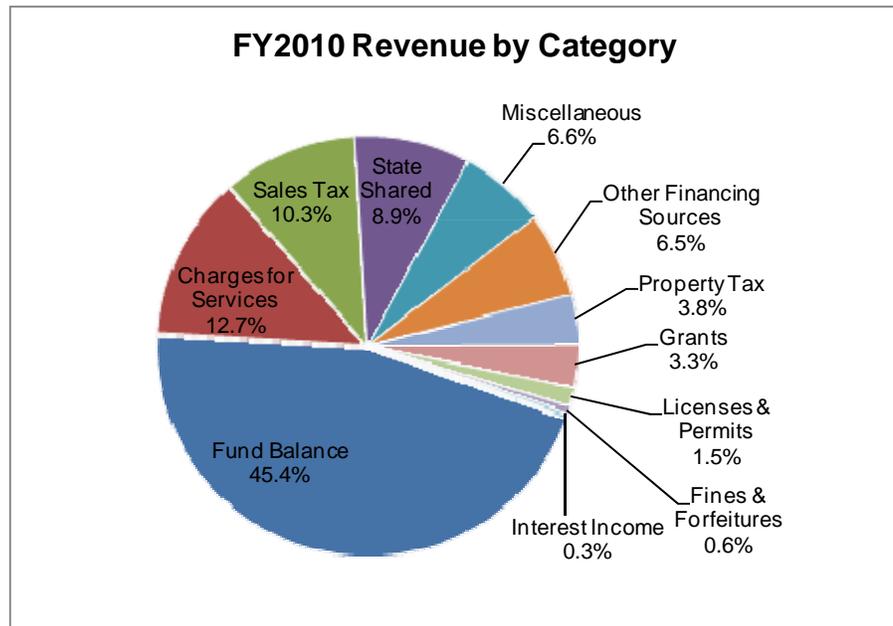
As presented, the FY2010 budget is balanced with expenditures equal to revenues. The sum of all projected revenues excluding fund balance in the FY2010 budget totals \$167,661,700. This amount is a decrease of \$28,430,200 (14.5%) from the FY2009 estimates. Without the anticipated developer contributions for the Special Planning Areas (SPA) 2 and 3 water reclamation facilities that were accounted for during FY2009 the total increase is \$8,880,400 (5.6%).

### Revenue Categories

Revenue sources for the city of Surprise are divided into 11 categories:

1. Fund Balance/Retained Earnings (\$112,154,800) – Beginning fund balances consist of revenue

carried forward from the prior fiscal year. Funds that remain unspent at fiscal year-end due to expenditure savings or increased revenue collections are carried forward as a positive balance. If a fund is overspent, a negative fund balance is carried forward. The Mayor and Council established policies mandating that beginning fund balance may only be used to fund capital projects or one-time



expenditures. This balance does not include unbudgeted operating reserves of \$27,439,400.

2. Charges for Services (\$39,037,900) – Charges for services include building and zoning fees, community and recreation services fees, development impact fees, engineering fees, and service collection fees. Service/collection fees for water, sewer, and sanitation service comprise 76.5% of this category. Development impact fees, collected to ensure growth pays for itself, are the second largest revenue source in this category at 13.3%.
3. Sales Tax (\$31,776,100) – The third category, sales taxes, contains the largest source of general fund revenue, local sales taxes. These revenues are generally recurring with little or no external restrictions on use, with the exception of construction sales tax. The construction portion of the local sales tax is projected at approximately \$3.4 million in FY2010. Of the construction sales tax, 25% is considered ongoing and may be used to fund operational expenditures and 75% is considered one-time and is reserved for one-time purchases and projects.

Also included in this category is the transportation improvement fund is supported by a dedicated 1.5% construction sales tax to be used exclusively for capital projects that improve the overall transportation and/or transit systems citywide. Approximately \$2.3 million of the construction sales tax has been dedicated for transportation improvements.

4. State Shared (\$27,431,500) – 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 fund, local transportation assistance fund, and

vehicle license tax. State shared revenues are the second largest contributor to general fund revenue at 25.2%, \$21.8 million in FY2010.

5. Miscellaneous (\$20,241,300) – Miscellaneous revenue sources comprise 6.6% of the total revenue. The primary revenue sources in the miscellaneous category consist of risk management internal service fund payments (\$1.5 million), Surprise Municipal Property Corporation building rents (\$6.7 million), and reimbursements from developers for capital improvements made by the city (\$6.9 million).
6. Other Financing Sources (\$20,050,000) – Other financing sources for FY2010 consists of \$20.0 million programmed to provide budget authority for the Marley Park Community Facilities District.
7. Property Tax (\$11,767,700) – Property taxes comprise 3.8% of the total revenue. The secondary property tax rate decreases \$0.0195 per \$100 of assessed valuation to \$0 with the retirement of the General Obligation Bond debt at the end of FY2009. The primary property tax rate decreases \$0.0278 per \$100 of assessed valuation while the assessed value increases for a net increase of 2%.
8. Grants (\$10,076,300) – Grants include funds awarded by local, county, state, or federal government agencies. FY2010 projected revenue includes \$2.2 million for Neighborhood Stabilization Program operations, \$1.8 million for Community Development program income, and \$0.8 million for the City Hall Solar project. This category also contains \$5.0 million programmed 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.
9. Licenses and Permits (\$4,493,900) – Licenses and permits include franchise fees charged to businesses with infrastructure in the public right of way. This category also contains a projection of \$435,800 for business license revenue from businesses operating in the city of Surprise.
10. Fines and Forfeitures (\$1,948,700) – This category comprises 0.6% of projected revenues. It includes court-imposed fines of \$1.9 million and court payment fees of \$16,300.
11. Interest Income (\$838,300) – Interest income is conservatively estimated at \$838,300 in light of the current weakening financial markets. This amount is 86.7% less than the FY2008 actual interest income of \$6.3 million but is 15.7% greater than the FY2009 estimate of \$724,700.

## **Projection Factors**

Revenue projections are generally developed based on three key factors: population, permit issuance, and inflation. Following is a discussion of these factors.

### Population

Population related projections are based upon either census population or annual estimated population.

#### *Census Population*

State shared revenues such as the state shared sales tax, state shared income tax, and Highway User Revenue Fund (HURF) are based on the census population. Population for the mid-decade census, completed in FY2005 and reported in FY2007, is held constant at 88,300 until FY2012 when the 2010 census will be reported. This schedule accounts for the significant increases in revenue occurring in FY2007 and FY2012. The city's population growth rate exceeded that of the state through 2008 leading to the sizeable revenue increase in FY2007. It is projected to remain consistent with the state's growth throughout the remainder of the decade for the purpose of the five-year revenue model. This rate results in more modest revenue increases in FY2012.

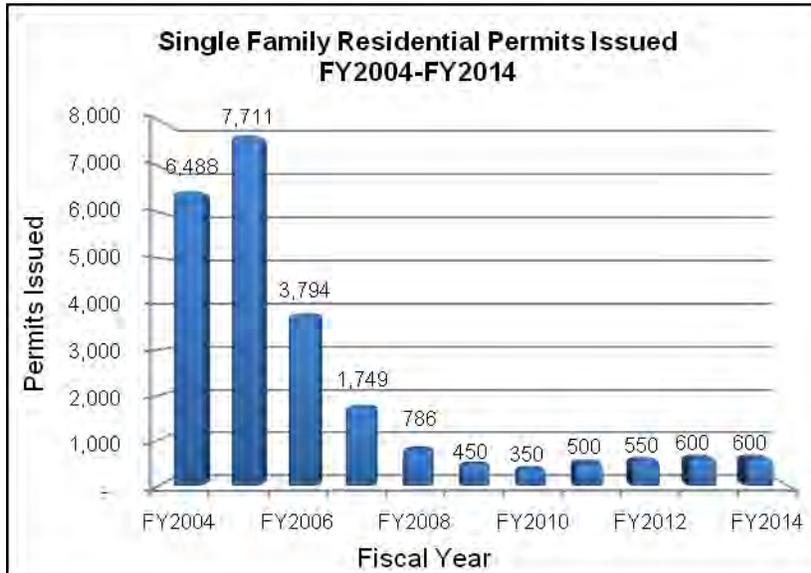
#### *Annual Estimated Population*

Annual estimated population is based on the city's population reported by the Arizona Department of Economic Security (DES) at the beginning of FY2008. The projected population growth rate remains at the FY2009 rate of 3% per year in FY2010 and FY2011. The annual rate decreases to 1.25% in FY2012 through FY2014. These projected rates are significantly lower than the average growth rate of 20% from FY2004 to FY2008. Local sales tax – operating, franchise fees, auto lieu, parks and recreation program fees, court revenue, transit revenue, and all other general fund revenue are projected based on the DES annual estimated population.

## Permits

The remaining revenue sources are generally based on permit issuance or completion. Permit issuance projections assume the collection of revenue when a permit is initially issued. These include building inspection and permit fees, other building and zoning fees, engineering fees, and development impact fees. Permit completion projections assume the collection of revenue only after the permit is completed. These include primary property tax, one-time local sales tax, and utility service fees.

In addition to the distinction between issued and completed, permits are divided into single family residential permits and non-single family residential permits. Detached single family dwelling units are counted as single family residential permits. Multi-family dwelling units, offices, commercial spaces, and industrial units are counted as non-single family residential permits.



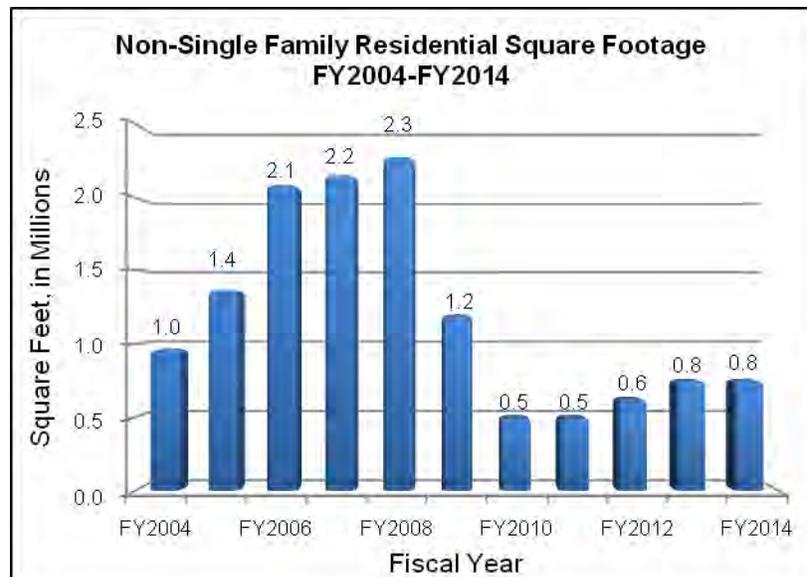
*Single Family Residential Permits*  
In FY2004 and FY2005, the number of single family residential permits issued was greater than the number completed resulting in a backlog of outstanding permits. This led to a greater number of permits being completed than issued in FY2006 through FY2010 as the backlog is reduced. In FY2010 the backlog is closed with single family residential permits are estimated at 500 permits completed relative to 350 permits issued. Permits completed line up with permits issued for the remainder of the five-year model.

As illustrated in the adjacent

graph, a downward trend in single family residential permit issuance continues in FY2010. Single family residential permits issued are based on the estimated annual issuance of 450 in FY2009, 350 in FY2010, 500 in FY2011, 550 in FY2012, and 600 in FY2013 and FY2014. These amounts were previously estimated at 1,200 permits in FY2009 up to 4,000 permits by FY2012 during the FY2008 budget. The sum of single family residential permits issued is estimated at 2,600 permits over the five-year period reduced from the prior budget of 3,780 permits.

## *Non-Single Family Residential Permits*

Non-single family residential permits are based on square footage rather than the number of permits issued. Square footage projections were also adjusted downward and are based on 500,000 square feet in FY2010 and FY2011, 625,000 in FY2012, and 750,000 in FY2013 and FY2014. Actual square footage has grown from 1.4 million square feet in FY2005 to 2.3 million square feet in FY2008. Square footage in FY2009 is projected to be 1.2 million after a dramatic reduction in actual square footage recorded monthly since September 2008.



### Revenue Inflation

Inflation of revenues is held constant at a rate of 1.5% annually. While this rate is less than the projected Consumer Price Index of 3.4%, using a lower inflation rate when projecting revenues ensures a more conservative projection.

### **Ongoing & One-Time Revenues**

Ongoing revenues are used to fund operating expenditures while one-time revenues are reserved for one-time expenditures, equipment, and capital projects. This distinction between ongoing and one-time revenues is necessary to ensure the long-term sustainability of city services and programs.

#### Ongoing Revenue

Ongoing revenues include taxes and service fees such as local sales tax, income tax, property tax, utility service fees, and building inspection and permit fees. For FY2010 these sources are projected to generate \$109.0 million, which represents an increase of 6.5% from the FY2009 estimated amount of \$102.4 million. This increase is due to projected inflation, population increases, and utility rate increases.

#### One-Time Revenue

One-time revenues include development impact fees, bond revenue, transportation improvement funds, grants, and 75% of the construction sales taxes. Projections anticipate the total collection of one-time revenue at \$58.7 million in FY2010, which includes \$20.0 million of budget authority for potential community facilities district (CFD) activity and \$6.7 million for municipal property corporation (MPC) activity. Excluding the CFD and MPC revenue, there is \$31.9 million or one-time revenue a reduction of 27.9% from the FY2009 estimate of \$44.3 million. These reductions continue to be primarily attributable to the slowing housing market and national economic downturn.

### **Projection of Major Revenue Accounts**

The following reports present a summary of the major revenue accounts with historical and forecasted revenues. Also included are detail pages for each major revenue account illustrating the factors and assumptions used to develop the five-year revenue projections.

**CITY OF SURPRISE  
MAJOR REVENUE ACCOUNTS**

Major Revenue Accounts	HISTORICAL					Budget	FORECAST					
	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
<b>General Fund - Operating</b>												
Local Sales Tax	12,670,183	18,627,753	22,767,151	30,144,494	23,824,922	26,360,500	24,871,800	26,001,900	27,184,100	27,936,100	28,709,400	29,504,600
Local Sales Tax-Construction 25%	2,854,343	4,701,480	5,792,111	3,470,339	2,322,058	1,399,425	1,687,800	858,300	871,200	1,010,500	1,153,800	1,171,100
State Shared Sales Tax	2,580,405	2,827,385	3,265,881	8,390,104	8,141,197	7,802,000	7,461,400	6,785,900	6,887,700	8,471,500	8,598,600	8,727,600
State Shared Income Tax	2,786,051	2,868,466	3,795,975	10,221,108	12,055,475	13,011,600	13,011,600	11,395,600	11,566,500	14,226,300	14,439,700	14,656,300
Primary Property Tax	2,263,863	3,258,615	4,008,424	5,139,517	5,759,123	6,318,300	6,394,500	6,859,500	7,338,900	7,867,700	8,448,100	9,046,400
Franchise Fees	1,641,148	2,069,976	2,680,885	3,234,383	3,518,930	3,881,700	3,881,700	4,058,100	4,242,600	4,359,900	4,480,600	4,604,700
Auto Lieu Tax	1,249,905	1,320,809	1,707,261	3,655,491	3,545,692	3,875,600	3,117,500	3,259,200	3,407,400	3,501,600	3,598,500	3,698,200
Parks & Rec. Program Fees	838,629	1,072,493	964,789	919,404	1,191,262	2,215,700	1,857,200	2,048,200	2,141,300	2,200,600	2,261,500	2,324,100
Court Revenue	689,721	1,027,952	1,444,508	1,168,244	1,282,024	1,237,500	1,574,100	1,833,700	1,917,100	1,970,100	2,024,600	2,080,700
Building Inspection & Permit Fees	8,842,182	11,401,188	6,524,259	3,428,601	1,887,320	1,704,400	1,158,200	717,400	941,400	1,086,200	1,235,100	1,253,600
Other Bldg & Zoning Fees	1,856,035	2,211,889	2,191,724	2,099,324	1,554,144	1,472,600	456,300	282,600	370,900	427,900	486,600	493,900
Engineering Fees	2,383,485	2,019,673	2,471,370	2,745,000	2,547,753	2,828,000	711,300	332,000	435,700	502,700	571,600	580,200
All Other General Fund Revenue	1,631,912	2,111,482	4,101,499	5,758,305	6,691,988	7,175,175	4,645,300	4,648,200	4,859,500	4,994,000	5,132,200	5,274,400
<b>Subtotal - General Fund Operating</b>	<b>42,287,900</b>	<b>55,519,200</b>	<b>61,715,800</b>	<b>80,374,300</b>	<b>74,321,900</b>	<b>79,282,500</b>	<b>70,828,700</b>	<b>69,080,600</b>	<b>72,164,300</b>	<b>78,555,100</b>	<b>81,140,300</b>	<b>83,415,800</b>
<b>General Fund - One Time</b>												
Local Sales Tax-Construction 75%	8,563,029	14,104,441	17,376,332	10,411,016	6,966,174	4,198,275	5,063,200	2,575,000	2,613,600	3,031,500	3,461,300	3,513,200
<b>Subtotal - General Fund One-Time</b>	<b>8,563,000</b>	<b>14,104,400</b>	<b>17,376,300</b>	<b>10,411,000</b>	<b>6,966,200</b>	<b>4,198,300</b>	<b>5,063,200</b>	<b>2,575,000</b>	<b>2,613,600</b>	<b>3,031,500</b>	<b>3,461,300</b>	<b>3,513,200</b>
<b>General Fund Total</b>	<b>50,850,900</b>	<b>69,623,600</b>	<b>79,092,100</b>	<b>90,785,300</b>	<b>81,288,100</b>	<b>83,480,800</b>	<b>75,891,900</b>	<b>71,655,600</b>	<b>74,777,900</b>	<b>81,586,600</b>	<b>84,601,600</b>	<b>86,929,000</b>
<b>Other Operating/Ongoing Revenues</b>												
<b>Enterprise &amp; Special Revenue Funds</b>												
HURF Fund	2,135,343	2,242,575	2,713,655	6,293,129	6,064,115	6,353,500	5,650,000	5,334,200	5,494,200	6,857,500	7,063,200	7,275,100
Water Service Fee	3,070,598	3,857,438	6,416,610	7,737,626	8,683,420	8,634,400	9,513,100	10,335,900	10,536,100	11,215,900	11,440,200	11,671,000
Water Replenishment Service Fee	535,862	650,604	930,460	796,498	766,596	1,432,900	431,398	0	0	0	0	0
Sewer Service Fee	6,843,052	8,163,690	10,187,758	12,361,727	12,943,202	12,027,200	13,573,000	13,690,900	14,460,800	15,485,100	17,942,500	20,796,300
Sanitation Service Fee	2,030,214	2,535,747	3,451,396	4,599,920	5,281,116	5,387,800	5,721,500	5,856,500	6,254,000	6,349,000	6,452,900	6,561,000
Campus Operations	1,440,590	1,562,642	1,450,581	1,499,161	1,673,274	1,648,900	1,324,500	1,199,900	1,217,900	1,498,000	1,520,400	1,543,200
Transit/LTAF	239,406	388,970	375,811	636,007	612,270	450,500	443,408	320,700	335,300	344,600	354,100	363,900
<b>Other One-Time Revenues</b>												
General Government Development Fee	2,097,228	2,494,928	1,476,440	945,094	1,344,928	1,146,900	895,100	480,400	579,500	674,800	770,100	770,100
Police Development Fee	2,760,946	3,859,184	2,435,826	2,085,418	766,873	890,400	582,000	303,000	358,800	420,500	482,300	482,300
Fire & EMS* Development Fee	0	2,732,689	2,619,240	2,266,095	1,548,612	1,701,700	1,062,300	557,400	663,300	776,100	889,000	889,000
Parks & Recreation Development Fee	7,376,309	8,277,665	4,627,284	2,372,708	2,101,227	1,505,500	730,000	567,800	811,100	892,200	973,300	973,300
Library** Development Fee	0	1,381,304	1,060,067	561,270	461,743	332,600	161,300	166,300	237,600	261,300	285,100	285,100
Public Works Development Fee	3,187,463	5,944,360	3,802,627	2,334,977	1,646,551	1,668,800	1,148,100	640,600	790,300	913,000	1,035,700	1,035,700
Water Development Fee	5,246,978	6,940,661	5,126,431	2,072,920	707,059	1,411,400	771,200	504,900	697,700	775,700	853,700	853,700
Replenishment Development Fee	2,128,521	2,143,323	1,090,641	340,905	752,345	471,300	429,200	280,400	387,700	430,900	474,200	474,200
Sewer Development Fee	10,556,379	13,181,495	7,967,098	5,279,179	4,370,515	3,923,100	3,045,900	1,671,600	2,225,100	2,504,600	2,784,100	2,784,100
Roads of Reg.Significance Dev Fee	0	0	0	0	5,715	2,002,600	670,500	521,500	745,000	819,500	894,000	894,000
Transportation Improvement	0	0	2,681,844	11,052,892	6,537,449	3,816,600	4,725,700	2,340,900	2,376,000	2,755,900	3,146,700	3,193,800

\* Included in Police Development Fee prior to FY2005

\*\* Included in Parks & Recreation Development Fee prior to FY2005

## Local Sales Tax - General Fund - Operating/Ongoing

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Local Sales Tax - Operating</b>	26,360,500	26,001,900	(358,600)	-1.4%

### Description

The local sales tax - operating/ongoing is the operating and recurring sales tax revenue that is collected by the City on an annual basis through the course of doing business. The construction sales taxes are considered one-time and have been separated out and addressed under Local Sales Tax - General Fund - One Time.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
<b>Revenue Collected</b>	12,670,183	18,627,753	22,767,151	30,144,494	23,824,922	26,360,500

### Indicators

Population (From DES)	51,885	64,210	85,930	98,140	104,895	103,884
Sales tax revenue per capita	244	290	265	307	227	254

### Forecast Assumptions

Inflation is held constant at 1.5% per year. Population is expected to increase by 3.0% per year until FY2012 and then 1.25% per year thereafter. Projected sales tax per capita for FY2009 is based on year-to-date trends.

### Forecast Methodology

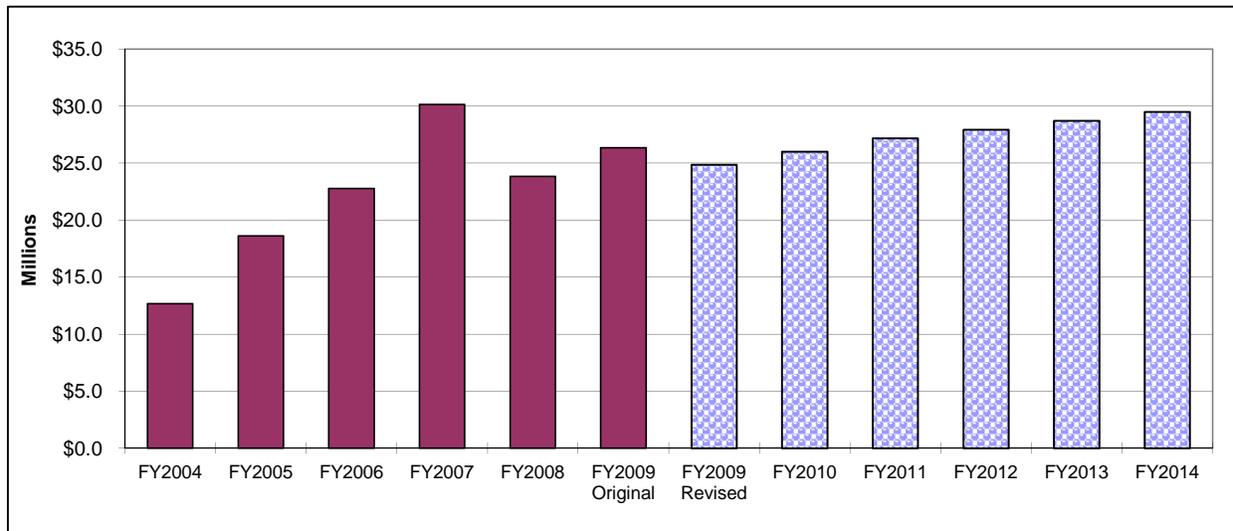
#### Formula:

Projected Operating/Ongoing Sales Tax Revenue = A x B

#### Where:

- A = Projected population
- B = Projected sales tax revenue per capita (Inflated 1.5% per year)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	108,040	111,280	114,620	116,050	117,500	118,970
Projected sales tax revenue per capita (B)	230	234	237	241	244	248
<b>Projected Sales Tax Revenue</b>	24,871,800	26,001,900	27,184,100	27,936,100	28,709,400	29,504,600



## State Shared Sales Tax

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>State Shared Sales Tax</b>	7,802,000	6,785,900	(1,016,100)	-13.0%

### Description

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

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,580,405	2,827,385	3,265,881	8,390,104	8,141,197	7,802,000

### Indicators

Census population (from DES)	38,400	38,400	38,400	88,300	88,300	88,300
Sales tax revenue per capita	67	74	85	95	92	88

### Forecast Assumptions

The projected population is based on a mid-decade census completed in FY 2007. The population is held constant until the 2010 Census is expected to be completed in time for FY2012. Inflation is held constant at 1.5% per year. Data from the League of Arizona Cities and Towns was used for the FY2009 and FY2010 Projected State Shared Sales Tax Revenue.

### Forecast Methodology

#### Formula:

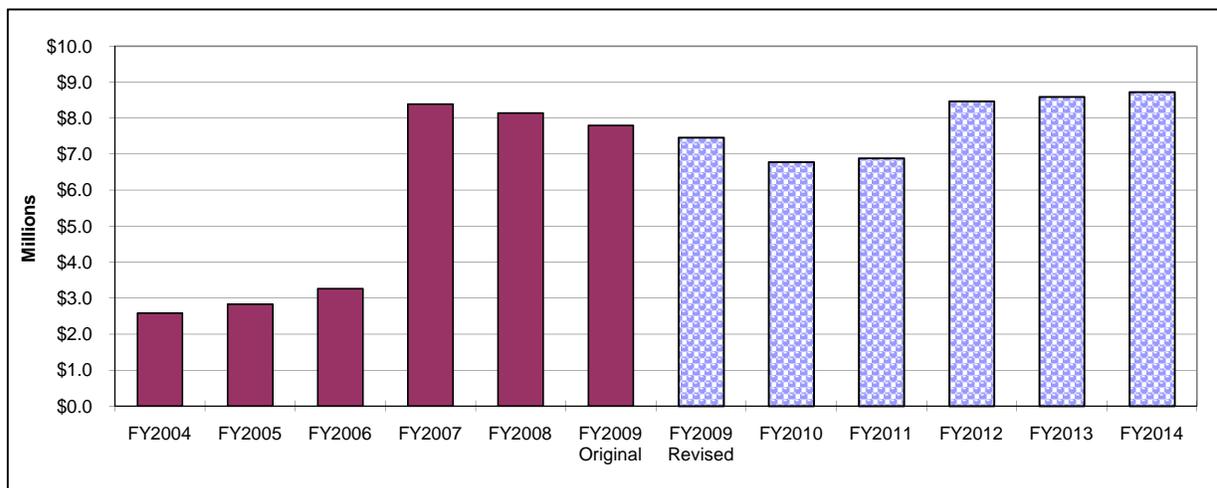
Projected Operating/Ongoing State Shared Sales Tax Revenue = A x B

#### Where:

- A = Projected population (mid decade census population)
- B = Projected state shared sales tax revenue per capita (Inflated 1.5% per year)

*Note: State Shared Revenues increased significantly in FY2007 due to the mid-decade census.*

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	88,300	88,300	88,300	107,000	107,000	107,000
Projected sales tax revenue per capita (B)	85	77	78	79	80	82
<b>Projected Sales Tax Revenue</b>	<b>7,461,400</b>	<b>6,785,900</b>	<b>6,887,700</b>	<b>8,471,500</b>	<b>8,598,600</b>	<b>8,727,600</b>



## State Shared Income Tax

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>State Shared Income Tax</b>	13,011,600	11,395,600	(1,616,000)	-12.4%

### Description

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

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
<b>Actuals</b> Revenue Collected	2,786,051	2,868,466	3,795,975	10,221,108	12,055,475	13,011,600

### Indicators

Census population (from DES)	38,400	38,400	38,400	88,300	88,300	88,300
Income tax revenue per capita	73	75	99	116	137	147

### Forecast Assumptions

The projected population is based on a mid-decade census completed in FY 2007. The population is held constant until the 2010 Census is expected to be completed in time for FY2012. Inflation is held constant at 1.5% per year. Data from the League of Arizona Cities and Towns was used for the FY2009 and FY2010 Projected State Shared Income Tax Revenue.

### Forecast Methodology

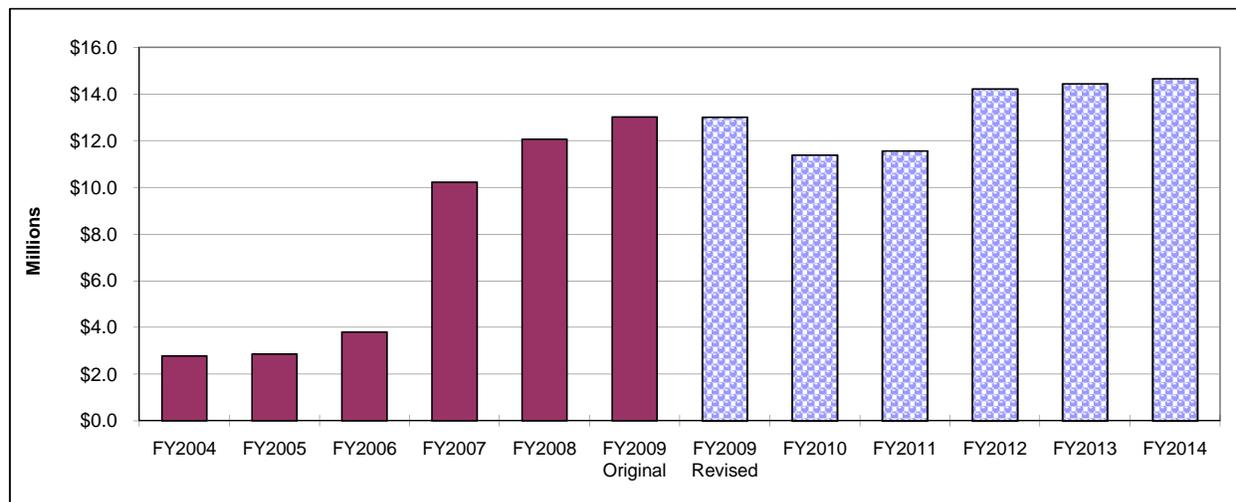
#### Formula:

Projected Operating/Ongoing State Shared Income Tax Revenue = A x B

#### Where:

- A = Projected population (mid-decade census population)
- B = Projected state shared income tax revenue per capita (Inflated 1.5% per year)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	88,300	88,300	88,300	107,000	107,000	107,000
Proj. state shared inc. tax rev. per capita (B)	147	129	131	133	135	137
<b>Projected State Shared Income Tax Rev.</b>	13,011,600	11,395,600	11,566,500	14,226,300	14,439,700	14,656,300



## Primary Property Tax

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Primary Property Tax</b>	6,394,500	6,859,500	465,000	7.3%

### Description

This is a 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.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,263,863	3,258,615	4,008,424	5,139,517	5,759,123	6,394,500

### Indicators

Single family residential permits completed	5,217	6,722	5,776	2,095	1,332	700
Levy increase per permit completed	99.19	156.53	131.48	461.72	613.89	780.29

### Forecast Assumptions

The base amount is capped at a 2% increase each year per state statute. Levy increases above the 2% cap are based on anticipated building permit completions. Inflation is held constant at 1.5% per year.

### Forecast Methodology

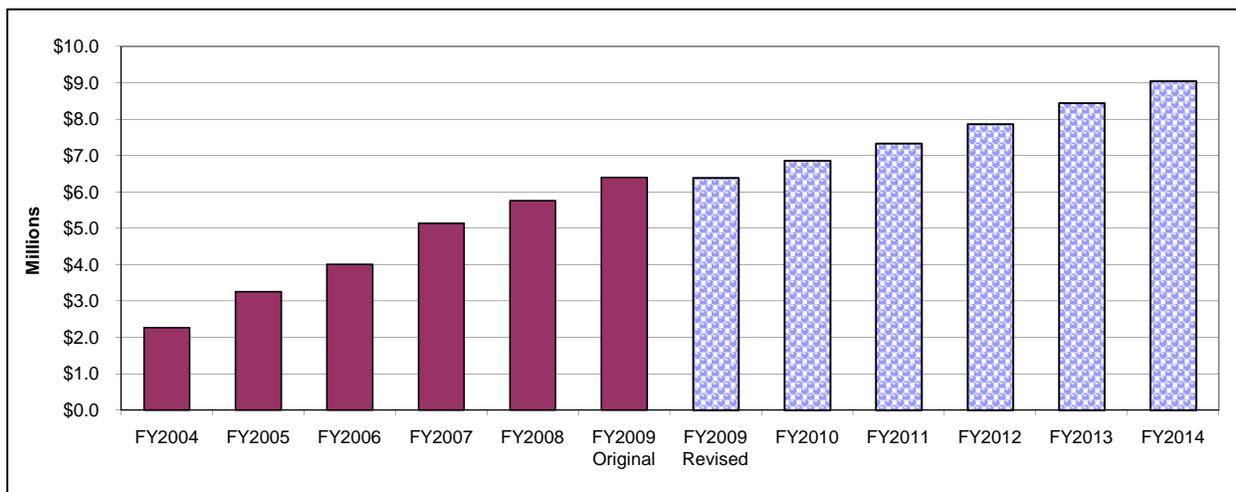
#### Formula:

Projected Primary Property Tax Revenue = A + D

#### Where:

- A = Base levy amount (Inflated 2% per year: state statute limitation)
- B = Projected single family residential (SFR) permits completed
- C = Average levy increase per permit completed (Inflated 1.5% per year)
- D = Projected levy increases, D = B x C

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected base (A)	6,394,500	6,522,390	6,996,690	7,485,678	8,025,054	8,617,062
Projected SFR permits completed (B)		500	500	550	600	600
Projected levy inc. per permit completed (C)		674.22	684.33	694.60	705.02	715.59
Subtotal levy increases (D)		337,110	342,167	382,029	423,010	429,356
<b>Projected Primary Property Tax Revenue</b>	<b>6,394,500</b>	<b>6,859,500</b>	<b>7,338,900</b>	<b>7,867,700</b>	<b>8,448,100</b>	<b>9,046,400</b>



## Franchise Fees

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Franchise Fees</b>	3,881,700	4,058,100	176,400	4.5%

### Description

This revenue source is related to the gross sales of franchised utility companies within the city of Surprise.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
<b>Actuals</b>						
Revenue Collected	1,641,148	2,069,976	2,680,885	3,234,383	3,518,930	3,881,700

### Indicators

Population (from DES)	51,885	64,210	85,930	98,140	104,895	103,884
Revenue per capita	32	32	31	33	34	37

### Forecast Assumptions

Inflation is held constant at 1.5% per year. Population is expected to increase by 3.0% per year until FY2012 and then 1.25% per year thereafter. Projected franchise fee revenue for FY2009 is based on year-to-date trends.

### Forecast Methodology

#### Formula:

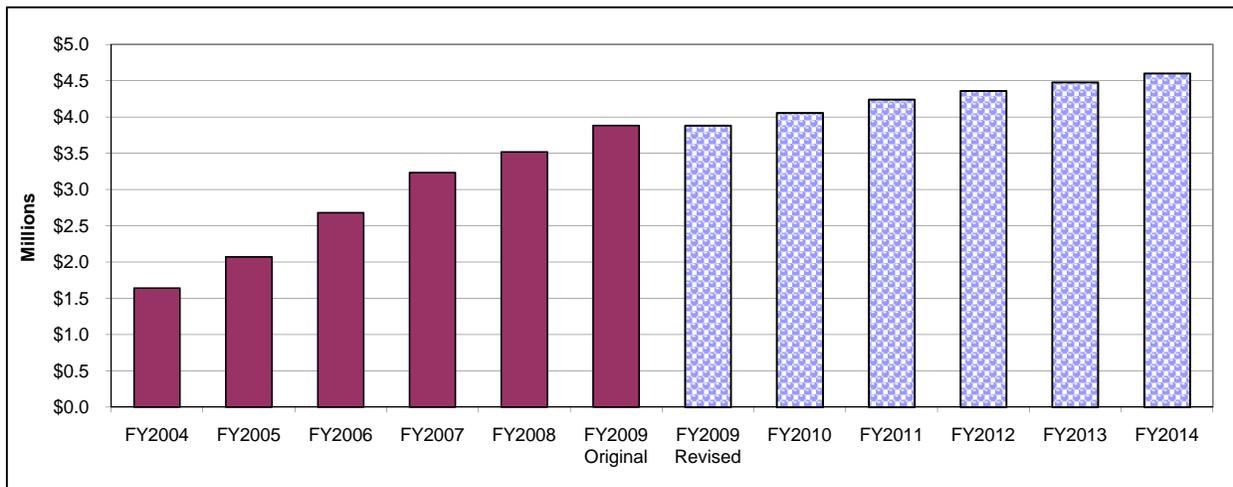
$$\text{Projected Franchise Fee Revenue} = A \times B$$

#### Where:

A = Projected population

B = Projected revenue per capita (Inflated 1.5% per year)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	108,040	111,280	114,620	116,050	117,500	118,970
Projected revenue per capita (B)	36	36	37	38	38	39
<b>Projected Franchise Fee Revenue</b>	<b>3,881,700</b>	<b>4,058,100</b>	<b>4,242,600</b>	<b>4,359,900</b>	<b>4,480,600</b>	<b>4,604,700</b>



## Auto Lieu Tax

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Auto Lieu Tax</b>	3,875,600	3,259,200	(616,400)	-15.9%

### Description

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

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	1,249,905	1,320,809	1,707,261	3,655,491	3,545,692	3,875,600
<b>Indicators</b>						
Census population (from DES)	38,400	38,400	38,400	88,300	88,300	88,300
Revenue per capita	33	34	44	41	40	44

### Forecast Assumptions

The projected population is based on a mid-decade census completed in FY 2007. The population is held constant until the 2010 Census is expected to be completed in time for FY2012. Projected auto lieu tax per capita for FY2009 is based on year-to-date trends.

### Forecast Methodology

#### Formula:

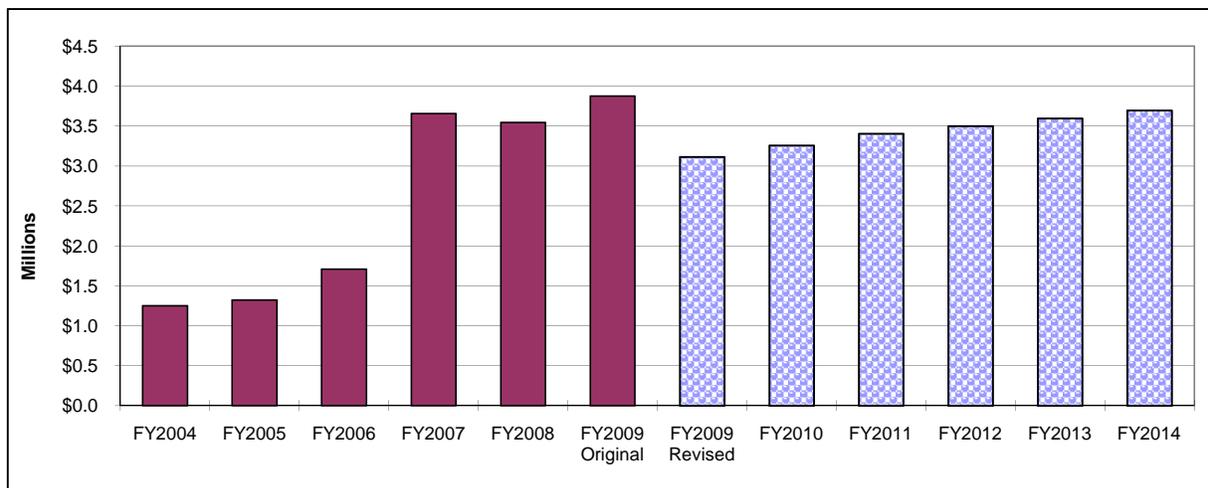
Projected Auto Lieu Tax Revenue = A x B

#### Where:

- A = Projected population (mid-decade census population)
- B = Projected auto lieu tax revenue per capita

*Note: Auto Lieu Tax Revenues increased significantly in FY 2007 due to the mid-decade census.*

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	88,300	88,300	88,300	107,000	107,000	107,000
Projected auto lieu tax revenue per capita (B)	35	37	39	33	34	35
<b>Projected Auto Lieu Tax Revenue</b>	<b>3,117,500</b>	<b>3,259,200</b>	<b>3,407,400</b>	<b>3,501,600</b>	<b>3,598,500</b>	<b>3,698,200</b>



## Parks & Recreation Program Fees

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Parks &amp; Rec. Program Fees</b>	2,215,700	2,048,200	(167,500)	-7.6%

### Description

This represents revenue collected from fees charged by the Parks & Recreation Department to participate in the various recreational programs offered by the department.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	838,629	1,072,493	964,789	919,404	1,191,262	2,215,700

### Indicators

Population (from DES)	51,885	64,210	85,930	98,140	104,895	103,884
Fees received per capita	16.16	16.70	11.23	9.37	11.36	21.33

### Forecast Assumptions

Population is expected to increase by 3.0% per year until FY2012 and then 1.25% per year thereafter. Inflation is held constant at 1.5% per year. The revenue projections are based on programs scheduled in the fiscal year. If there is insufficient program interest, then the program will not be offered and the revenue will not be collected.

### Forecast Methodology

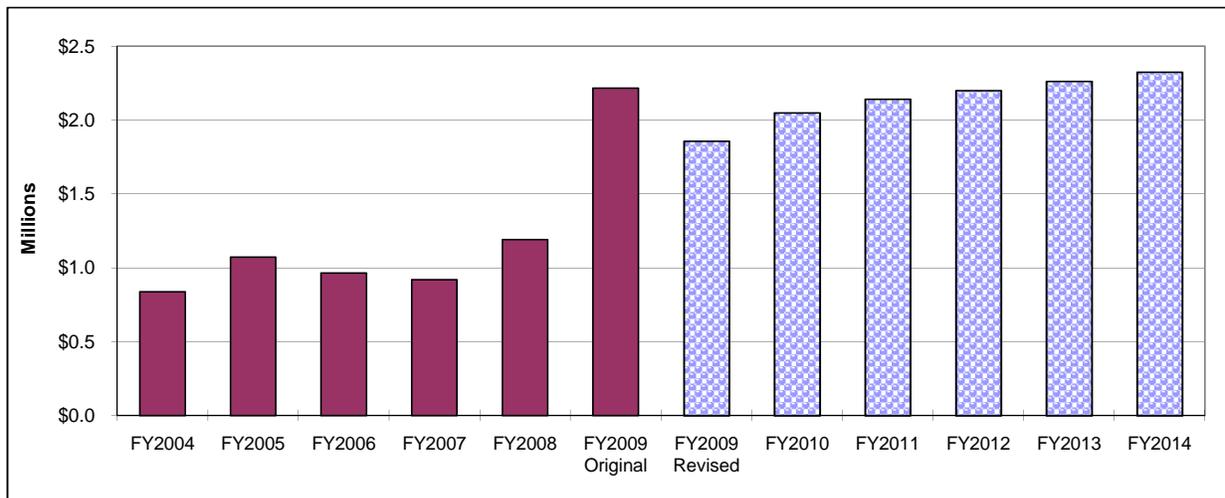
#### Formula:

Projected Parks & Recreation Program Fee Revenue = A x B

#### Where:

- A = Projected population
- B = Projected revenue per capita (Inflated 1.5% per year)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	108,040	111,280	114,620	116,050	117,500	118,970
Projected revenue per capita (B)	17.19	18.41	18.68	18.96	19.25	19.54
<b>Projected Parks &amp; Rec Program Fee Rev.</b>	<b>1,857,200</b>	<b>2,048,200</b>	<b>2,141,300</b>	<b>2,200,600</b>	<b>2,261,500</b>	<b>2,324,100</b>



## Court Revenue

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Court Revenue</b>	1,563,700	1,833,700	270,000	17.3%

### Description

This revenue is generated by all court imposed fines issued by the City Court.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
<b>Actuals</b> Revenue Collected	770,530	689,721	1,027,952	1,444,508	1,168,244	1,563,700

### Indicators

Population (from DES)	51,885	64,210	85,930	98,140	104,895	103,884
Court cases	12,308	15,000	17,882	16,746	22,488	17,726
Cases per capita	0.24	0.23	0.21	0.17	0.21	0.17
Revenue received per case	63	46	57	86	52	70

### Forecast Assumptions

Population is expected to increase by 3.0% per year until FY2012 and then 1.25% per year thereafter. Inflation is held constant at 1.5% per year. Projected court revenue per case for FY2009 is based on year-to-date trends. The fees were revised for FY2010.

### Forecast Methodology

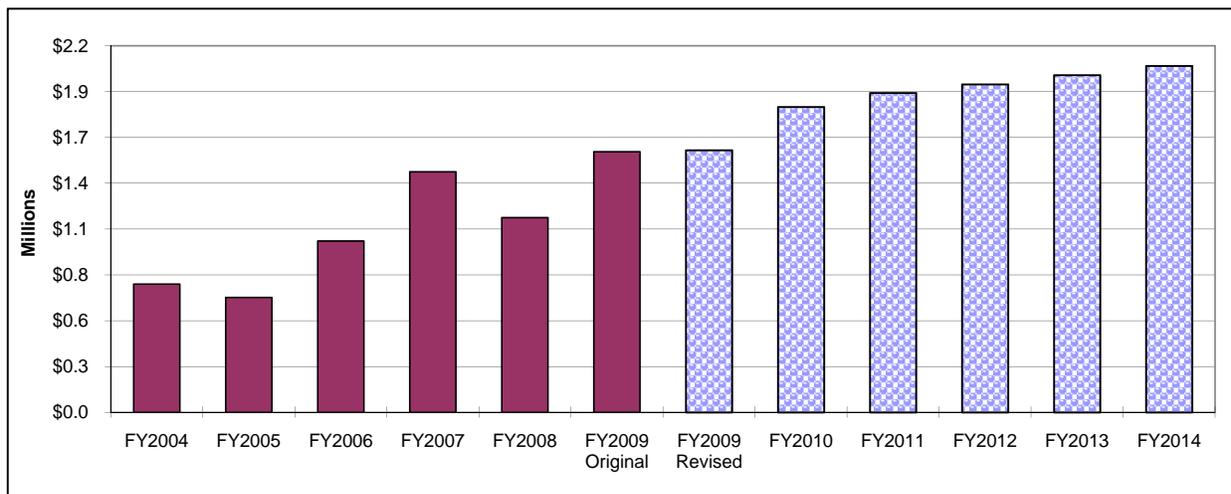
#### Formula:

Projected Court Revenue = C x D

#### Where:

- A = Projected population
- B = Projected court cases per capita
- C = Projected court cases, C = A x B
- D = Projected court revenue per case (Inflated 1.5% per year)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	108,040	111,280	114,620	116,050	117,500	118,970
Projected cases per capita (B)	0.20	0.20	0.20	0.20	0.20	0.20
Projected court cases (C)	21,417	22,059	22,721	23,005	23,292	23,584
Projected court revenue per case (D)	74	83	84	86	87	88
<b>Projected Court Revenue</b>	<b>1,574,100</b>	<b>1,833,700</b>	<b>1,917,100</b>	<b>1,970,100</b>	<b>2,024,600</b>	<b>2,080,700</b>



## Building Inspection & Permit Fees

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Building &amp; Inspection Permit Fees</b>	1,704,400	717,400	(987,000)	-57.9%

### Description

This category includes fees collected by the city or Surprise for all building inspection and permit fees related to new construction activities. These are primarily operating/ongoing revenues.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	8,842,182	11,401,188	6,524,259	3,428,601	1,887,320	1,704,400

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Sq ft of SFR permits issued		24,630,800	12,261,100	5,038,100	2,461,000	2,180,414
Sq ft per SFR permit issued		3,194	3,232	2,881	3,131	3,115
Average sq ft per SFR permit issued				3,081		
Sq ft of Non-SFR permits issued		1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
Revenue per sq ft		0.44	0.45	0.48	0.40	0.46
Average revenue per sq ft of permits issued					0.45	

### Forecast Assumptions

Inflation is held constant at 1.5% per year. Non-single family residential permits include multi-family, office/institution, and commercial/customer service.

### Forecast Methodology

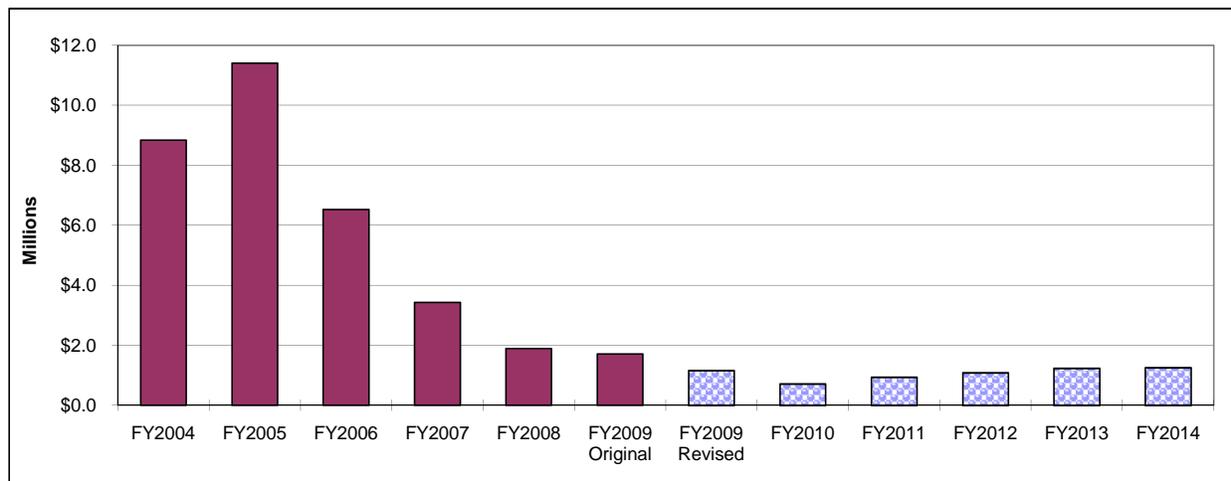
#### Formula:

Projected Building Inspection & Permit Fees Revenue = (C + D) x E

#### Where:

- A = Projected single family residential permits issued
- B = Projected average square feet per single family residential permit issued
- C = Projected square feet of single family residential permits issued, C = A x B
- D = Projected square feet of non-single family residential permits issued
- E = Projected building inspection & permit revenue per square feet of permits (Inflated 1.5% per year)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected avg. sq ft per SFR permit issued (B)	3,081	3,081	3,081	3,081	3,081	3,081
Subtotal projected SFR sq ft (C)	1,386,497	1,078,386	1,540,552	1,694,607	1,848,662	1,848,662
Projected Non-SFR sq ft (D)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected revenue per sq ft (E)	0.45	0.45	0.46	0.47	0.48	0.48
<b>Projected Building &amp; Inspection Fee Rev.</b>	<b>1,158,200</b>	<b>717,400</b>	<b>941,400</b>	<b>1,086,200</b>	<b>1,235,100</b>	<b>1,253,600</b>



### Other Building & Zoning Fees

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Other Building &amp; Zoning Fees</b>	1,472,600	282,600	(1,190,000)	-80.8%

#### Description

This category includes revenues collected for all other building and zoning fees related to new construction. These include such items as zoning fees, map publications, landscaping permits, landscaping plans, etc. These are primarily operating/ongoing revenues.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	1,856,035	2,211,889	2,191,724	2,099,324	1,554,144	1,472,600

#### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Sq ft of SFR permits issued		24,630,800	12,261,100	5,038,100	2,461,000	2,180,414
Sq ft per SFR permit issued		3,194	3,232	2,881	3,131	3,115
Average sq ft per SFR permit issued				3,081		
Sq ft of Non-SFR permits issued		1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
Revenue per sq ft		0.09	0.15	0.29	0.33	0.40
Average revenue per sq ft			0.18			

#### Forecast Assumptions

Inflation is held constant at 1.5% per year. Non-single family residential permits include multi-family, office/institution, and commercial/customer service.

#### Forecast Methodology

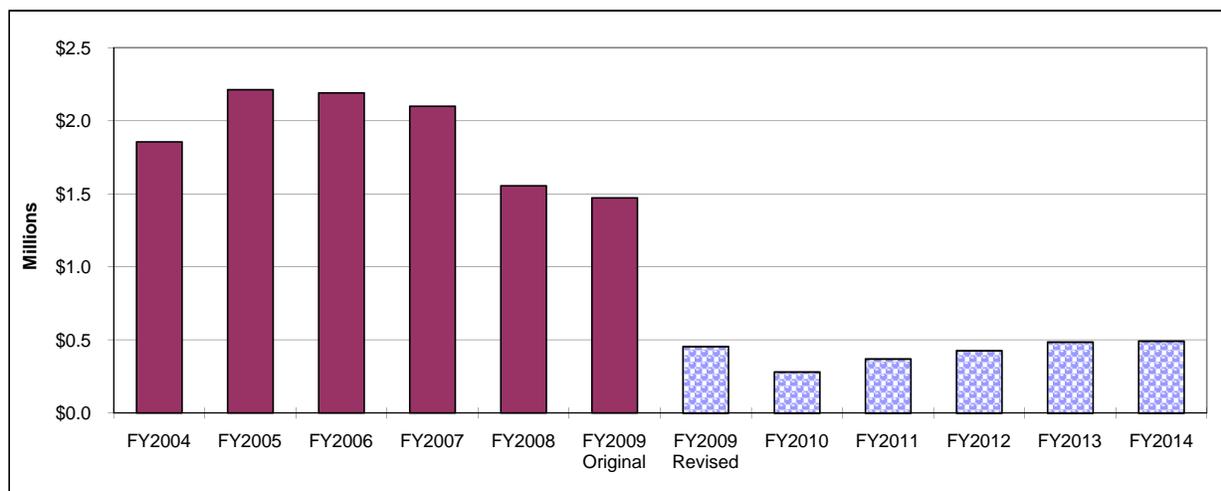
##### Formula:

Projected Building Inspection & Permit Fees Revenue = (C + D) x E

##### Where:

- A = Projected single family residential permits issued
- B = Projected average square feet per single family residential permit issued
- C = Projected square feet of single family residential permits issued, C = A x B
- D = Projected square feet of non-single family residential permits issued
- E = Projected building inspection & zoning fee revenue per square feet of permits (Inflated 1.5% per year)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected avg. sq ft per SFR permit issued (B)	3,081	3,081	3,081	3,081	3,081	3,081
Subtotal projected SFR sq ft (C)	1,386,497	1,078,386	1,540,552	1,694,607	1,848,662	1,848,662
Projected non-SFR sq ft (D)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected revenue per sq ft (E)	0.18	0.18	0.18	0.18	0.19	0.19
<b>Projected Other Building &amp; Zoning Fee Rev.</b>	<b>456,300</b>	<b>282,600</b>	<b>370,900</b>	<b>427,900</b>	<b>486,600</b>	<b>493,900</b>



## Engineering Fees

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Engineering Fees</b>	2,828,000	332,000	(2,496,000)	-88.3%

### Description

This category includes revenue collected for engineering and permit fees for residential and commercial construction activities. These are primarily operating/ongoing revenues.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,383,485	2,019,673	2,471,370	2,745,000	2,547,753	2,828,000

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Sq ft of SFR permits issued		24,630,800	12,261,100	5,038,100	2,461,000	2,180,414
Sq ft per SFR permit issued		3,194	3,232	2,881	3,131	3,115
Average sq ft per SFR permit issued				3,081		
Sq ft of Non-SFR permits issued		1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
Revenue per sq ft		0.08	0.17	0.38	0.54	0.77
Average revenue per sq ft			0.21			

### Forecast Assumptions

Inflation is held constant at 1.5% per year. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. Year-to-date trends are used for the projected revenue per square feet in FY2009.

### Forecast Methodology

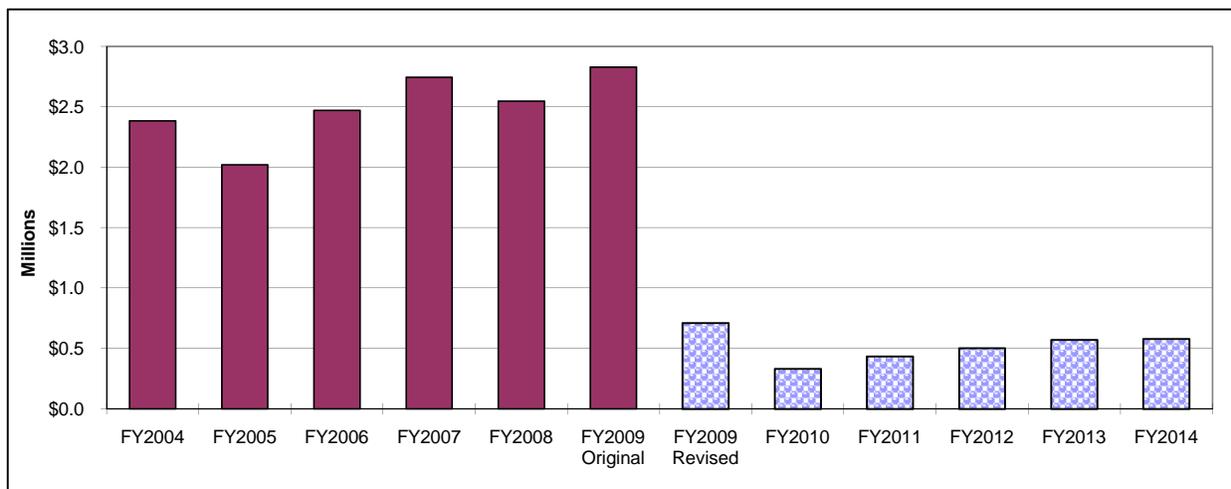
#### Formula:

Projected Building Inspection & Permit Fees Revenue

#### Where:

- A = Projected single family residential permits issued
- B = Projected average square feet per single family residential permit issued
- C = Projected square feet of single family residential permits issued, C = A x B
- D = Projected square feet of non-single family residential permits issued
- E = Projected building inspection & zoning fee revenue per square feet of permits (Inflated 1.5% per year)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected avg. sq ft per SFR permit issued (B)	3,081	3,081	3,081	3,081	3,081	3,081
Subtotal projected SFR sq ft (C)	1,386,497	1,078,386	1,540,552	1,694,607	1,848,662	1,848,662
Projected non-SFR sq ft (D)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected revenue per sq ft (E)	0.28	0.21	0.21	0.22	0.22	0.22
<b>Projected Engineering Fee Revenue</b>	<b>711,300</b>	<b>332,000</b>	<b>435,700</b>	<b>502,700</b>	<b>571,600</b>	<b>580,200</b>



## All Other General Fund Revenue

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>All Other General Fund Revenue</b>	7,175,175	4,648,200	(2,526,975)	-35.2%

### Description

This category includes all other general fund revenue collected by the city of Surprise for various programs and services provided on a day to day basis. This also includes interest gained on ongoing cash balance in the bank.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	1,631,912	2,111,482	4,101,499	5,758,305	6,691,988	7,175,175

### Indicators

Population (from DES)	51,885	64,210	85,930	98,140	104,895	103,884
Tax revenue per capita	31	33	48	59	64	69
Average tax revenue per capita			43			

### Forecast Assumptions

Population is expected to increase by 3.0% per year until FY2012 and then 1.25% per year thereafter. The projected revenue per capita for FY2009 is based on actual year to date collections. Inflation is held constant at 1.5% per year. This category includes the miscellaneous revenue account. Some revenue sources that had been recorded in this area in past fiscal years have been moved to other areas.

### Forecast Methodology

#### Formula:

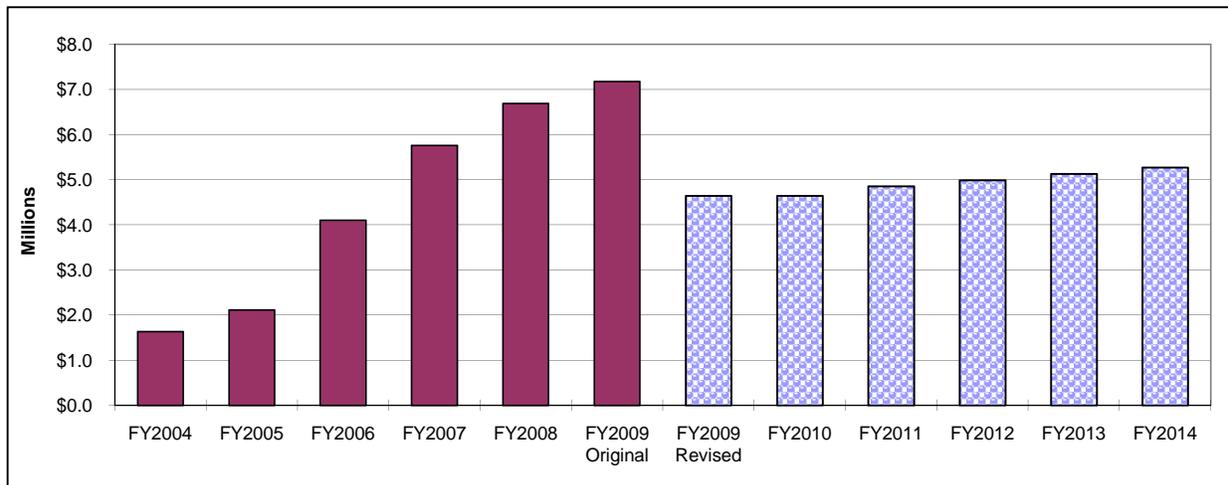
Projected All Other General Fund Revenue = A x B

#### Where:

A = Projected population

B = Projected all other general fund revenue per capita. (Inflated 1.5% per year)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	108,040	111,280	114,620	116,050	117,500	118,970
Projected revenue per capita (B)	43	42	42	43	44	44
<b>Projected All Other General Fund Revenue</b>	<b>4,645,300</b>	<b>4,648,200</b>	<b>4,859,500</b>	<b>4,994,000</b>	<b>5,132,200</b>	<b>5,274,400</b>



## Local Sales Tax - General Fund - One-Time

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Local Sales Tax - One-Time</b>	5,597,700	3,433,300	(2,164,400)	-38.7%

### Description

This represents the one-time construction sales tax revenue that is collected by the city of Surprise on an annual basis through the course of doing business. The operating/ongoing sales taxes have been separated out and addressed under Local Sales Tax - Operating/Ongoing.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	11,417,371	18,805,921	23,168,443	13,881,355	9,288,232	5,597,700

### Indicators

Single family residential (SFR) permits complete	5,217	6,722	5,776	2,095	1,332	700
Sq ft of SFR permits completed		24,630,800	12,261,100	5,038,100	2,461,000	2,180,414
Sq ft per SFR permit completed		3,664	2,123	2,405	1,848	3,115
Average sq ft per SFR permit completed				2,510		
Sq ft of Non-SFR permits completed		1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
Revenue per sq ft		0.72	1.61	1.93	1.96	1.52

### Forecast Assumptions

Inflation is held constant at 1.5% per year. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. Year-to-date trends are used for the projected revenue per square feet in FY2009.

### Forecast Methodology

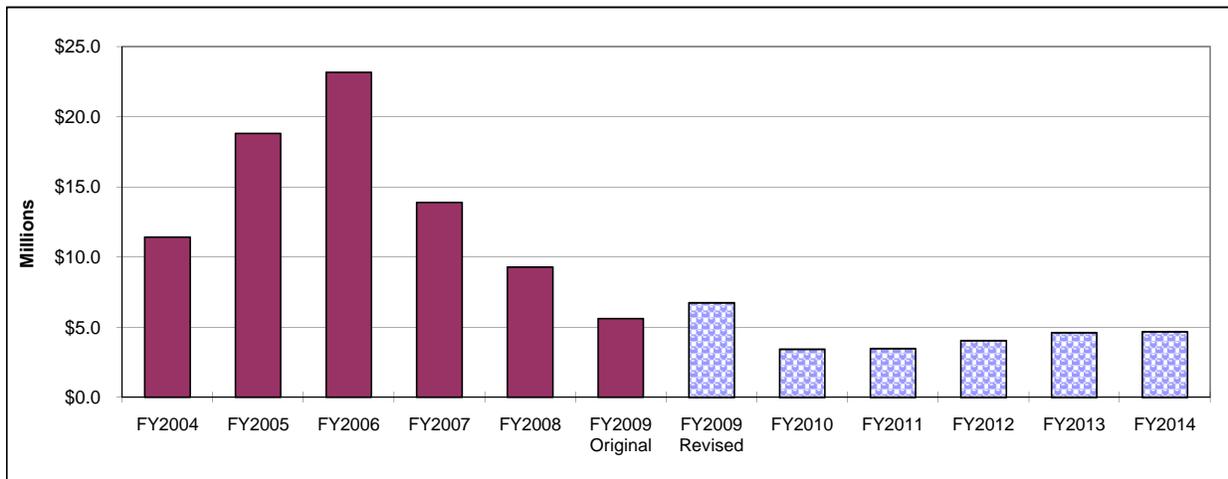
#### Formula:

Projected Sales Tax Revenue - One Time = (C + D) x E

#### Where:

- A = Projected single family residential permits completed
- B = Projected average square feet per single family residential permit completed
- C = Projected square feet of single family residential permits completed, C = A x B
- D = Projected square feet of non-single family residential permits completed
- E = Projected sales tax revenue per square feet of permits (Inflated 1.5% per year)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits completed (A)	500	500	500	550	600	600
Proj. avg. sq ft per SFR permit completed (B)	2,510	2,510	2,510	2,510	2,510	2,510
Subtotal projected SFR sq ft (C)	1,254,924	1,254,924	1,254,924	1,380,416	1,505,909	1,505,909
Projected Non-SFR sq ft (D)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected sales tax revenue per sq ft (E)	2.75	1.96	1.99	2.02	2.05	2.08
<b>Projected Sales Tax Revenue</b>	6,751,000	3,433,300	3,484,800	4,042,000	4,615,100	4,684,300



## HURF Fund

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>HURF - Highway User Revenue Fund</b>	6,353,500	5,334,200	(1,019,300)	-16.0%

### Description

State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the HURF Fund (Highway User Revenue Fund). These are operating/ongoing revenues.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,135,343	2,242,575	2,713,655	6,293,129	6,064,115	6,353,500

### Indicators

Population (from DES)	38,400	38,400	38,400	88,300	88,300	88,300
HURF revenue per capita	56	58	71	71	69	72
Average HURF revenue per capita		64				

### Forecast Assumptions

The projected population is based on a mid-decade census completed in FY 2007. The population is held constant until the 2010 Census is expected to be completed in time for FY2012. Inflation is held constant at 1.5% per year. Data from the League of Arizona Cities and Towns was used for the FY2009 and FY2010 Projected HURF Revenue.

### Forecast Methodology

#### Formula:

Projected Operating/Ongoing HURF Tax Revenue = A x B

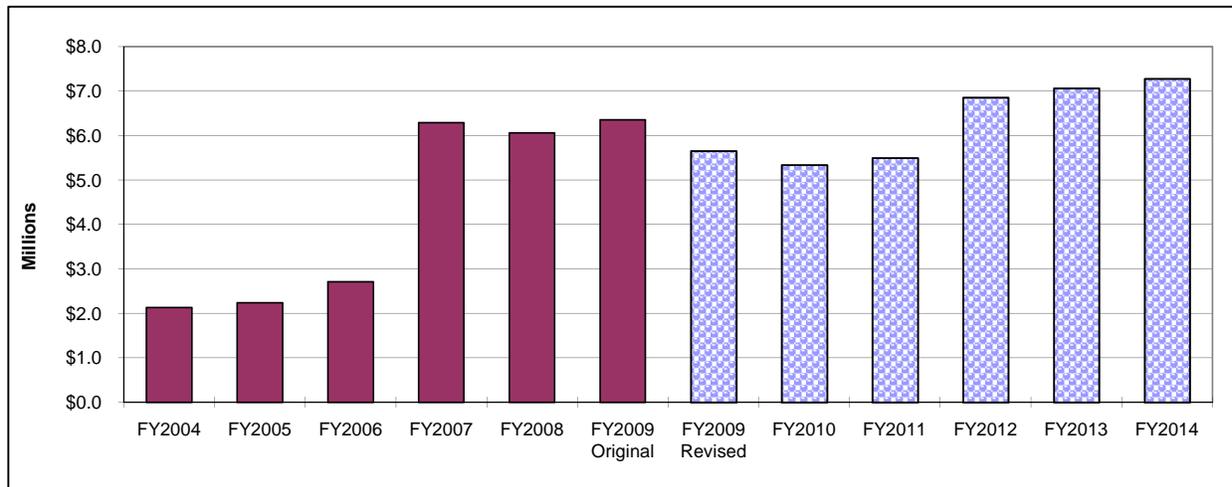
#### Where:

A = Projected population (mid-decade census population)

B = Projected HURF revenue per capita (Inflated 1.5% per year)

*Note: HURF Revenues increased significantly in FY 2007 due to the mid-decade census.*

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	88,300	88,300	88,300	107,000	107,000	107,000
Projected HURF revenue per capita (B)	64	60	62	64	66	68
<b>Projected HURF Revenue</b>	<b>5,650,000</b>	<b>5,334,200</b>	<b>5,494,200</b>	<b>6,857,500</b>	<b>7,063,200</b>	<b>7,275,100</b>



## Water Replenishment Service Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Water Replenishment Service Fee</b>	1,432,900	0	(1,432,900)	-100.0%

### Description

Revenue of the water replenishment service fee fund is established to cover all costs associated with required replenishment operations.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Budget
<b>Actuals</b>						
Revenue Collected	535,862	650,604	930,460	796,498	766,596	1,432,900

### Indicators

Water customers	7,948	11,047	13,133	13,985	14,380	14,546
Sewer customers	27,871	35,001	39,640	42,284	43,924	44,584

### Forecast Assumptions

A revised rate structure was incorporated during FY 2007. The projected water rate per customer (\$2.37/month) is calculated from FY2009 year to date experience. **The Water replenishment service fee fund was discontinued in January 2009.**

### Forecast Methodology

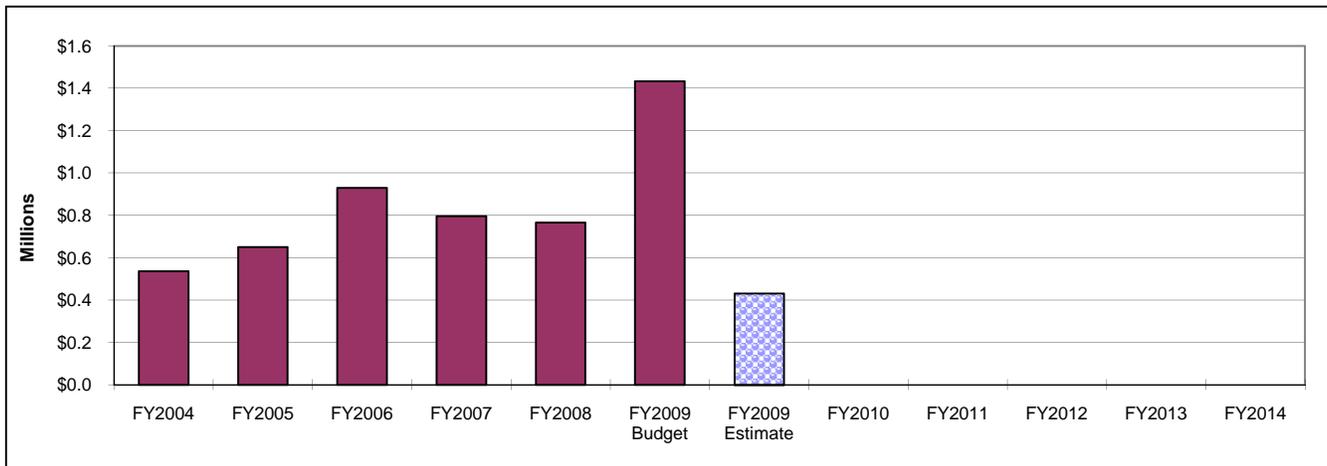
#### Formula:

Subtotal Sewer & Water Customer Revenue = A x B + C x D

#### Where:

- A = Total monthly bills (See sewer service fee projection)
- B = Projected sewer customer rate (\$0.90 per customer/ month x 95% collection rate)
- C = Total monthly bills (See water service fee projection)
- D = Projected water customer rate (\$.90 per customer/ month x 95 % collection rate) + (avg. monthly gallons per customer x \$0.25)

	FY2009 Estimate	FY2010	FY2011	FY2012	FY2013	FY2014
<b>Forecast</b>						
<b>Sewer Customers</b>						
Total monthly bills (A)	264,672					
Sewer rate per customer (B)	0.86					
Subtotal Sewer Customer Revenue	226,300					
<b>Water Customers</b>						
Total monthly bills (C)	86,483					
Water rate per customer (D)	2.37					
Subtotal Water Customer Revenue	205,098					
<b>Total Water Replenishment Revenue</b>	431,398	0	0	0	0	0



## Water Service Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Water Service Fee</b>	<b>8,634,400</b>	<b>10,335,900</b>	<b>1,701,500</b>	<b>19.7%</b>

### Description

Revenue of the water service fee fund is established to cover all costs associated with providing water service.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	3,070,598	3,857,438	6,416,610	7,737,626	8,683,420	8,634,400

### Indicators

Single family residential (SFR) permits completed	4,228	5,217	6,722	5,776	2,095	1,332
Customers	7,948	11,047	13,133	13,985	14,380	14,546
New customers		3,099	2,086	852	395	166
New customers per SFR permit completed		0.59	0.31	0.15	0.19	0.12

### Forecast Assumptions

A revised tiered rate structure was incorporated during FY2007. Each new permit completed will equate to approximately 0.12 new customers. Monthly bills new customers assumes new customers will be added each month. The monthly service rate for FY2010 is based on a Mayor and Council rate increase adopted to take place on January 1, 2010. Increases from FY2011 through FY2014 are projected increases based on anticipated expenditures.

### Forecast Methodology

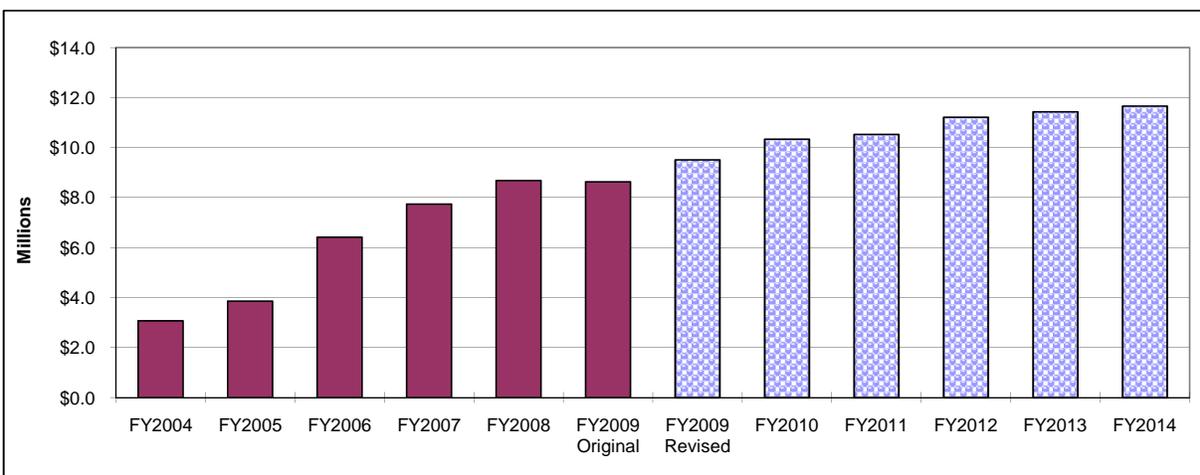
#### Formula:

Projected Water Services Revenue = F x G

#### Where:

- A = Prior year customers
- B = Monthly bills prior year customers, B = A x 12 months
- C = Projected single family residential (SFR) permits completed
- D = Projected new customers, D = C x 0.12
- E = Monthly bills new customers, E = D / 12 x (12 + 11 + 10 + 9 + 8 + 7 + 6 + 5 + 4 + 3 + 2 + 1)
- F = Total monthly bills, F = B + E
- G = Monthly service rate

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Prior year customers (A)	14,380	14,442	14,505	14,567	14,635	14,710
Monthly bills prior year customers (B)	172,560	173,308	174,055	174,803	175,626	176,523
Projected SFR permits completed (C)	500	500	500	550	600	600
Projected new customers (D)	62	62	62	69	75	75
Monthly bills new customers (E)	405	405	405	446	486	486
Total monthly bills (F)	172,965	173,713	174,461	175,249	176,112	177,009
Monthly service rate (G)	55	60	60	64	65	66
<b>Projected Water Service Revenue</b>	<b>9,513,100</b>	<b>10,335,900</b>	<b>10,536,100</b>	<b>11,215,900</b>	<b>11,440,200</b>	<b>11,671,000</b>



## Sewer Service Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Sewer Service Fee</b>	<b>12,027,200</b>	<b>13,690,900</b>	<b>1,663,700</b>	<b>13.8%</b>

### Description

Revenue of the sewer service fee fund is established to cover all costs associated with providing sewer service.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	6,843,052	8,163,690	10,187,758	12,361,727	12,943,202	12,027,200

### Indicators

Single family residential (SFR) permits completed	5,217	6,722	5,776	2,095	1,332	700
Customers	27,871	35,001	39,640	42,284	43,924	44,584
New customers		7,130	4,639	2,644	1,640	660
New customers per SFR permits completed		1.06	0.80	1.26	1.23	0.94

### Forecast Assumptions

Each new permit completed will equate to approximately 0.7 new customers. Monthly bills new customers assumes new customers will be added each month. The monthly service rate for FY2010 is based on a Mayor and Council rate increase adopted to take place on January 1, 2010. Increases from FY2011 through FY2014 are projected increases based on anticipated expenditures.

### Forecast Methodology

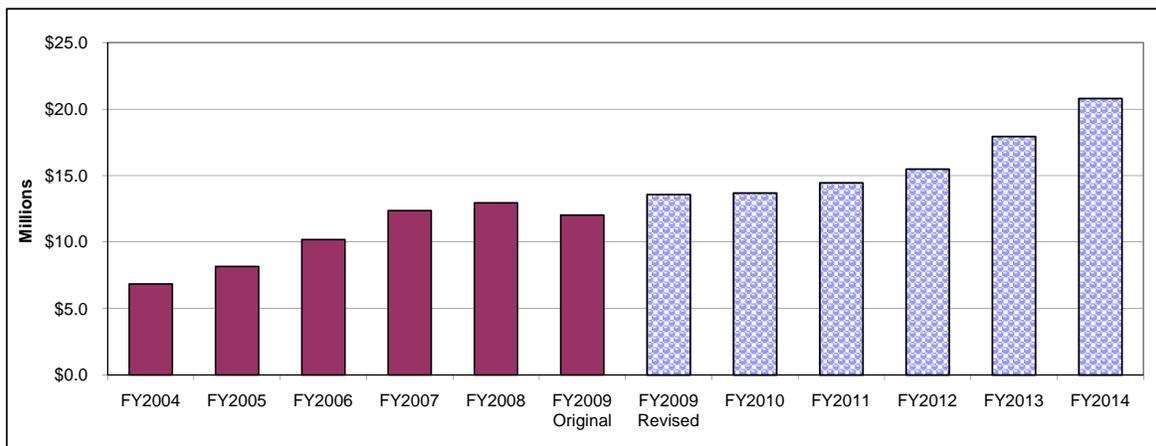
#### Formula:

$$\text{Projected Sewer Revenue} = F \times G + H \times I$$

#### Where:

- A = Prior year customers
- B = Monthly bills prior year customers = A x 12 months
- C = Projected single family residential (SFR) permits completed
- D = Projected new customers = C x 0.7
- E = Monthly bills new customers = D / 12 x (12 + 11 + 10 + 9 + 8 + 7 + 6 + 5 + 4 + 3 + 2 + 1)
- F = Total monthly bills = B + E
- G = Projected monthly residential service rate
- H = Projected commercial gallons
- I = Projected commercial service rate per gallon

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Prior year customers (A)	43,924	44,271	44,742	45,214	45,732	46,298
Monthly bills prior year customers (B)	527,088	531,252	536,909	542,566	548,789	555,578
Projected SFR permits completed (C)	500	500	500	550	600	600
Projected new customers (D)	347	471	471	519	566	566
Monthly bills new customers (E)	2,256	3,064	3,064	3,371	3,677	3,677
Total monthly bills (F)	529,344	534,316	539,973	545,937	552,466	559,255
Monthly service rate (G)	23.69	23.69	24.78	26.27	30.10	34.50
Commercial Gallons (H)	330,000	330,000	330,000	330,000	330,000	330,000
Average service rate per gallon (I)	3.13	3.13	3.27	3.47	3.98	4.56
<b>Projected Sewer Revenue</b>	<b>13,573,000</b>	<b>13,690,900</b>	<b>14,460,800</b>	<b>15,485,100</b>	<b>17,942,500</b>	<b>20,796,300</b>



## Sanitation Service Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Sanitation Service Fee</b>	5,387,800	5,856,500	468,700	8.7%

### Description

Revenue of the sanitation service fee fund established to cover all costs associated with providing sanitation service.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,030,214	2,535,747	3,451,396	4,599,920	5,281,116	5,387,800

### Indicators

Single family residential (SFR) permits completed	5,217	6,722	5,776	2,095	1,332	700
Customers	19,286	25,172	29,567	31,547	32,072	31,848
Average revenue per customer	105	101	117	146	165	169

### Forecast Assumptions

Projections for FY2009 new customers are based on year-to-date actuals. Projection thereafter assume 95% of all new permits will result in approximately one new customer each. Monthly bills new customers assumes new customers will be added each month. Projections also assume the city of Surprise will collect 95% of the amount billed annually. The monthly service rate for FY2010 is based on a Mayor and Council rate increase adopted to take place on January 1, 2010. Increases from FY2011 through FY2014 are projected increases based on anticipated expenditures.

### Forecast Methodology

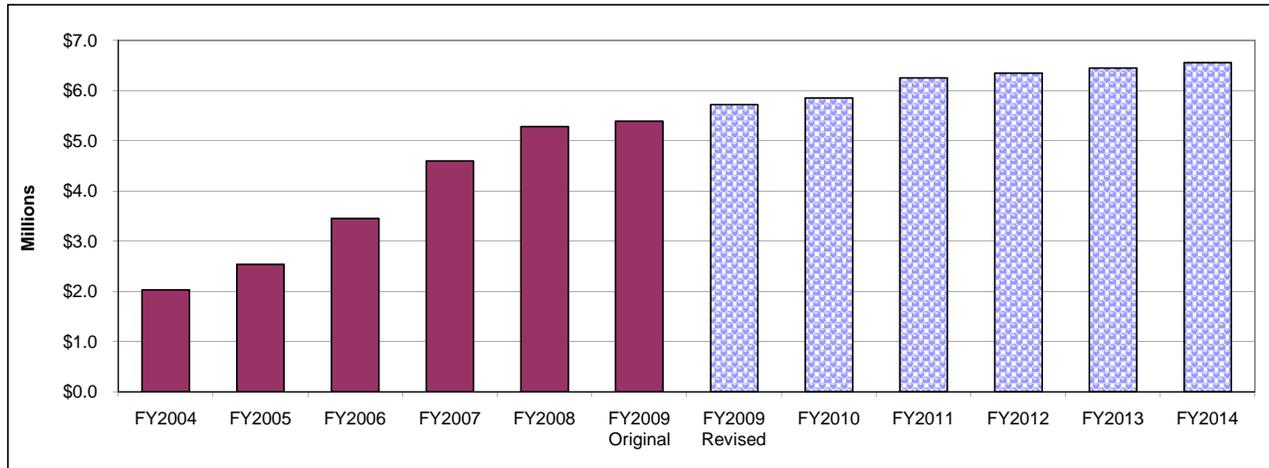
#### Formula:

$$\text{Projected Sanitation Revenue} = F \times G \times 95\%$$

#### Where:

- A = Prior year customers
- B = Monthly bills prior year customers, B = A x 12 months
- C = Projected single family residential (SFR) permits completed
- D = Projected new customers, D = C x 95%
- E = Monthly bills new customers, E = D / 12 x (12 + 11 + 10 + 9 + 8 + 7 + 6 + 5 + 4 + 3 + 2 + 1)
- F = Total monthly bills, F = B + E
- G = Actual monthly service rate

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Prior year customers (A)	32,072	32,257	32,732	33,207	33,730	34,300
Monthly bills prior year customers (B)	384,864	387,084	392,784	398,484	404,760	411,600
Projected SFR permits completed (C)	500	500	500	550	600	600
Projected new customers (D)	185	475	475	523	570	570
Monthly bills new customers (E)	1,203	3,088	3,088	3,400	3,705	3,705
Total monthly bills (F)	386,067	390,172	395,872	401,884	408,465	415,305
Monthly service rate (G)	15.60	15.80	16.63	16.63	16.63	16.63
<b>Projected Sanitation Revenue</b>	<b>5,721,500</b>	<b>5,856,500</b>	<b>6,254,000</b>	<b>6,349,000</b>	<b>6,452,900</b>	<b>6,561,000</b>



## Campus Operations

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Campus Operations</b>	1,648,900	1,199,900	(449,000)	-27.2%

### Description

The campus operations fund was established to account for the operational activities associated with spring training and the sports campus located at Surprise Center. Included in the revenue is the City's share of the ticket and concession revenue distributed from the Sundancer organization.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
<b>Actuals</b> Revenue Collected	1,440,590	1,562,642	1,450,581	1,499,161	1,673,274	1,648,900

### Indicators

Population (From DES)	38,400	38,400	38,400	88,300	88,300	88,300
Tax received per capita	38	41	38	17	19	19

### Forecast Assumptions

The projected population is based on a mid-decade census completed in FY 2007. The population is held constant until the 2010 Census is expected to be completed in time for FY2012. Inflation is held constant at 1.5% per year. FY2009 projected revenue per capita is based on year-to-date experience.

### Forecast Methodology

#### Formula:

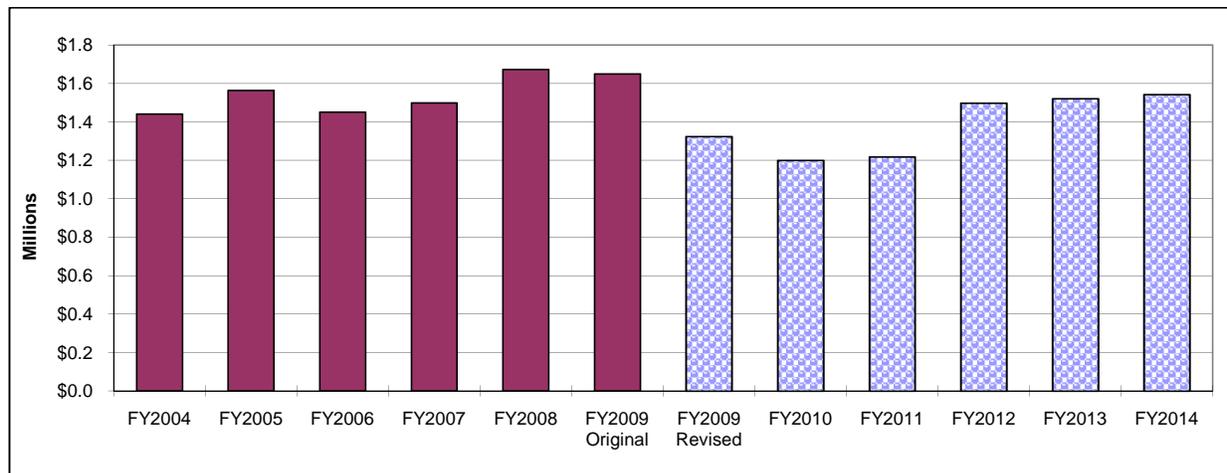
Projected Operating/Ongoing Sales Tax Revenue = A x B

#### Where:

A = Projected population

B = Projected revenue per capita (Inflated 1.5% Per Year)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
<b>Forecast</b> Projected population (A)	88,300	88,300	88,300	107,000	107,000	107,000
Projected revenue per capita (B)	15	14	14	14	14	14
Projected Revenue	1,324,500	1,199,900	1,217,900	1,498,000	1,520,400	1,543,200



Transit				
	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
Transit	450,500	320,700	(129,800)	-28.8%

#### Description

The transit fund was established to track all revenues and expenditures associated with providing transit services within the city of Surprise. The source of this funding is the Arizona State Lottery and is received from disbursements from the Local Transportation Assistance Fund (LTAF).

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	239,406	388,970	375,811	636,007	612,270	450,500

#### Indicators

Population (From DES)	51,885	64,210	85,930	98,140	104,895	103,884
Tax received per capita	4.61	6.06	4.37	6.48	5.84	4.34

#### Forecast Assumptions

Projected revenues for the FY2009 and FY2010 are based on an estimate of the revised budget from the Arizona League of Cities and Towns. Inflation is held constant at 1.5% per year. Population is expected to increase by 3.0% per year until FY2012 and then 1.25% per year thereafter. The large reduction between FY2009 and FY2010 are due to funding modifications made by the State of Arizona. FY2007 and FY2008 include LTAF II funds received.

#### Forecast Methodology

##### Formula:

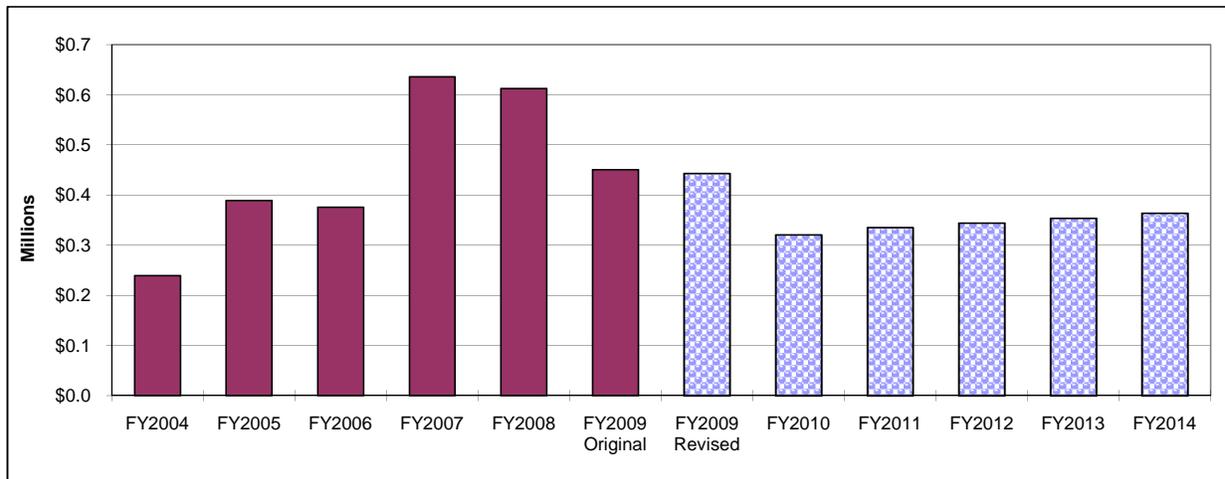
Projected Operating/Ongoing Sales Tax Revenue = A x B

##### Where:

A = Projected population

B = Projected revenue per capita (Inflated 1.5% Per Year)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected population (A)	108,040	111,280	114,620	116,050	117,500	118,970
Projected revenue per capita (B)	4.10	2.88	2.93	2.97	3.01	3.06
Projected Revenue	443,408	320,700	335,300	344,600	354,100	363,900



## General Government Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>General Government Development Fee</b>	1,146,900	480,400	(666,500)	-58.1%

### Description

One-time impact fees charged to developers to recover costs associated with general government activities. This revenue is collected specifically to fund growth related activities. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-24.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
<b>Actuals</b> Revenue Collected	2,097,228	2,494,928	1,476,440	945,094	1,344,928	1,146,900

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit square feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
SFR development fee rate	314	314	314	314	661	661
Average Non-SFR development fee rate	271	271	271	271	652	652

### Forecast Assumptions

Rates were increased in FY2008, but no further changes are contemplated for these projections. The projected non-single family residential permits are held at 500,000 square feet for FY2010 and FY2011, 625,000 for FY2012, and 750,000 in FY2013 and 2014. The projected percent of non-single family residential permits paying the general government development fee is based on FY2009 year-to-date trends.

### Forecast Methodology

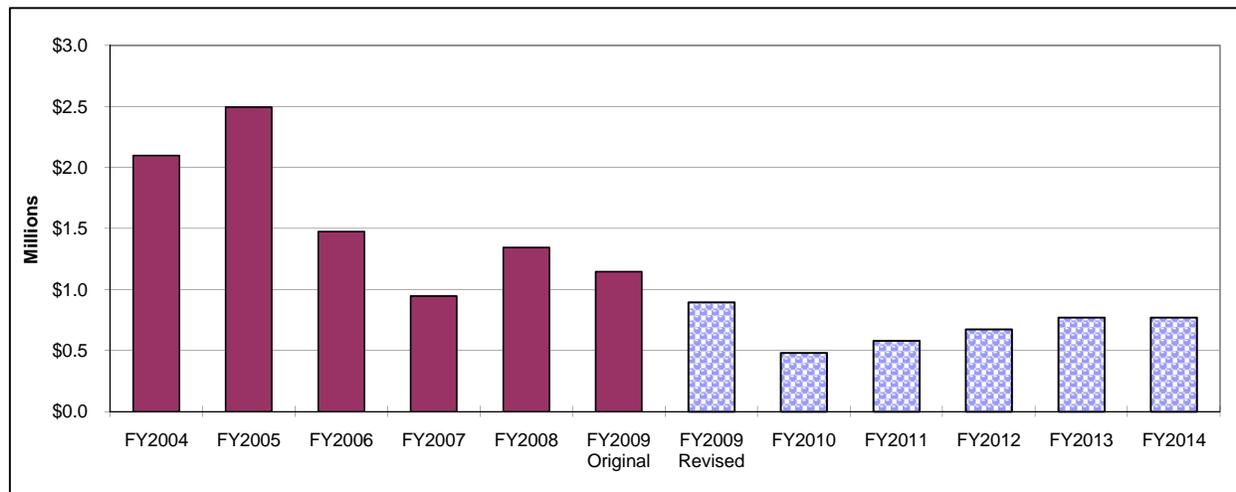
#### Formula:

$$\text{Projected Development Fee Revenue} = (A \times B) + (((C \times D)/1000) \times E)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Single family residential development fee rate
- C = Projected square feet of non-single family residential (non-SFR) permits
- D = Projected percent of non-SFR paying the general government development fee
- E = Projected non-SFR permit development fee rate (per 1,000 square feet)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
SFR fee rate (B)	661	661	661	661	661	661
Projected non-SFR sq ft (C)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected % of non-SFR paying fee (D)	50%	50%	50%	50%	50%	50%
Projected non-SFR fee rate (E)	996	996	996	996	996	996
<b>Projected Development Fee Revenue</b>	895,100	480,400	579,500	674,800	770,100	770,100



## Police Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Police Development Fee</b>	<b>890,400</b>	<b>303,000</b>	<b>(587,400)</b>	<b>-66.0%</b>

### Description

One-time impact fees charged to developers to recover costs associated with providing police facilities and services to the community. This revenue is collected specifically to fund growth related activities. Prior to FY 2005, fire & EMS development fees were recorded in this fund as well. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-21.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,760,946	3,859,184	2,435,826	2,085,418	766,873	890,400

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit square feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
SFR development fee rate	424	424	424	424	372	372
Average non-SFR development fee rate	920	920	920	920	272	272

### Forecast Assumptions

Rates were increased in FY2008, but no further changes are contemplated for these projections. The projected non-single family residential permits are held at 500,000 square for FY2010 and 2011, 625,000 for FY2012, and 750,000 in FY2013 and 2014. The projected percent of non-single family residential permits paying the general government development fee is based on FY2009 year-to-date trends.

### Forecast Methodology

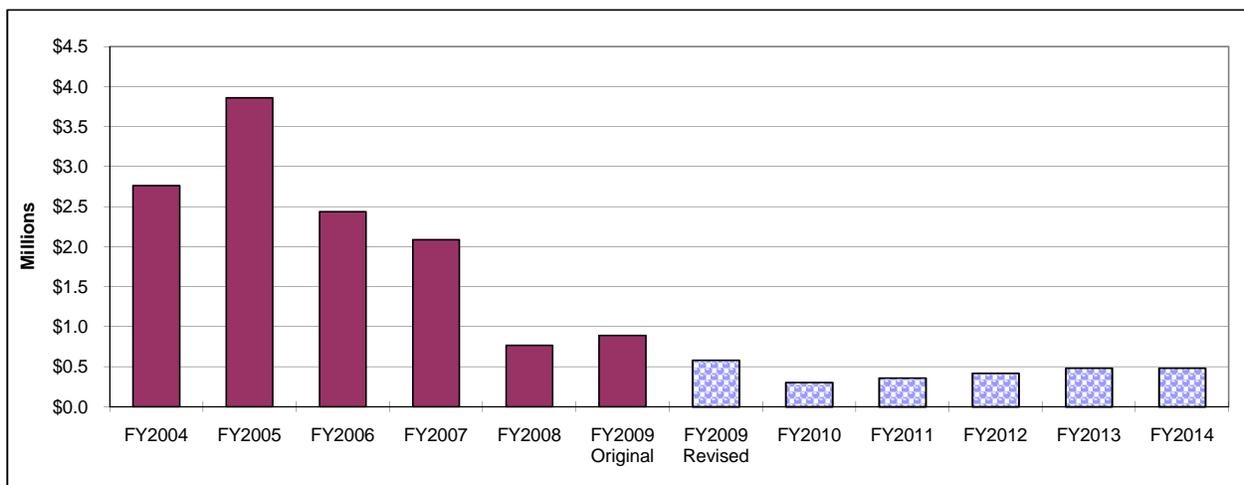
#### Formula:

$$\text{Projected Development Fee Revenue} = (A \times B) + (((C \times D)/1000) \times E)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Single family residential development fee rate
- C = Projected square feet of non-single family residential (non-SFR) permits
- D = Projected percent of non-SFR paying the police development fee
- E = Projected non-SFR permit development fee rate (per 1,000 square feet)

	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
SFR fee rate (B)	372	372	372	372	372	372
Projected non-SFR sq ft (C)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected % of non-SFR paying fee (D)	50%	50%	50%	50%	50%	50%
Projected non-SFR fee rate (E)	691	691	691	691	691	691
<b>Projected Development Fee Revenue</b>	<b>582,000</b>	<b>303,000</b>	<b>358,800</b>	<b>420,500</b>	<b>482,300</b>	<b>482,300</b>



## Fire & EMS Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Fire &amp; EMS Development Fee</b>	1,701,700	557,400	(1,144,300)	-67.2%

### Description

One-time impact fees charged to developers to recover costs associated with providing fire and emergency facilities and services to the community. This revenue is collected specifically to fund growth related activities. The fire & EMS development fees were recorded in the police development fee fund prior to FY 2005. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-22.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	0	2,732,689	2,619,240	2,266,095	1,548,612	1,701,700

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit square feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
SFR development fee rate	454	454	454	454	706	706
Average non-SFR development fee rate	1,223	1,223	1,223	1,223	812	812

### Forecast Assumptions

Rates were increased in FY2008, but no further changes are contemplated for these projections. The projected non-single family residential permits are held at 500,000 square feet for FY2010 and 2011, 625,000 for FY2012, and 750,000 in FY2013 and 2014. The projected percent of non-single family residential permits paying the general government development fee is based on FY2009 year-to-date trends.

### Forecast Methodology

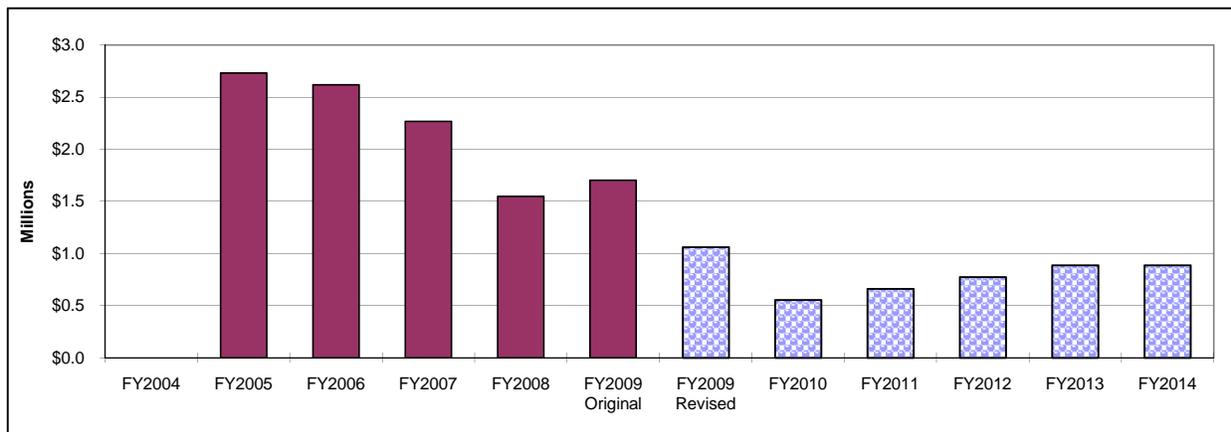
#### Formula:

$$\text{Projected Development Fee Revenue} = (A \times B) + (((C \times D)/1000) \times E)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Single family residential development fee rate
- C = Projected square feet of non-single family residential (non-SFR) permits
- D = Projected percent of non-SFR paying the fire and EMS development fee
- E = Projected non-SFR permit development fee rate (per 1,000 square feet)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
SFR fee rate (B)	706	706	706	706	706	706
Projected non-SFR sq ft (C)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected % of non-SFR paying (D)	50%	50%	50%	50%	50%	50%
Projected non-SFR fee rate (E)	1,241	1,241	1,241	1,241	1,241	1,241
<b>Projected Development Fee Revenue</b>	<b>1,062,300</b>	<b>557,400</b>	<b>663,300</b>	<b>776,100</b>	<b>889,000</b>	<b>889,000</b>



## Parks & Recreation Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Parks &amp; Recreation Development Fee</b>	1,505,500	567,800	(937,700)	-62.3%

### Description

One-time impact fees charged to developers to recover costs associated with providing Parks and Recreation facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Prior to FY 2005, the library development fees were included in this fund as well. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-20.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	7,376,309	8,277,665	4,627,284	2,372,708	2,101,227	1,505,500

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
SFR development fee rate	1,127	1,127	1,127	1,127	2,114	2,114
Average multi-family development fee rate	964	964	964	964	1,800	1,800

### Forecast Assumptions

Rates were increased in FY2008, but no further changes are contemplated for these projections. Multi-family permits are assumed to be 2% of the total residential permits.

### Forecast Methodology

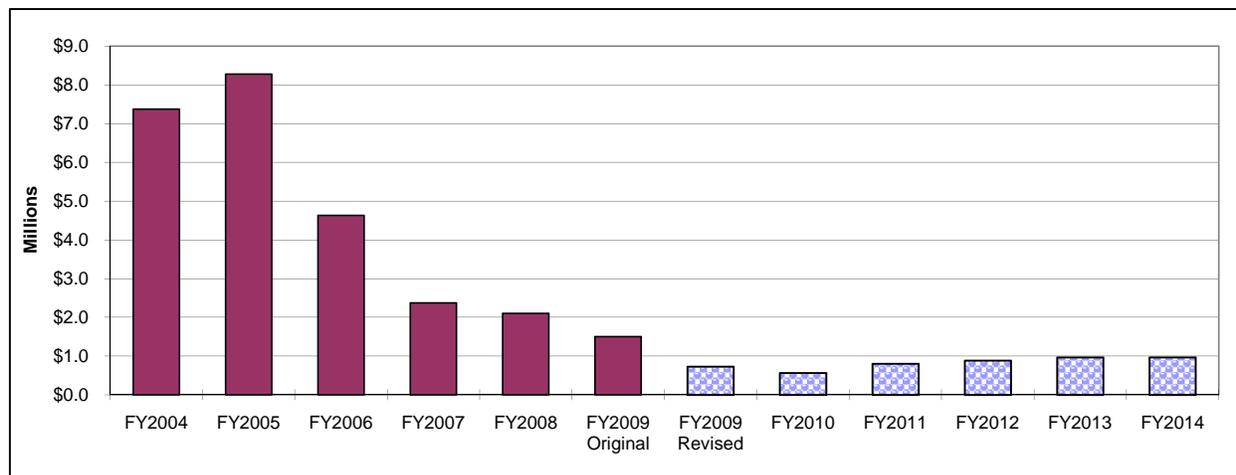
#### Formula:

$$\text{Projected Development Fee Revenue} = (A \times B) \times C + (D \times E)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Single family residential development fee rate
- C = Percent of single family residential paying fee
- D = Projected multi-family residential permits issued
- E = Average multi-family residential development fee rate

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected (SFR) permits issued (A)	450	350	500	550	600	600
SFR fee rate (B)	2,114	2,114	2,114	2,114	2,114	2,114
% of SFR paying fee (C)	75%	75%	75%	75%	75%	75%
Projected multi-family permits issued (D)	9	7	10	11	12	12
Average multi-family fee rate (E)	1,800	1,800	1,800	1,800	1,800	1,800
<b>Projected Development Fee Revenue</b>	<b>730,000</b>	<b>567,800</b>	<b>811,100</b>	<b>892,200</b>	<b>973,300</b>	<b>973,300</b>



## Library Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Library Development Fee</b>	332,600	166,300	(166,300)	-50.0%

### Description

One-time impact fees charged to developers to recover costs associated with providing Library facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. The library development fees were recorded in the parks and recreation development fee fund prior to FY 2005. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-19.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	0	1,381,304	1,060,067	561,270	461,743	332,600

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
SFR development fee rate	266	266	266	266	467	467
Average multi-family development fee rate	228	228	228	228	397	397

### Forecast Assumptions

Rates were increased in FY2008, but no further changes are contemplated for these projections. Multi-family permits are assumed to be 2% of the total residential permits.

### Forecast Methodology

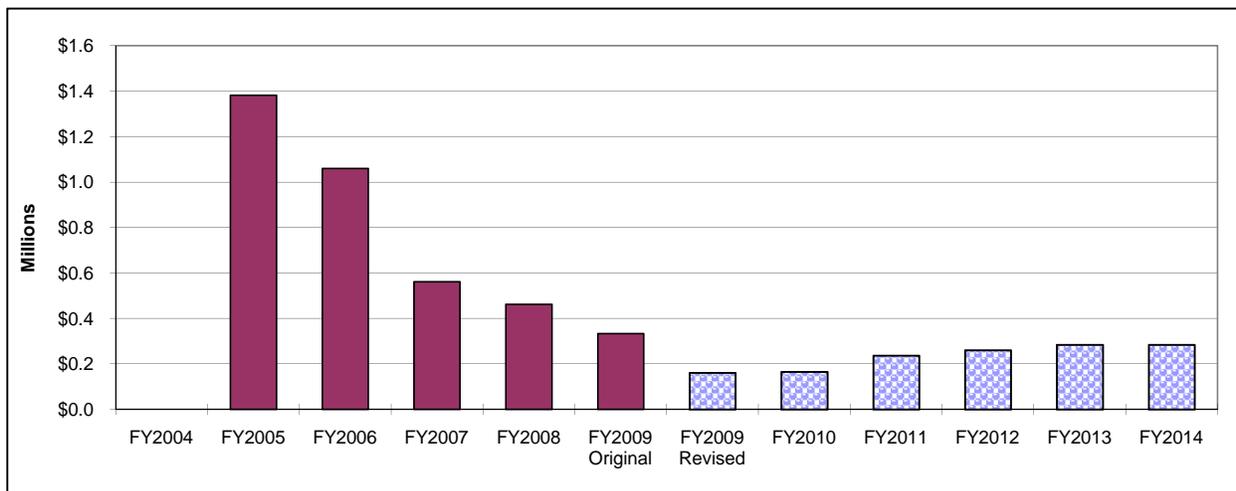
#### Formula:

$$\text{Projected Development Fee Revenue} = (A \times B) \times C + (D \times E)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Single family residential development fee rate
- C = Percent of single family residential paying fee
- D = Projected multi-family residential permits issued
- E = Average multi-family residential development fee rate

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected (SFR) permits issued (A)	450	350	500	550	600	600
SFR fee rate (B)	467	467	467	467	467	467
% of SFR paying fee (C)	75%	75%	75%	75%	75%	75%
Projected multi-family permits issued (D)	9	7	10	11	12	12
Average multi-family fee rate (E)	397	397	397	397	397	397
<b>Projected Development Fee Revenue</b>	<b>161,300</b>	<b>166,300</b>	<b>237,600</b>	<b>261,300</b>	<b>285,100</b>	<b>285,100</b>



## Public Works Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Public Works Development Fee</b>	1,668,800	640,600	(1,028,200)	-61.6%

### Description

One-time impact fees charged to developers to recover costs associated with providing Public Works facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-23.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	3,187,463	5,944,360	3,802,627	2,334,977	1,646,551	1,668,800

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit square feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
SFR development fee rate	885	885	885	885	998	998
Average Non-SFR development fee rate	595	595	595	595	706	706

### Forecast Assumptions

Rates were increased in FY 2008, but no further changes are contemplated for these projections. The projected non-single family residential permits are held at 500,000 square for FY2010 and 2011, 625,000 for FY2012, and 750,000 in FY2013 and 2014. The projected percent of non-single family residential permits paying the general government development fee is based on FY 2009 year to date trends.

### Forecast Methodology

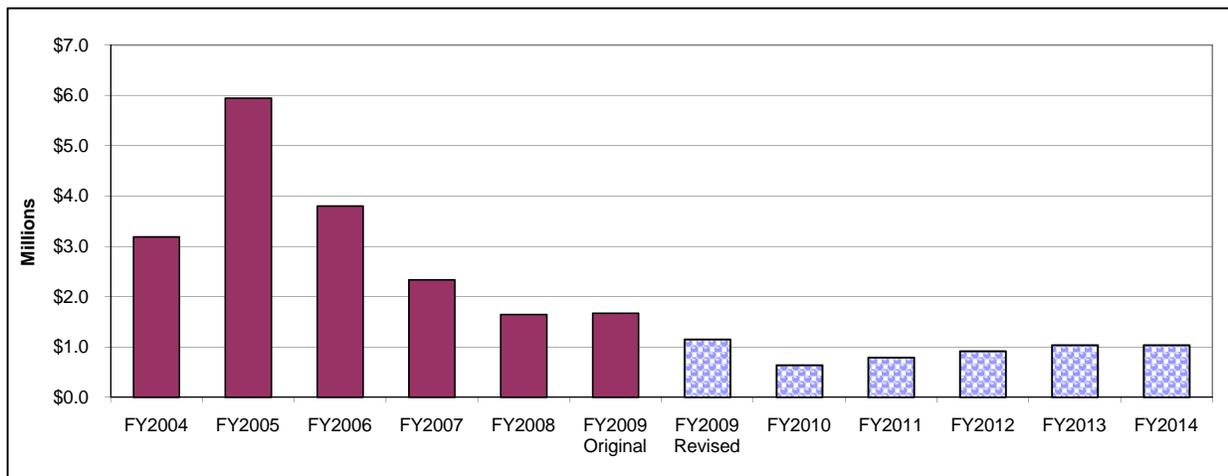
#### Formula:

$$\text{Projected Development Fee Revenue} = (A \times B) + (((C \times D)/1000) \times E)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Single family residential development fee rate
- C = Projected square feet of non-single family residential (non-SFR) permits
- D = Projected percent of non-SFR paying the public works development fee
- E = Projected non-SFR permit development fee rate (per 1,000 square feet)

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
SFR fee rate (B)	998	998	998	998	998	998
Projected non-SFR sq ft (C)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected % of non-SFR paying fee (D)	50%	50%	50%	50%	50%	50%
Projected non-SFR fee rate (E)	1,165	1,165	1,165	1,165	1,165	1,165
<b>Projected Development Fee Revenue</b>	1,148,100	640,600	790,300	913,000	1,035,700	1,035,700



## Replenishment Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Replenishment Development Fee</b>	471,300	280,400	(190,900)	-40.5%

### Description

One-time impact fees charged to developers to recover costs associated with providing water replenishment related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-15.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	2,128,521	2,143,323	1,090,641	340,905	752,345	471,300

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit square feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
SFR development fee rate SPA 1	456	456	456	456	2,100	2,100
SFR development fee rate SPA 2-6	456	456	456	456	796	796

### Forecast Assumptions

Rates have been adjusted for FY2008, but no further changes are contemplated for these projections. Projections assume 80% of the new SFR permits each fiscal year will be in SPA 1, while 20% will be in SPAs 2-6. Projections assume that 35% of the permits in SPA 1 and 80% of permits in SPAs 2-6 will become city of Surprise replenishment customers. The projected fee rate per non-SFR square foot is based on FY2009 year-to-date trends.

### Forecast Methodology

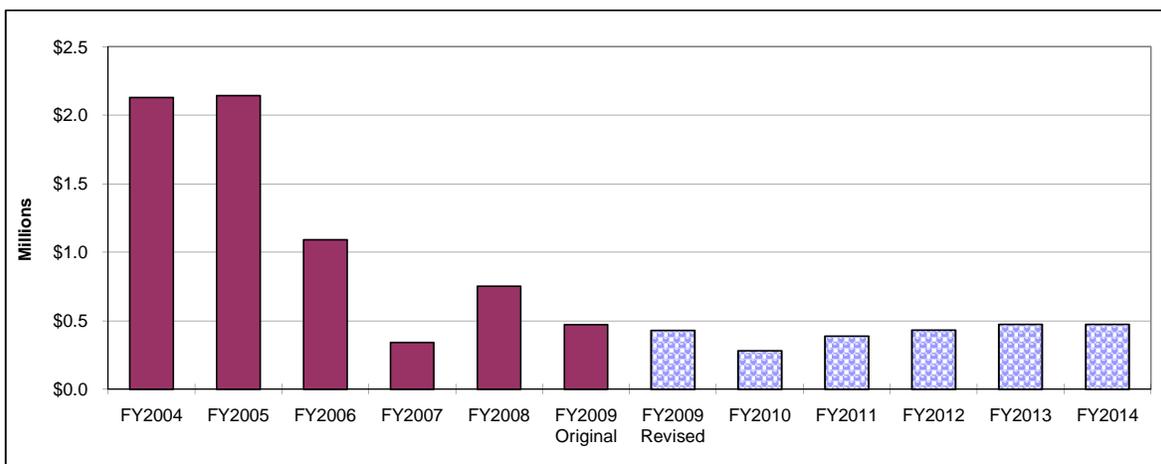
#### Formula:

$$\text{Projected Development Fee Revenue} = (C \times D) + (F \times G) + (H \times I)$$

#### Where:

- |  |   |
|--|---|
| A = Projected single family residential (SFR) permits issued | E = Projected percent of SFR permits issued in SPA 2-6            |
| B = Projected percent of SFR permits issued in SPA 1         | F = Projected new customers in SPA 2-6, F = (A x E) x 80%         |
| C = Projected new customers in SPA 1, C = (A x B) x 35%      | G = Projected development fee rate in SPA 2-6                     |
| D = Projected development fee rate in SPA 1                  | H = Projected non-single family residential (non-SFR) square feet |
|  | I = Projected fee per square foot                                 |

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected % permits issued SPA 1 (B)	80%	80%	80%	80%	80%	80%
Projected new customers SPA 1 (C)	126	98	140	154	168	168
Projected fee rate SPA 1 (D)	2,100	2,100	2,100	2,100	2,100	2,100
Projected % permits Issued SPA 2-6 (E)	20%	20%	20%	20%	20%	20%
Projected new customers SPA 2-6 (F)	72	56	80	88	96	96
Projected fee rate SPA 2-6 (G)	796	796	796	796	796	796
Projected non-SFR square feet (H)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected fee rate per non-SFR sq ft (I)	0.09	0.06	0.06	0.06	0.06	0.06
<b>Projected Development Fee Revenue</b>	<b>429,200</b>	<b>280,400</b>	<b>387,700</b>	<b>430,900</b>	<b>474,200</b>	<b>474,200</b>



## Water Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Water Development Fee</b>	1,411,400	504,900	(906,500)	-64.2%

### Description

One-time impact fees charged to developers to recover costs associated with providing Water related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-16.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	5,246,978	6,940,661	5,126,431	2,072,920	707,059	1,411,400

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit sqarue feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
Drinking water development fee rate	2,879	2,879	2,879	2,879	3,895	3,895

### Forecast Assumptions

Rates were adjusted for FY2008, but no further changes are contemplated for these projections. Projections assume 80% of the new SFR permits each fiscal year will be in SPA 1, while 20% will be in SPAs 2-6. Projections also assume that 35% of the permits in SPA 1 and 80% of permits in SPAs 2-6 will become city of Surprise water customers.

### Forecast Methodology

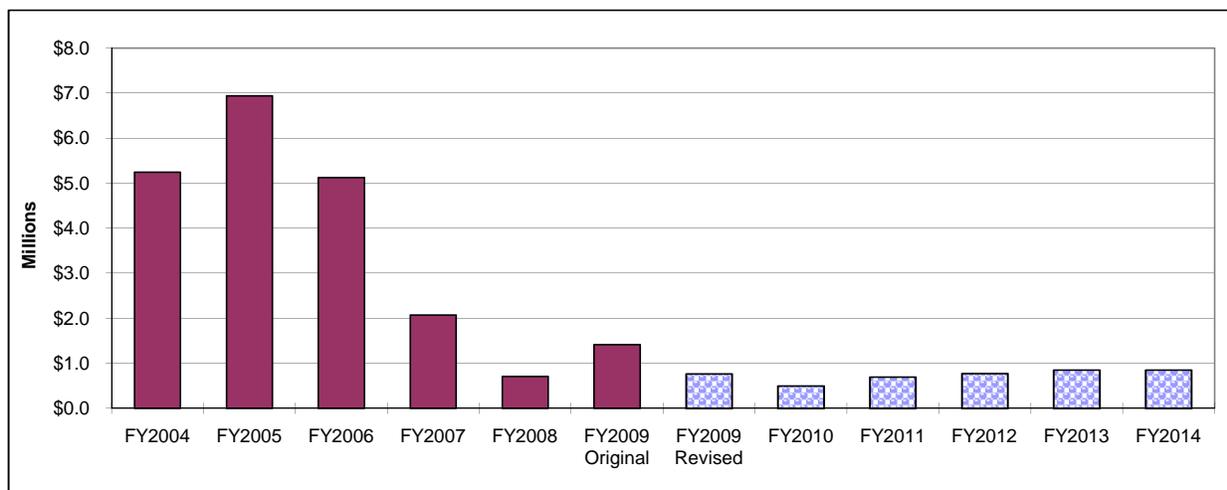
#### Formula:

$$\text{Projected Development Fee Revenue} = (B \times C) \times (1 - D) + (E \times F)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Projected new customers (as calculated on replenishment development fee)
- C = Projected drinking water fee rate
- D = Projected percent of fees credited back
- E = Projected non-single family residential (non-SFR) square feet
- F = Projected fee per square foot

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected new customers (B)	198	154	220	242	264	264
Projected drinking water fee rate (C)	3,895	3,895	3,895	3,895	3,895	3,895
Projected percent of development fee credits (D)	25%	25%	25%	25%	25%	25%
Projected non-SFR square feet (E)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected fee rate per non-SFR sq ft (F)	0.16	0.11	0.11	0.11	0.11	0.11
<b>Projected Development Fee Revenue</b>	<b>771,200</b>	<b>504,900</b>	<b>697,700</b>	<b>775,700</b>	<b>853,700</b>	<b>853,700</b>



## Sewer Development Fee

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Sewer Development Fee</b>	3,923,100	1,671,600	(2,251,500)	-57.4%

### Description

One-time impact fees charged to developers to recover costs associated with providing Sewer related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-18.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	10,556,379	13,181,495	7,967,098	5,279,179	4,370,515	3,923,100

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Non-single family residential permit square feet	961,300	1,365,400	2,096,800	2,162,600	2,286,600	1,500,000
Development fee rate SPA 1	1,808	1,808	1,808	1,808	3,853	3,853
Development fee rate SPA 2-6	1,808	1,808	1,808	1,808	3,039	3,039

### Forecast Assumptions

Rates were increased in FY2008, but no further changes are contemplated for these projections. Projections assume 84% of the new single family residential permits each fiscal year will be located in SPA 1, while 16% will be located in SPAs 2-6 in FY2009.

### Forecast Methodology

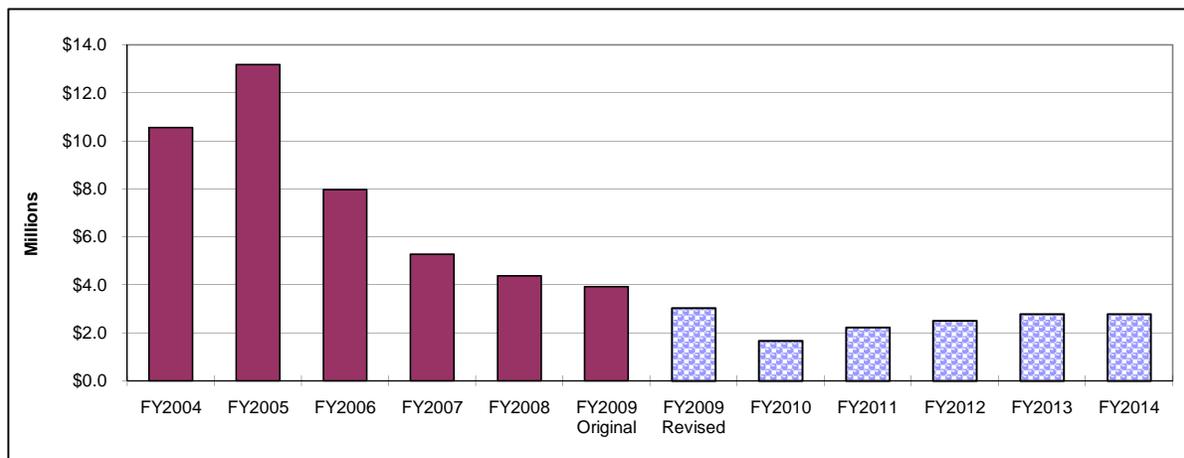
#### Formula:

$$\text{Projected Sewer Development Fee Revenue} = ((A \times B \times C) + (A \times D \times E)) + (F \times G)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Projected percent of total permits issued in SPA 1
- C = Projected development fee rate in SPA 1
- D = Projected percent of total permits issued in SPA 2-6
- E = Projected development fee rate in SPA 2-6
- F = Projected square feet of non-single family residential (non-SFR) permits issued
- G = Projected fee rate per non-SFR square foot

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected % permits issued SPA 1 (B)	84%	80%	80%	80%	80%	80%
Projected fee rate SPA 1 (C)	3,853	3,853	3,853	3,853	3,853	3,853
Projected % permits issued SPA 2-6 (D)	16%	20%	20%	20%	20%	20%
Projected fee rate SPA 2-6 (E)	3,039	3,039	3,039	3,039	3,039	3,039
Projected non-SFR square feet (F)	1,200,000	500,000	500,000	625,000	750,000	750,000
Projected fee rate per non-SFR sq ft (G)	1.14	0.76	0.76	0.76	0.76	0.76
<b>Projected Development Fee Revenue</b>	<b>3,045,900</b>	<b>1,671,600</b>	<b>2,225,100</b>	<b>2,504,600</b>	<b>2,784,100</b>	<b>2,784,100</b>



## Roads of Regional Significance

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Roads of Regional Significance</b>	2,002,600	521,500	(1,481,100)	-74.0%

### Description

One-time impact fees charged to developers to recover costs associated with roads of regional significance as outlined in the City's general plan. This revenue is collected specifically to fund growth related projects and activities. Authorized per A.R.S. 9-463.05 and City of Surprise Ordinance # 07-25. This fee was initiated in FY2008.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	0	0	0	0	5,715	2,002,600

### Indicators

Single family residential (SFR) permits issued	6,488	7,711	3,794	1,749	786	700
Development fee rate SPA 2, 4, 6	0	0	0	0	5,715	5,715
Development fee rate SPA 3, 5	0	0	0	0	5,396	5,396

### Forecast Assumptions

Rates were initiated in FY 2008, no further changes are contemplated for these projections. The estimated commercial and multi-family (non-SFR) revenue is projected to be 25% of the total revenue. Projections assume 12% of the new SFR permits each fiscal year will be located in SPAs 2,4,6 and 8% will be located in SPAs 3 and 5.

### Forecast Methodology

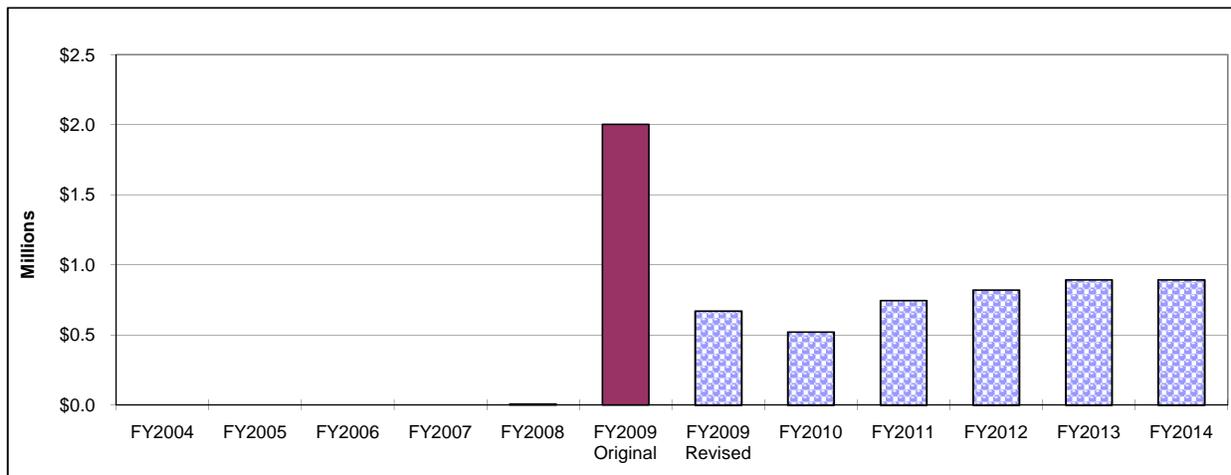
#### Formula:

$$\text{Projected Roads of Regional Significance Development Fee Revenue} = ((A \times B \times C) + (A \times D \times E)) / (1 - F)$$

#### Where:

- A = Projected single family residential (SFR) permits issued
- B = Projected percent of total permits issued in SPA 2, 4, 6
- C = Projected development fee rate in SPA 2, 4, 6
- D = Projected percent of total permits issued in SPA 3, 5
- E = Projected development fee rate in SPA 3, 5
- F = Projected percent of revenue from non-SFR permits, all SPAs

Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected SFR permits issued (A)	450	350	500	550	600	600
Projected % permits issued SPA 2, 4, 6 (B)	12%	12%	12%	12%	12%	12%
Fee rate SPA 2, 4, 6 (C)	5,715	5,715	5,715	5,715	5,715	5,715
Projected % permits issued SPA 3, 5 (D)	8%	8%	8%	8%	8%	8%
Fee rate SPA 3, 5 (E)	5,396	5,396	5,396	5,396	5,396	5,396
Projected % of non-SFR revenue (F)	25%	25%	25%	25%	25%	25%
<b>Projected Development Fee Revenue</b>	<b>670,500</b>	<b>521,500</b>	<b>745,000</b>	<b>819,500</b>	<b>894,000</b>	<b>894,000</b>



## Transportation Improvement

	FY2009 Original	FY2010 Projected	\$ Inc/(Dec)	% Inc/(Dec)
<b>Transportation Improvement Tax</b>	3,816,600	2,340,900	(1,475,700)	-38.7%

### Description

This revenue is collected as a result of a 1.5% local construction transaction tax adopted by the Mayor and Council. This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

Actuals	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009 Original
Revenue Collected	0	0	2,681,844	11,052,892	6,537,449	3,816,600

### Indicators:

(See One-Time - Local Sales Tax)

### Forecast Assumptions

This revenue is tied to the Local Sales Tax-General Fund-One-Time at a 1.5 to 2.2 ratio (0.68) based on their respective tax rates. The percentage of applicable contracts is expected to increase over time.

### Forecast Methodology

#### Formula:

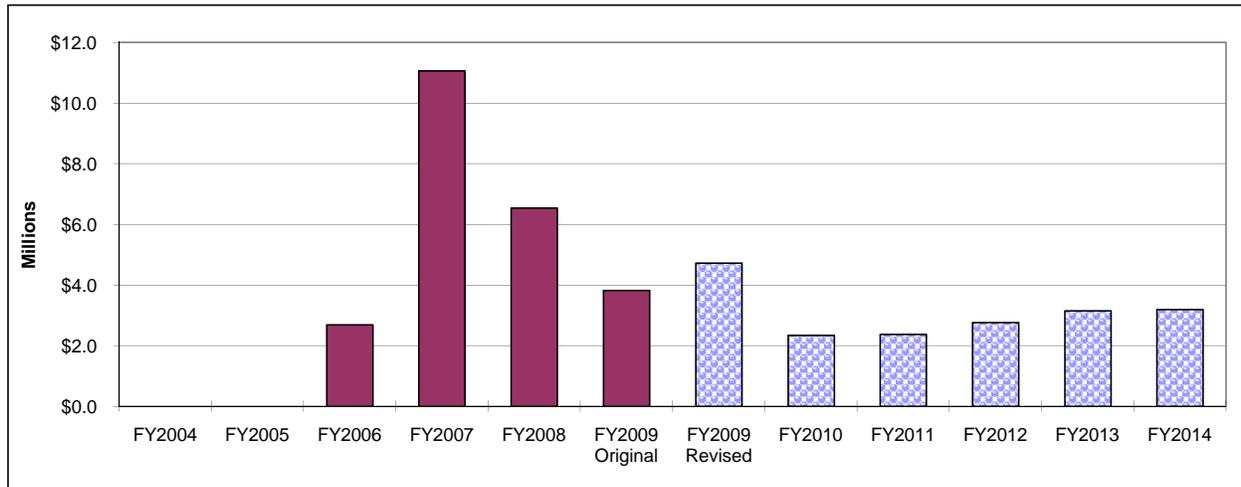
Projected Transportation Improvement Tax Revenue = A x B

#### Where:

A = Projected sales tax revenue - one-time

B = Percentage tax applied to transportation improvement

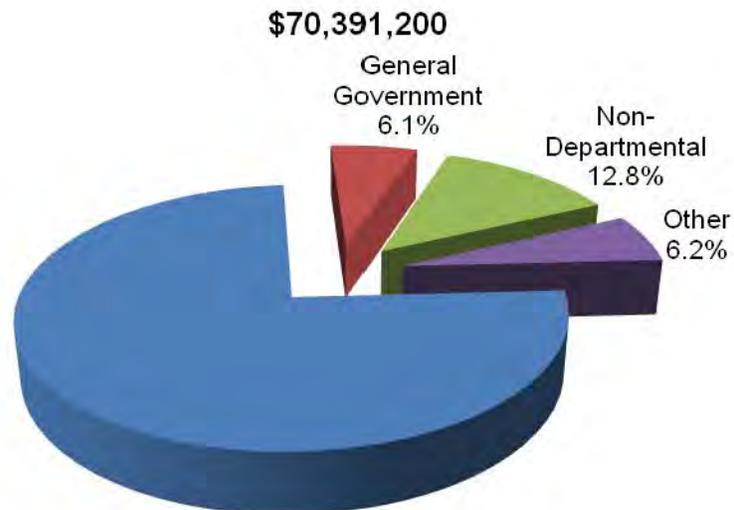
Forecast	FY2009 Revised	FY2010	FY2011	FY2012	FY2013	FY2014
Projected sales tax revenue - one-time (A)	6,751,000	3,433,300	3,484,800	4,042,000	4,615,100	4,684,300
Ratio transportation tax (B)	0.70	0.68	0.68	0.68	0.68	0.68
Projected Trans. Improvement Tax Revenue	4,725,700	2,340,900	2,376,000	2,755,900	3,146,700	3,193,800



## **General Government**

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- Mayor and Council
- City Manager
- Intergovernmental Relations
- Communications
- City Attorney
- City Clerk
- Finance
- Risk Management Fund
- Office of Management & Budget
- Human Resources
- Information Technology
- Debt Service Fund
- Employee Dependant Scholarship Fund
- Donations Fund
- General Government Development Fund
- General Operations



## Mayor & Council

### Description

The Mayor and Council are 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 Mayor and Council's primary responsibility is to set policy for the city of Surprise.

### Budget Summary

The budget of \$549,900 represents a decrease of 6% from the FY2009 budget of \$584,700. The decrease is due to reductions in travel and training and mileage reimbursement. The reductions bring the budgeted amounts in line with anticipated expenditures and no impact to the services provided is expected as a result.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	205,602	230,556	348,600	325,800	353,900	2%
Supplies/Services	112,415	133,275	236,100	35,270	196,000	-17%
<b>Total</b>	<b>318,017</b>	<b>363,832</b>	<b>584,700</b>	<b>361,070</b>	<b>549,900</b>	<b>-6%</b>
<u>By division</u>						
General Ops	318,017	363,832	584,700	361,070	549,900	-6%
<b>Total</b>	<b>318,017</b>	<b>363,832</b>	<b>584,700</b>	<b>361,070</b>	<b>549,900</b>	<b>-6%</b>

### Revenues

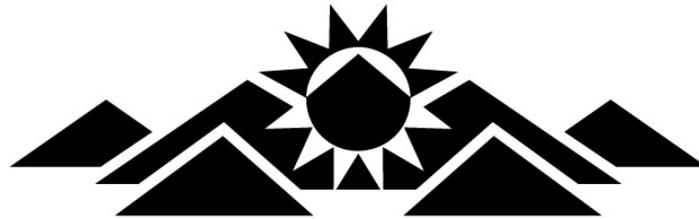
<u>By fund source</u>						
General Fund	318,017	363,832	584,700	361,070	549,900	-6%
<b>Total</b>	<b>318,017</b>	<b>363,832</b>	<b>584,700</b>	<b>361,070</b>	<b>549,900</b>	<b>-6%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
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
Executive Administrative Specialist	0.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>7.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## City Manager

### Description

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

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

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

### Budget Summary

The City Manager's Office budget of \$713,300 represents an overall decrease of 43% from the FY2009 budget of \$1,260,100. After the elimination of the Assistant to the City Manager position in February of FY2009, an Assistant City Manager and a Deputy City Manager were eliminated from the FY2010 budget by the Mayor and Council. The development agreement negotiation and other related duties formerly performed by the Deputy City Manager have been transferred to the City Attorney's Office. All other functions of these positions will be absorbed by the remaining members of the City Manager's Office. The amount budgeted for supplies and services in FY2010 is consistent with anticipated expenditures in light of the personnel changes that have been made.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	898,941	1,084,295	1,026,000	1,042,900	561,100	-45%
Supplies/Services	124,733	55,131	234,100	68,459	152,200	-35%
<b>Total</b>	<b>1,023,674</b>	<b>1,139,426</b>	<b>1,260,100</b>	<b>1,111,359</b>	<b>713,300</b>	<b>-43%</b>
<u>By division</u>						
Administration	1,023,674	1,139,426	1,260,100	1,111,359	713,300	-43%
<b>Total</b>	<b>1,023,674</b>	<b>1,139,426</b>	<b>1,260,100</b>	<b>1,111,359</b>	<b>713,300</b>	<b>-43%</b>
<b>Revenues</b>						
<u>By fund source</u>						
General Fund	1,023,674	1,139,426	1,260,100	1,111,359	713,300	-43%
<b>Total</b>	<b>1,023,674</b>	<b>1,139,426</b>	<b>1,260,100</b>	<b>1,111,359</b>	<b>713,300</b>	<b>-43%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
City Manager	1.0	1.0	1.0	1.0	0.0
Assistant City Manager	2.0	2.0	2.0	1.0	(1.0)
Deputy City Manager	1.0	1.0	1.0	0.0	(1.0)
Assistant to City Manager	1.0	1.0	0.0	0.0	0.0
Executive Administrative Specialist	2.0	2.0	2.0	2.0	0.0
<b>Total</b>	<b>7.0</b>	<b>7.0</b>	<b>6.0</b>	<b>4.0</b>	<b>(2.0)</b>

### Capital

No capital items have been programmed for this fiscal year.

## Accomplishments

- Restructured the city organization to more accurately reflect workload and economic stresses through the consolidation of several functions and the elimination of three departments.
- Modified the FY2009 budget and planning for the FY2010 budget to address shortfalls in revenue. These modifications included successfully and fairly implementing a reduction in force plan.
- Held two council planning retreats and refined the vision of the Mayor and Council into an implementable plan.
- Implemented a development re-payment ordinance creating a mechanism to re-pay the city or developers for the cost of over-sizing infrastructure.

## Goals

Individual measures for these goals are cascaded throughout the entire organization and will be reported on in the Departments.

- **Transportation:** Improve local and regional transportation to improve connectivity, encourage economic development, and improve quality of life.
- **Economic Development:** Strengthen and expand the local economy by building upon the community's assets, creating jobs, promoting tourism, and implementing a proactive strategy that is compatible with the community's quality of life.
- **Quality of Life:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.
- **Community Revitalization:** Ensure that all areas of the city of Surprise remain economically viable, safe, aesthetically pleasing, and vibrant.
- **Organizational Effectiveness:** Improve organizational structures, process, procedures and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

## Intergovernmental Relations

### Description

The Intergovernmental Relations Department coordinates the city's legislative agenda by seeking to build sound, working coalitions with federal, state, regional, and other local governments. It is the responsibility of this department to keep the Mayor and Council informed about issues impacting the health, welfare, and safety of Surprise residents and to represent the city's interests in these matters. Intergovernmental Relations works closely with the City Manager and Mayor and Council on state, regional, and federal issues impacting the city.

### Budget Summary

The total budget amount of \$381,900 programmed for FY2010 represents a 6% decrease from the FY2009 budget of \$408,000. The decrease is a result of reducing the amount paid to outside consultants for lobbying on the federal level on behalf of the city. It is anticipated that the internal staff will support any additional workload that may result from this reduction.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	153,124	246,819	221,700	153,700	231,600	4%
Supplies/Services	180,217	166,234	186,300	182,101	150,300	-19%
<b>Total</b>	<b>333,341</b>	<b>413,054</b>	<b>408,000</b>	<b>335,801</b>	<b>381,900</b>	<b>-6%</b>
<u>By division</u>						
General Ops	333,341	413,054	408,000	335,801	381,900	-6%
<b>Total</b>	<b>333,341</b>	<b>413,054</b>	<b>408,000</b>	<b>335,801</b>	<b>381,900</b>	<b>-6%</b>

### Revenues

<u>By fund source</u>						
General Fund	333,341	413,054	408,000	335,801	381,900	-6%
<b>Total</b>	<b>333,341</b>	<b>413,054</b>	<b>408,000</b>	<b>335,801</b>	<b>381,900</b>	<b>-6%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Manager	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Increased communication of key state and federal issues to residents and the Mayor and Council
- Enhanced and expanded citizen involvement in state, regional, and federal issues
- Increased relationships between our state representatives and the Mayor and Council

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Increase communication of key intergovernmental issues with residents, the Mayor and Council, and city staff by utilizing a web based tracking system for bills and the Intergovernmental Relations web page. Expand resident involvement in the legislative process and regional issues.
  - **Objective:** Develop a web based bill tracking system (Capitol Impact) and generate the required feedback needed for monitoring legislation.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Visits to Capitol Impact	---*	75	150	110	150

\*New measure, data not available

- **Objective:** Enhance the Intergovernmental Relations internet web site to include links for resident input and feedback regarding intergovernmental issues.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Visits to office's internet site	---*	10	100	87	120

\*New measure, data not available

## Communications

### Description

The Communications Department communicates the goals and activities of Surprise city government and assists residents and visitors in finding information about the city. The Communications Department operates the city's web site, Surprise Channel 11, and publishes a variety of newsletters, guides, brochures, advertisements, and more. The department consults with other city departments and the City Manager's Office on issues, strategies, and communications themes. Communications staff also issue news releases and respond to media inquiries about city government.

### Divisions

Public Information Office (PIO) - Oversees the overall operations of the department.  
Broadcast - Maintains the government access channel and related activities.  
Web - Maintains the city website and related activities.

### Budget Summary

The Communications Department budget of \$1,063,000 represents a 4% decrease from the FY2009 budget of \$1,102,400. Personnel costs decrease by 5% primarily due to salary adjustments. While the supplies and services total remains constant, resources are moved from General Operations to Broadcast in line with the operation of a new expanded Broadcast Center.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	593,533	671,256	779,600	762,700	740,100	-5%
Supplies/Services	296,164	286,644	322,800	264,339	322,900	0%
<b>Total</b>	<b>889,697</b>	<b>957,900</b>	<b>1,102,400</b>	<b>1,027,039</b>	<b>1,063,000</b>	<b>-4%</b>
<u>By division</u>						
Broadcast	156,127	168,341	239,200	203,658	212,100	-11%
General Ops	589,291	634,565	678,400	643,723	674,400	-1%
Web	144,279	154,994	184,800	179,659	176,500	-4%
<b>Total</b>	<b>889,697</b>	<b>957,900</b>	<b>1,102,400</b>	<b>1,027,039</b>	<b>1,063,000</b>	<b>-4%</b>
<b>Revenues</b>						
<u>By fund source</u>						
General Fund	889,697	957,900	1,102,400	1,027,039	1,063,000	-4%
<b>Total</b>	<b>889,697</b>	<b>957,900</b>	<b>1,102,400</b>	<b>1,027,039</b>	<b>1,063,000</b>	<b>-4%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Senior Communications Specialist	4.0	4.0	4.0	4.0	0.0
Communications Specialist	1.0	2.0	2.0	2.0	0.0
Assistant Analyst	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>7.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Instituted Granicus web-based video/agenda program.
- Received APEX, Telly, 3CMA national awards.
- Taped and produced the city's first ever live, studio and web-based "State of the City" address.
- "Council Conversations" origination on new studio set.

- Designed and managed G.O. Bond interactive web site, educational presentations and input site
- Live TV broadcasts of CTCA, tree lighting, and Memorial Day Parade
- Along with IT, launched customer service web sites 222-CARE and My Surprise Address

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Increase public awareness of and opportunities to engage in civic affairs.
  - **Objective:** Create broader access to city council, planning and zoning, board and commissions meetings and agendas; disseminate more information about the activities of city boards/commissions.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Number of Mayor and Council meetings posted on the website	---*	32	48	56	48
Number of planning/zoning commission meetings posted on the website	---*	---*	24	17	24
Number of boards and commission page views	---*	---*	800	6,687	6,600

\*New measure, data not available

- **Department Goal:** Enhance Surprise 11 as relevant and dynamic information source for city news and information.
  - **Objective:** Create additional city-generated programming of a higher quality with a Surprise centric flavor relevant to residents.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Bring broadcast center online	---*	---*	Yes	Yes	N/A
Number of programs originating from the studio setting	---*	---*	20	66	70
Make live transmitting operational from Surprise Center	---*	---*	Yes	Yes	N/A
Number of broadcast of civic events utilizing live capability	---*	---*	3	5	10

\*New measure, data not available

N/A: Measure Completed

- **Department Goal:** Engage residents with offers of broader access to services and information by improving interactivity and design of city communications platforms.
  - **Objective:** Redesign/enhance Progress magazine and city web site for user friendliness and readability.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Number of page views	N/A	8,163,456	8,979,800	9,938,621	10,100,000
Number of feedback options in Progress magazine	---*	---*	2	2	4

\*New measure, data not available

## City Attorney

### Description

The City Attorney's Office protects the legal rights and interests of the city at all times; and provides the highest quality legal support to the city of Surprise and its residents, elected officials, management, and employees. The City Attorney's Office provides in-house legal work, prompt and knowledgeable legal services, advice to the Mayor and Council and all city departments, prepares legal forms for departmental use, and ensures compliance with applicable laws.

### Divisions

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

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

### Budget Summary

The budget of \$1,759,600 is an increase of 1% over the FY2009 budget of \$1,737,700. Following the reduction of a Program Coordinator position during FY2009, an Analyst position was added for FY2010. The added position will aid with the duties involving development agreements that have been shifted over from the City Manager's Office.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	1,034,944	1,470,707	1,527,500	1,518,500	1,549,400	1%
Supplies/Services	331,800	177,126	210,200	152,328	210,200	0%
<b>Total</b>	<b>1,366,744</b>	<b>1,647,833</b>	<b>1,737,700</b>	<b>1,670,828</b>	<b>1,759,600</b>	<b>1%</b>
<u>By division</u>						
Criminal	336,985	797,023	921,800	807,814	798,200	-13%
General Ops	1,029,760	850,810	815,900	863,014	961,400	18%
<b>Total</b>	<b>1,366,744</b>	<b>1,647,833</b>	<b>1,737,700</b>	<b>1,670,828</b>	<b>1,759,600</b>	<b>1%</b>

### Revenues

<u>By fund source</u>						
Grants	0	21,526	0	0	0	0%
General Fund	1,366,744	1,626,307	1,737,700	1,670,828	1,759,600	1%
<b>Total</b>	<b>1,366,744</b>	<b>1,647,833</b>	<b>1,737,700</b>	<b>1,670,828</b>	<b>1,759,600</b>	<b>1%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
City Attorney	1.0	1.0	1.0	1.0	0.0
Department Director	1.0	1.0	1.0	1.0	0.0
Deputy City Attorney	1.0	1.0	1.0	1.0	0.0
Assistant City Attorney I & II	3.0	3.0	3.0	3.0	0.0
Assistant City Attorney III	1.0	1.0	1.0	1.0	0.0
Analyst	0.0	0.0	0.0	1.0	1.0
Assistant Analyst	2.0	2.0	1.0	1.0	0.0
Executive Administrative Specialist	0.0	0.0	1.0	1.0	0.0
Administrative Technician	1.0	1.0	0.0	0.0	0.0
Program Coordinator	1.0	1.0	0.0	0.0	0.0
Administrative Specialist	3.0	4.0	5.0	5.0	0.0
<b>Total</b>	<b>14.0</b>	<b>15.0</b>	<b>14.0</b>	<b>15.0</b>	<b>1.0</b>

**Capital**

No capital items have been programmed for this fiscal year.

**Accomplishments**

- Worked in concert with the Community Development Department to draft and implement the Surprise Uniform Development Code.
- Assisted the Human Resource Department in drafting and implementing the new Employee Manual. Additionally, the Department assisted in establishing the Personnel Appeals Board.
- Assisted the Police Department and the Code Enforcement Division to protect abandoned properties.

## City Clerk

### Description

The City Clerk, appointed by the Mayor and Council, serves as the city's official records custodian, including maintenance of the Surprise City Code, council meeting minutes, ordinances, resolutions, contracts/agreements, deeds and easements, leases, insurance certificates, bonds, annexation documents, notarized affidavits of publications, and meeting and agenda postings.

The City Clerk also serves as the city's Chief Elections Officer, administers Mayor and Council meetings, attests to all official acts of the Mayor, posts meeting notices, advertises public hearings, and calls for sealed bids. The City Clerk affixes the Surprise City Seal on all official documents and also serves as Secretary to the Surprise Municipal Property Corporation.

### Budget Summary

The City Clerk's budget of \$729,100 represents an increase of 27% from the FY2009 budget of \$574,600. Included in the FY2010 budget is \$137,600 for election expenses for a general obligation bond, the general plan, and three Council district seats. Also, the completion of the "History of Surprise" project to commemorate the 50<sup>th</sup> anniversary of the city's incorporation is budgeted here for \$50,000.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<i>By category</i>						
Personnel	451,055	489,767	440,800	438,000	427,000	-3%
Supplies/Services	160,947	284,493	133,800	72,830	302,100	126%
<b>Total</b>	<b>612,002</b>	<b>774,260</b>	<b>574,600</b>	<b>510,830</b>	<b>729,100</b>	<b>27%</b>

<i>By division</i>						
General Ops	612,002	774,260	574,600	510,830	729,100	27%
<b>Total</b>	<b>612,002</b>	<b>774,260</b>	<b>574,600</b>	<b>510,830</b>	<b>729,100</b>	<b>27%</b>

### Revenues

<i>By fund source</i>						
General Fund	612,002	774,260	574,600	510,830	729,100	27%
<b>Total</b>	<b>612,002</b>	<b>774,260</b>	<b>574,600</b>	<b>510,830</b>	<b>729,100</b>	<b>27%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
City Clerk	1.0	1.0	1.0	1.0	0.0
Administrative Support Supervisor	2.0	2.0	2.0	2.0	0.0
Administrative Technician	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Established city-wide document retention schedule.
- Completed city-wide shredding project.
- All boards and commissions are now published with Novus Agenda.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Provide timely public access to city council meeting agenda packets and related materials.
  - **Objective:** Council agenda packets will be made available on-line.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Mayor and Council agendas	50	53	70	55	50
Mayor and Council items	615	710	800	665	700
Percentage of council packets available on-line	75%	100%	100%	100%	100%

## Finance

### Description

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. The Finance Department houses five divisions including administration, accounting, revenue, purchasing, and risk management. The Risk Management Division is addressed separately under the Risk Management Fund.

### Divisions

Administration - The Administration Division is primarily responsible for performing the development impact fee study, the financial position and trends analysis, bond issues, financing, administrative oversight of the department, and effective support of other departments.

Accounting - The Accounting Division is responsible for accounts payable, payroll, the city's comprehensive annual financial report (CAFR), assistance with development agreement preparation, construction project expense tracking, and fixed assets.

Revenue - The Revenue Division issues business licenses, is responsible for transaction privilege tax and auditing, utility accounting, accounts receivable/cashiering, investment oversight, and reporting.

Purchasing - The Purchasing Division is responsible for the purchasing process based on the procurement code ordinance.

### Budget Summary

The Finance Department's adopted budget of \$2,386,600 represents an increase of 6% over the FY2009 budget of \$2,252,400. For FY2010, the activities associated with Purchasing have been moved to the Finance Department. This change includes the transfer of 4.0 FTE and associated supplies and services from Management and Budget. The Revenue Division Manager has been removed and those duties will be assumed by remaining staff members. Reductions in supplies and services consist mainly of decreases to travel and training department-wide.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Personnel	1,501,863	1,667,520	1,871,300	1,821,000	2,036,900	9%
Supplies/Services	299,199	316,223	381,100	288,414	349,700	-8%
<b>Total</b>	<b>1,801,062</b>	<b>1,983,742</b>	<b>2,252,400</b>	<b>2,109,414</b>	<b>2,386,600</b>	<b>6%</b>
<u>By division</u>						
Accounting	983,681	1,036,946	1,047,600	1,079,228	1,031,700	-2%
Administration	264,859	270,364	395,000	305,545	353,900	-10%
Revenue	552,522	676,432	809,800	724,641	643,000	-21%
Purchasing	0	0	0	0	358,000	0%
<b>Total</b>	<b>1,801,062</b>	<b>1,983,742</b>	<b>2,252,400</b>	<b>2,109,414</b>	<b>2,386,600</b>	<b>6%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Sales Tax	37,913	223,173	326,000	480,700	290,000	-11%
Licenses & Permits	368,332	388,847	344,600	417,300	435,800	26%
Charges for Services	29,240	33,200	72,000	33,600	33,600	-53%
Interest	0	0	0	0	0	0%
General Fund	1,365,576	1,338,523	1,509,800	1,177,814	1,627,200	8%
<b>Total</b>	<b>1,801,062</b>	<b>1,983,742</b>	<b>2,252,400</b>	<b>2,109,414</b>	<b>2,386,600</b>	<b>6%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Division Manager	2.0	2.0	1.0	1.0	0.0
Senior Accountant/Tax Auditor	2.0	2.0	3.0	3.0	0.0
Accounting Supervisor	2.0	3.0	3.0	4.0	1.0
Senior Buyer/Contract Officer	0.0	0.0	0.0	1.0	1.0
Program Supervisor	0.0	0.0	0.0	0.0	0.0
Buyer	0.0	0.0	0.0	1.0	1.0
Purchasing Technician	0.0	0.0	0.0	1.0	1.0
Accountant/Tax Auditor	3.0	3.0	4.0	4.0	0.0
Fiscal Support Specialist	5.2	5.2	4.0	5.0	1.0
Fiscal Support Assistant	1.5	2.0	3.0	2.0	(1.0)
Cashier	1.0	1.0	1.0	1.0	0.0
Part Time	0.0	0.0	0.2	0.2	0.0
<b>Total</b>	<b>18.7</b>	<b>20.2</b>	<b>21.2</b>	<b>25.2</b>	<b>4.0</b>

## Capital

No capital items have been programmed for this fiscal year.

## Accomplishments

- Improved the city's current bond rating from AA- to AA.
- Completed agreements with the city of El Mirage and American Water to provide utility collection assistance.
- Implemented new policies/procedures for utilities, liens, accounts receivable, account write-offs, collections, and community facilities districts.
- Received seventh consecutive award from the Government Finance Officers Association for Excellence in Financial Reporting.
- Documented \$4,565,413.55 in cost savings related to procurement activity.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Preserve or enhance the city's ability to borrow money at lowest possible rates.
  - **Objective:** Maintain or improve the city's current bond ratings.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Bond rating	AA-	AA-	AA-	AA	AA

- **Objective:** Maintain a Governmental Current Assets to Current Liabilities ratio of at least 2 to1.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Current assets to current liabilities ratio	5:1	5:1	2:1	5:1	2:1

- **Department Goal:** Ensure the long-term financial sustainability of the city.
  - **Objective:** Maintain an Economic Stabilization Reserve equal to at least two months operating revenue and one year's annual debt service.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Minimum reserve (in millions)	30.3	29.2	27.2	27.2	27.4
Actual reserve (in millions)	220.5	127.6	41.9	63.1	27.4

- **Objective:** Enroll accounts payable payees in Automated Clearing House (ACH) to reduce the number of printed checks in order to reduce the cost of preparing accounts payable (AP).

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
ACH transactions	11	1,039	1,100	1,701	1,900
AP transactions	36,493	49,707	50,000	50,935	50,000
Checks printed	10,988	10,851	10,100	9,815	9,500

- **Department Goal:** Minimize borrowing by maximizing pay-as-you-go financing.
  - **Objective:** Maintain a general obligation/excise debt per capita dollar threshold that is less than most other similar and higher rated municipalities in Arizona.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Debt per capita Surprise	\$461	\$440	\$425	\$392	\$375
Average debt per capita other municipalities	\$994	\$924	\$860	\$1,714	\$1,725

- **Department Goal:** Provide centrally managed billing, collection, and deposits of all city revenues.
  - **Objective:** Ensure customers are billed accurately.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Percentage of billing adjustments*	7%	5%	3%	13%	3%
Invoices generated	671	648	540	566	550

\* Increase in FY2009 Actual % was due to Street Light Improvement District and Development Agreement billing adjustment requests this fiscal year.

- **Objective:** Ensure payments and deposits of revenue are processed timely and accurately.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Cashier transactions	14,821	15,542	16,000	9,826	10,500
Percentage of bank deposit errors	1%	<1%	>1%	1%	1%
Automatic deposit transactions	29	100	200	183	375
Payments by mail	2,288	2,860	3,300	3,000	5,000

- **Objective:** Ensure timely resolution of past due accounts.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Percentage of collection on outstanding balance	---	---	10%	6%	10%
Percentage receivables assigned to outside collections	---	---	10%	30%	12%
Disconnects processed	---	---	3,000	15,045	13,000

*\*New measure, data not available*

- **Department Goal:** Streamline processes that involve service agreements and formal solicitations through the use of a tracking database.
  - **Objective:** Identify bottlenecks and reduce the amount of time involved in processing service agreements and formal solicitations through the use of a tracking database.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Percent of service agreements and formal solicitations entered into database	---	---	100%	100%	100%
Process time of service agreements	---	---	4 weeks	5 weeks	4 weeks
Process time of formal solicitations	---	---	8 weeks	9 weeks	8 weeks

*\*New measure, data not available*

## Risk Management Fund

### Description

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

### Budget Summary

The risk management fund has an adopted budget of \$3,526,500 which is a 12% increase over the FY2009 budget. The increase in the budget is due to an increase in the contingency amount that will potentially allow the city to pay lower premiums by raising insurance deductibles. Beginning in FY2010, the two full time employees of this fund are reorganized to report to the Finance Department from the Management and Budget Department.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>By category</b>						
Personnel	253,486	212,518	228,500	219,100	215,000	-6%
Supplies/Services	1,141,334	1,332,416	2,166,600	1,350,292	1,687,700	-22%
Contingency	0	0	750,000	0	1,623,800	117%
<b>Total</b>	<b>1,394,821</b>	<b>1,544,934</b>	<b>3,145,100</b>	<b>1,569,392</b>	<b>3,526,500</b>	<b>12%</b>
<b>By department</b>						
Finance	1,394,821	1,544,934	3,145,100	1,569,392	3,526,500	12%
<b>Total</b>	<b>1,394,821</b>	<b>1,544,934</b>	<b>3,145,100</b>	<b>1,569,392</b>	<b>3,526,500</b>	<b>12%</b>

### Revenues

<b>By fund source</b>	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2009 Estimate	FY2010 Budget	Budget Change
Interest	80,127	64,403	0	18,000	0	0%
Miscellaneous	1,747,464	1,691,041	1,510,200	1,625,200	1,510,200	0%
Fund Balance	0	0	1,634,900	0	2,016,300	23%
<b>Total</b>	<b>1,827,591</b>	<b>1,755,444</b>	<b>3,145,100</b>	<b>1,643,200</b>	<b>3,526,500</b>	<b>12%</b>

<b>Personnel</b>	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
Division Manager	1.0	1.0	1.0	1.0	0.0
Program Supervisor	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Received dividend credits in the amount of \$89,682 for Workers' Compensation and \$80,648 for Property and Casualty from the Arizona Municipal Risk Retention Pool as a result of favorable loss experience.
- Completed a cost benefit analysis of the current insurance program versus a self-insurance program.
- Completed an actuarial audit to determine the most cost effective deductible level for general liability and auto liability coverage.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** partner with all city departments in the detection, elimination, and control of potential loss exposure to the city.
  - **Objective:** Review and revise policies and complete audits of city facilities and programs.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Liability costs in dollars per 1,000 population	\$7,836	\$6,553	\$7,689	\$7,689	\$7,323
Auto costs in dollars per number of vehicles	\$487	\$522	\$520	\$520	\$537

**Description**

The Office of Management and Budget provides research, budget, and grant reporting services. The Office is responsible for delivering accurate, reliable, and timely information and advice that will assist in making informed decisions.

**Budget Summary**

The Office of Management and Budget's \$513,200 budget is a 65% decrease from the FY2009 amount of \$1,487,300. During FY2009 an Administrative Specialist, Buyer, and Purchasing Technician were removed from the budget. For FY2010, the activities associated with Purchasing and the Disability Advocate have been transferred to Finance and Community and Recreation Services respectively. One Analyst position was transferred to the City Attorney's Office in support of development agreement activity. Also, a Senior Analyst and the Department Director position have been eliminated. All other duties will be assumed by remaining staff.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>By category</b>						
Personnel	1,000,355	1,313,249	1,449,300	1,478,100	495,800	-66%
Supplies/Services	94,100	98,123	38,000	27,072	17,400	-54%
<b>Total</b>	<b>1,094,455</b>	<b>1,411,372</b>	<b>1,487,300</b>	<b>1,505,172</b>	<b>513,200</b>	<b>-65%</b>
<b>By division</b>						
Disability Advocate	-	102,939	103,500	98,121	-	-100%
M & B	617,013	848,466	917,900	918,800	513,200	-44%
Purchasing	477,442	459,967	465,900	488,251	-	-100%
<b>Total</b>	<b>1,094,455</b>	<b>1,411,372</b>	<b>1,487,300</b>	<b>1,505,172</b>	<b>513,200</b>	<b>-65%</b>

**Revenues**

**By fund source**

General Fund	1,094,455	1,411,372	1,487,300	1,505,172	513,200	-65%
<b>Total</b>	<b>1,094,455</b>	<b>1,411,372</b>	<b>1,487,300</b>	<b>1,505,172</b>	<b>513,200</b>	<b>-65%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	0.0	(1.0)
Division Manager	3.0	3.0	3.0	1.0	(2.0)
Senior Buyer/Contract Officer	1.0	1.0	1.0	0.0	(1.0)
Program Supervisor	2.0	2.0	1.0	0.0	(1.0)
Senior Analyst	3.0	3.0	3.0	2.0	(1.0)
Analyst	3.0	3.0	3.0	2.0	(1.0)
Buyer	2.0	2.0	1.0	0.0	(1.0)
Purchasing Technician	2.0	2.0	1.0	0.0	(1.0)
Administrative Specialist	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>17.0</b>	<b>17.0</b>	<b>14.0</b>	<b>5.0</b>	<b>(9.0)</b>

**Capital**

No capital items have been programmed for this fiscal year.

**Accomplishments**

- Awarded the Government Finance Officers Association's (GFOA) Distinguished Budget Award for the ninth consecutive year.
- Implemented the ICMA CPM performance measurement program.

## Goals, Objectives, and Performance Measures

### Strategic Plan Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Improve gathering of information to be used for the purpose of benchmarking city services with other municipalities.
  - **Objective:** Facilitate the city's enrollment in the International City/County Management Association (ICMA) Center for Performance Measurement (CPM) program.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
All Departments participating in the ICMA CPM program become trained and submit performance measures as required	---	---	9	9	9
Percent of ICMA performance measures collected by the city	---	---	80%	72%	85%

*\*New measure, data not available*

- **Department Goal:** Earn the highest award and form of recognition in governmental budgeting.
  - **Objective:** Create a budget document that receives the Government Finance Officers' Association (GFOA) Distinguished Budget Award.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Awarded GFOA Distinguished Budget Award	1	1	1	1	1

## Human Resources

### Description

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

### Budget Summary

The Human Resources Department budget of \$1,234,900 represents a decrease of 16% from the FY2009 budget of \$1,471,700. During FY2009 a Human Resources Specialist was removed from the budget. As a part of the FY2010 budget, a Senior Resources Consultant position was eliminated due to a reduction in workload. The Supplies and Services amount includes a reduction to training that will be offset by an increase in the use of on-line training opportunities.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>By category</b>						
Personnel	997,919	978,128	1,081,700	1,057,300	880,300	-19%
Supplies/Services	260,824	252,126	390,000	333,867	354,600	-9%
<b>Total</b>	<b>1,258,743</b>	<b>1,230,254</b>	<b>1,471,700</b>	<b>1,391,167</b>	<b>1,234,900</b>	<b>-16%</b>
<b>By division</b>						
Administration	261,480	250,629	624,200	640,984	594,300	-5%
People Development	302,956	373,620	408,700	385,142	257,500	-37%
People Employment	694,308	606,005	438,800	365,040	383,100	-13%
<b>Total</b>	<b>1,258,743</b>	<b>1,230,254</b>	<b>1,471,700</b>	<b>1,391,167</b>	<b>1,234,900</b>	<b>-16%</b>
<b>Revenues</b>						
<b>By fund source</b>						
General Fund	1,258,743	1,230,254	1,471,700	1,391,167	1,234,900	-16%
<b>Total</b>	<b>1,258,743</b>	<b>1,230,254</b>	<b>1,471,700</b>	<b>1,391,167</b>	<b>1,234,900</b>	<b>-16%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	2.0	2.0	1.0	1.0	0.0
Senior Human Resources Consultant	1.0	1.0	2.0	1.0	(1.0)
Human Resources Consultant	3.0	3.0	3.0	3.0	0.0
Human Resources Specialist	4.0	4.0	3.0	3.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>12.0</b>	<b>12.0</b>	<b>11.0</b>	<b>10.0</b>	<b>(1.0)</b>

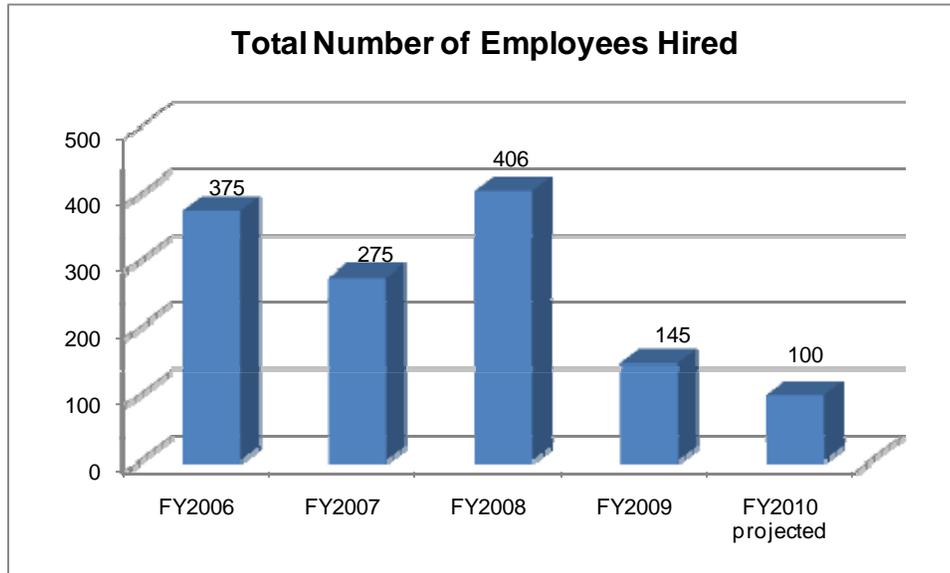
### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Completed successful implementation of SuccessFactors performance management software.
- Scanned 100% of all personnel files and other personnel-related records into Laserfiche.

- Prepared and implemented training in areas of performance management, goal setting, evaluating performance, harassment prevention, documenting corrective action, the new Employee Policy Manual, and teambuilding.



## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Implement employee performance management software.
  - **Objective:** Human Resources will select a software vendor, develop, and implement an automated performance management process and train supervisory staff in its use.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Performance evaluations submitted electronically	---	---	100%	100%	100%
Compensation module implemented	---	---	---	---	5/15/10

*\*New measure, data not available*

- **Department Goal:** Develop a process and procedure for the collection, organization, and archiving of employee records and all other information.
  - **Objective:** All employee and other records required to be maintained by the Human Resources Department will be stored in electronic format to make storage easier and less expensive.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Date equipment & software obtained by 1/1/2009	---	---	1/1/09	8/14/08	N/A
Date terminated employee files will be scanned and hard copies stored	---	---	6/30/09	5/8/09	N/A

*\*New measure, data not available*

*N/A: Measure Completed*

**Department Goal:** Provide employee and organizational development.

- **Objective:** Present city-wide annual compliance and skill focused employee training courses.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Compliance training courses	---	---	5	5	7
Employees attending compliance training courses	---	---	100	100	150
Skill based training courses	---	---	4	4	8
Employees attending skill based training courses	---	---	80	80	150

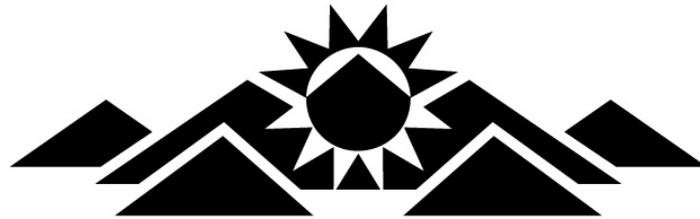
*\*New measure, data not available*

- **Department Goal:** Enhance human resources information system to take full advantage of system capabilities.
  - **Objective:** Human Resources will develop a process and implement employee self-service, workflow, and interface system with other human resources support systems.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Document timeline and indentify milestones	---	---	---	6/22/09	7/1/09
Implement employee self-service	---	---	---	---	9/15/09
Implement workflow	---	---	---	---	1/8/10
Interface with medical, dental and vision carriers	---	---	---	---	4/15/10
Interface with recruitment vendor	---	---	---	---	6/15/10

*\*New measure, data not available*

*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## Information Technology

### Description

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

### Divisions

*Information Services* - Provides centralized information technology services required by all city departments.

*Geographical Information Systems* - Provides centralized geographical information services, real estate, and surveying services to all city departments.

### Budget Summary

The Information Technology Department budget of \$4,052,900 represents a decrease of 12% from the FY2009 budget of \$4,592,400.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<i>By category</i>						
Personnel	1,846,665	2,197,653	2,391,400	2,402,200	2,265,300	-5%
Supplies/Services	1,378,146	1,710,995	2,201,000	2,222,547	1,787,600	-19%
<b>Total</b>	<b>3,224,811</b>	<b>3,908,648</b>	<b>4,592,400</b>	<b>4,624,747</b>	<b>4,052,900</b>	<b>-12%</b>

<i>By division</i>						
GIS	1,057,195	1,242,408	1,497,700	1,509,830	1,317,800	-12%
Info. Technology	2,167,616	2,666,240	3,094,700	3,114,917	2,735,100	-12%
<b>Total</b>	<b>3,224,811</b>	<b>3,908,648</b>	<b>4,592,400</b>	<b>4,624,747</b>	<b>4,052,900</b>	<b>-12%</b>

### Revenues

<i>By fund source</i>						
General Fund	3,224,811	3,908,648	4,592,400	4,624,747	4,052,900	-12%
<b>Total</b>	<b>3,224,811</b>	<b>3,908,648</b>	<b>4,592,400</b>	<b>4,624,747</b>	<b>4,052,900</b>	<b>-12%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
IT Administrator	5.0	6.0	5.0	5.0	0.0
IT Supervisor	0.0	0.0	1.0	1.0	0.0
Senior IT Administrator	2.0	2.0	2.0	2.0	0.0
Manager	2.0	2.0	2.0	2.0	0.0
Senior IT Technician	3.0	5.0	6.0	6.0	0.0
IT Technician	2.0	2.0	1.0	1.0	0.0
Division Manager	1.0	1.0	1.0	1.0	0.0
Program Manager	1.0	1.0	1.0	1.0	0.0
Program Coordinator	1.0	1.0	1.0	1.0	0.0
Chief Land Surveyor	1.0	1.0	1.0	1.0	0.0
Survey Specialist	1.0	1.0	1.0	0.0	(1.0)
Survey Technician	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>22.0</b>	<b>25.0</b>	<b>25.0</b>	<b>24.0</b>	<b>(1.0)</b>

The personnel cost decrease includes the reduction of a Survey Specialist position which may result in the use of third party surveying on city projects. Decreases in supplies and services consist mainly of reductions to equipment and outside consulting. Outside of the survey services discussed above, no additional service impacts are anticipated.

## Capital

As indicated by the table below \$218,700 is programmed for capital this fiscal year.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
IT Digital Signage		21111	144	832	39411	20001	34,000
IT Digital Signage		21215	144	832	39411	20001	43,000
Survey Modernization Project		21111	144	831	39431	29999	44,600
Network and Server Replacements		21111	144	832	39411	29999	97,100
<b>Total</b>							<b>218,700</b>

## Accomplishments

- Online Informational Services - provided interactive web services to city of Surprise residents.
- Technology Design - Developed, installed, and configured technology infrastructure to support existing and future information technology throughout the city of Surprise.
- Mobile Solutions - Integrated web applications with interactive maps to provide greater efficiency in the community.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Provide effective and efficient informational technology support to departments.
  - **Objective:** Develop and implement service levels for each department and user of information technology

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Department users supported	785	850	900	1,654	1,600

*\*New measure, data not available*

*Note: Target 2009 did not include volunteers, police citizen patrol, vendors, and other users supported by IT.*

*Note: Formal service level agreements were part of the 2008 goals and performance measures that were terminated in 2008.*

- **Objective:** Design and implement the infrastructure for the new City Hall.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Network devices supported	135	156	177	200	249
Infrastructure for new City Hall will be designed and constructed at time of occupancy	---	---	06/30/09	4/01/09	N/A

*\*New measure, data not available*

*N/A: Measure Completed*

**Department Goal:** Utilize technology to link transportation and land use planning.

- **Objective:** Develop an active vertical and horizontal control network increasing density by 8% to ensure continuity between existing infrastructure and new construction.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Number of vertical and horizontal controls	---*	245	280	150	150

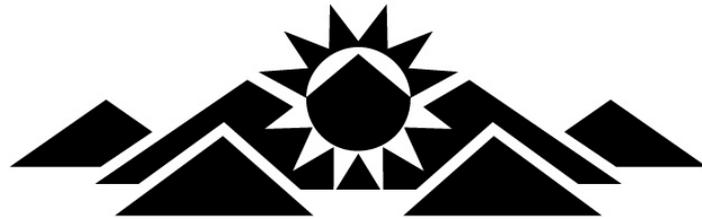
*\*New measure, data not available*

**Department Goal:** Update the geographic information system (GIS) service.

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

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
GIS data layers maintained	153	154	157	157	159
New GIS applications developed	3	3	4	4	5

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Debt Service Fund

### Description

The debt service fund is established to account for the accumulation of resources for and the payment of, general long-term debt principal and interest. The purpose of the debt service fund is to separate general obligation and community facilities district (CFD) 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.

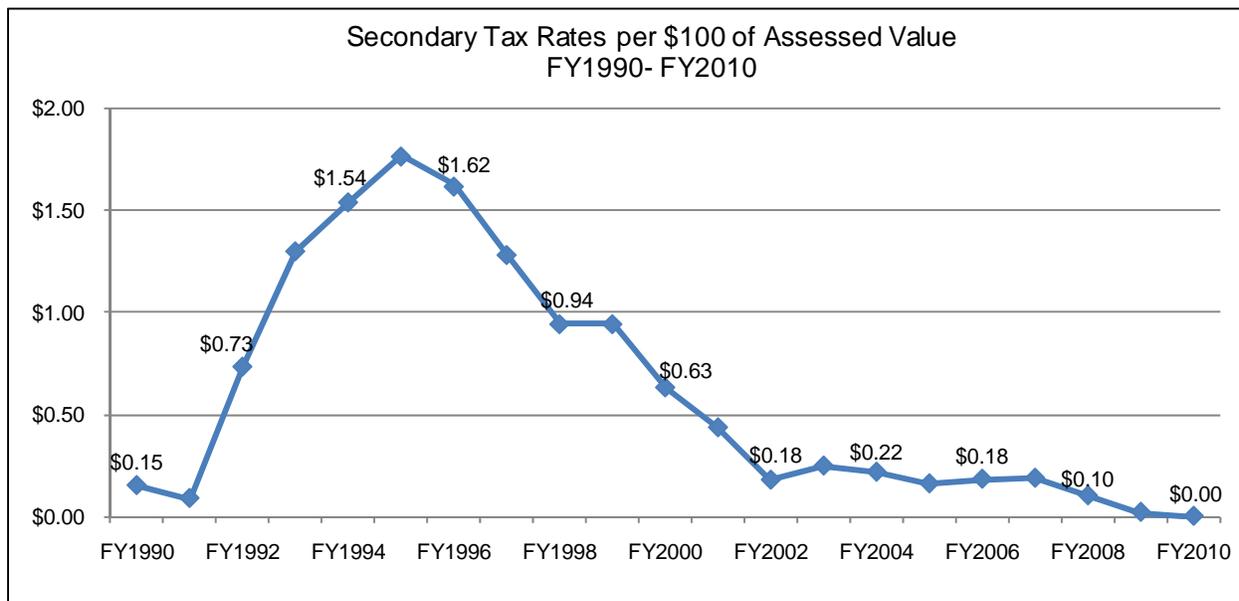
### Budget Summary

For FY2010 the secondary property tax levy decreases from \$0.0195 to \$0.00 per \$100 of assessed valuation as all outstanding general obligation debt has been retired. Budget authority in this fund is solely for the Marley Park CFD.

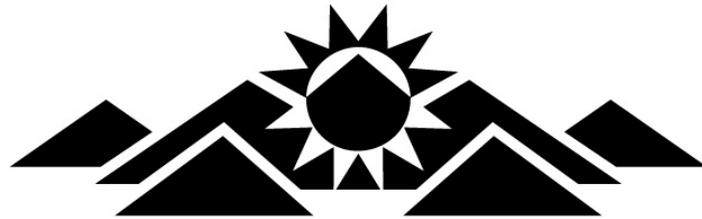
<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Debt Service	1,431,101	1,736,694	665,000	987,905	909,400	37%
<b>Total</b>	<b>1,431,101</b>	<b>1,736,694</b>	<b>665,000</b>	<b>987,905</b>	<b>909,400</b>	<b>37%</b>
<u>By department</u>						
Debt Service	25,160	189,486	0	322,905	909,400	0%
General Operations	1,405,940	1,547,208	665,000	665,000	0	-100%
<b>Total</b>	<b>1,431,101</b>	<b>1,736,694</b>	<b>665,000</b>	<b>987,905</b>	<b>909,400</b>	<b>37%</b>

### Revenues

<u>By fund source</u>						
Property Tax	1,589,130	1,620,113	546,800	742,805	909,400	66%
Interest	34,235	21,208	0	0	0	0%
Fund Balance	0	95,373	118,200	245,100	0	-100%
<b>Total</b>	<b>1,623,365</b>	<b>1,736,694</b>	<b>665,000</b>	<b>987,905</b>	<b>909,400</b>	<b>37%</b>



*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## Employee Dependant Scholarship Fund

### Description

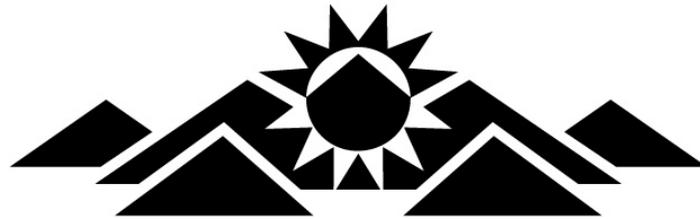
The employee dependant scholarship fund is established to temporarily hold and collect assets for a third party (employees). These assets are then awarded as scholarships to dependents of employees who are attending, or plan on attending college. Four scholarships are planned for award to city of Surprise employee dependents on a merit basis prior to the commencement of fall 2009 classes.

### Budget Summary

The employee dependant scholarship fund has been programmed with expenditures equal to anticipated resources. Resources for this fund are comprised of a beginning fund balance and investment earnings. All expenditures are dedicated to scholarships.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	1,000	1,500	13,100	4,800	10,700	-18%
<b>Total</b>	<b>1,000</b>	<b>1,500</b>	<b>13,100</b>	<b>4,800</b>	<b>10,700</b>	<b>-18%</b>
<u>By department</u>						
General Operations	1,000	1,500	13,100	4,800	10,700	-18%
<b>Total</b>	<b>1,000</b>	<b>1,500</b>	<b>13,100</b>	<b>4,800</b>	<b>10,700</b>	<b>-18%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Interest	2,152	-27	1,200	0	1,200	0%
Donations	1,228	1,588	0	0	0	0%
Fund Balance	0	0	11,900	4,800	9,500	-20%
<b>Total</b>	<b>3,380</b>	<b>1,561</b>	<b>13,100</b>	<b>4,800</b>	<b>10,700</b>	<b>-18%</b>

*City of Surprise, Arizona*



**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*

## Donations Fund

### Description

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

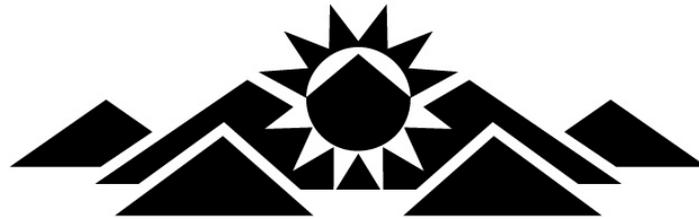
The donations fund has been established to allow departments to expend donations without having an impact on respective adopted expenditure limitation budgets. These funds will be monitored to ensure adequate revenue is available prior to expenditures being approved.

### Budget Summary

The donations fund has been programmed with expenditures equal to resources. Resources for this fund are comprised entirely of donations. In future years there will be beginning fund balance and potentially investment earnings. Funds are expended by department and program and must have adequate resources available prior to being approved. During FY2009, the 1% Arts Set-Aside was suspended and all funds that were not designated for projects were returned to the General Fund resulting in the 80% drop in expected expenditures.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	315,373	443,480	1,516,200	729,942	302,600	-80%
Transfer Out	0	0	0	291,900	0	0%
<b>Total</b>	<b>315,373</b>	<b>443,480</b>	<b>1,516,200</b>	<b>1,021,842</b>	<b>302,600</b>	<b>-80%</b>
<u>By department</u>						
Arts Commission	59,395	83,019	669,400	859,800	0	-100%
Community Initiatives	20,372	22,515	0	18,970	0	0%
Community and Rec Svcs	167,219	176,455	0	84	0	0%
Fire-Emergency Services	2,044	3,511	0	2,623	0	0%
General Operations	0	0	646,800	0	0	-100%
Police	66,345	157,980	200,000	140,365	302,600	51%
<b>Total</b>	<b>315,373</b>	<b>443,480</b>	<b>1,516,200</b>	<b>1,021,842</b>	<b>302,600</b>	<b>-80%</b>
<b>Revenues</b>						
<u>By fund source</u>						
State Shared	197,245	114,471	0	0	0	0%
Charges for Services	0	500	0	0	0	0%
Interest	38,490	47,691	0	0	0	0%
Miscellaneous	305,995	212,895	600,000	0	0	-100%
Transfer In	586,300	0	0	0	0	0%
Fund Balance	0	67,922	916,200	1,021,842	302,600	-67%
<b>Total</b>	<b>1,128,030</b>	<b>443,480</b>	<b>1,516,200</b>	<b>1,021,842</b>	<b>302,600</b>	<b>-80%</b>

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## General Government Development Fund

### Description

The general government development fee fund is established to account for the inflow of general government development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on general government services caused by growth. Development fees cannot be used to subsidize operating needs.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-24. The general government development fee remains unchanged from the prior fiscal year amount of \$661 per single family residential permit established July 1, 2007. Projections do not anticipate any fee changes this fiscal year.

General Government activity consists solely of a reimbursement to the General Capital fund for the construction of the City Hall.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	2,525	0	12,200	0	0	-100%
Capital	80,133	1,441,371	30,800	24,400	0	-100%
Transfer Out	5,891,800	384,100	2,007,300	2,007,300	486,800	-76%
<b>Total</b>	<b>5,974,458</b>	<b>1,825,471</b>	<b>2,050,300</b>	<b>2,031,700</b>	<b>486,800</b>	<b>-76%</b>
<u>By department</u>						
Communications	14,891	1,441,371	30,800	24,400	0	-100%
Finance	2,525	0	12,200	0	0	-100%
General Operations	0	0	2,007,300	2,007,300	486,800	-76%
Information Services	65,242	0	0	0	0	0%
Public Works	5,891,800	384,100	0	0	0	0%
<b>Total</b>	<b>5,974,458</b>	<b>1,825,471</b>	<b>2,050,300</b>	<b>2,031,700</b>	<b>486,800</b>	<b>-76%</b>

### Revenues

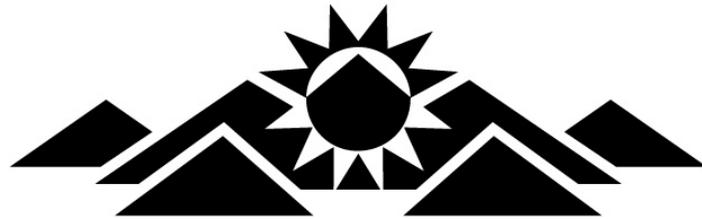
<u>By fund source</u>						
Development Fees	945,094	1,344,928	1,146,900	895,100	480,400	-58%
Interest	315,491	70,289	0	0	0	0%
Miscellaneous	25,000	0	0	0	0	
Fund Balance	4,688,873	410,254	903,400	1,136,600	6,400	-99%
<b>Total</b>	<b>5,974,458</b>	<b>1,825,471</b>	<b>2,050,300</b>	<b>2,031,700</b>	<b>486,800</b>	<b>-76%</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	6,400	-	-	-	-
Revenues	480,400	579,500	674,800	770,100	770,100
Expenditures	-	(12,500)	-	(12,500)	-
Transfers Out	(486,800)	(567,000)	(674,800)	(757,600)	(770,100)
<b>Ending Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*City of Surprise, Arizona*



**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*

## General Operations

### Description

The General Operations Department is established to provide support to the general operating activities of the city. General operating activities are those that cannot be accurately charged to a specific department, or those that serve a city-wide purpose.

### Budget Summary

General Operations serves as the general clearinghouse for all general fund departments and activities of the city of Surprise. Included in this budget are the costs for tuition reimbursement, debt service, insurance, council contingency, jail services, and the public defender contract. The city's tuition reimbursement program was suspended in FY2009. All economic development incentives are programmed through General Operations, as are all city subsidies of local organizations.

The General Operations budget represents a net decrease of 67% from the FY2009 budget of \$24,410,700. This decrease is due to a reduction in inter-fund transfers.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	3,048,412	3,090,963	2,430,200	1,460,078	1,996,400	-18%
Contingency	0	0	496,300	346,300	496,300	0%
Transfer Out	48,505,900	15,903,100	21,484,200	17,002,800	5,543,300	-74%
<b>Total</b>	<b>51,554,312</b>	<b>18,994,063</b>	<b>24,410,700</b>	<b>18,809,178</b>	<b>8,036,000</b>	<b>-67%</b>

<u>By division</u>						
General Ops	51,513,686	18,994,063	24,410,700	18,809,178	8,036,000	-67%
<b>Total</b>	<b>51,513,686</b>	<b>18,994,063</b>	<b>24,410,700</b>	<b>18,809,178</b>	<b>8,036,000</b>	<b>-67%</b>

### Revenues

<u>By fund source</u>						
General Fund	51,513,686	18,994,063	24,410,700	18,809,178	8,036,000	-67%
<b>Total</b>	<b>51,513,686</b>	<b>18,994,063</b>	<b>24,410,700</b>	<b>18,809,178</b>	<b>8,036,000</b>	<b>-67%</b>

A sample of items included in this budget:

- Economic Development \$250,000
- Public Defenders \$237,400
- Jail Services \$550,000
- General Insurance \$784,500

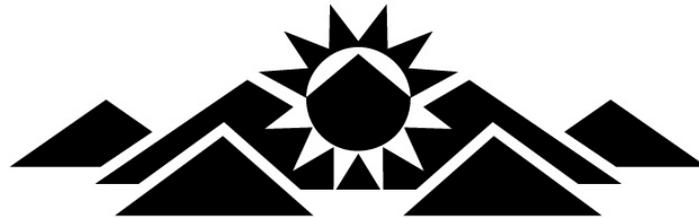
### Transfers

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

### General Fund Transfers

Campus Operations	1,547,300
Highway User Fund	1,421,000
General Capital	2,575,000
<b>Total General Fund Transfers</b>	<b>5,543,300</b>

*City of Surprise, Arizona*



**SURPRISE**

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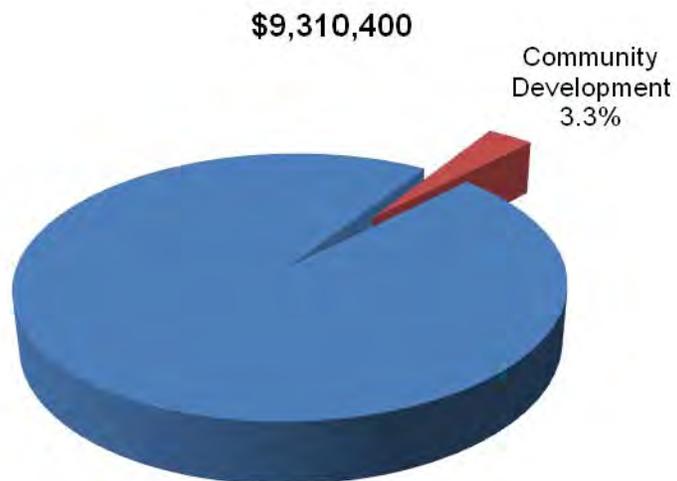
ARIZONA

*FY2010 Adopted Budget*

## ***Community Development***

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- Economic Development
- Community Development



## Economic Development

### Description

The Economic Development Department is engaged in building an employment and economic base for the city. Five key priorities drive the department's initiatives: attract industrial and office employers; facilitate start-up of new locally owned small businesses; attract community college and university campuses; provide retail and hospitality amenities such as theaters, hotels, and dining; and develop an innovation center to incubate early stage technology businesses.

### Budget Summary

The Economic Development Department budget of \$733,900 represents an 11% decrease from the FY2009 budget of \$824,400. The decrease in supplies and services can be attributed to the completion of a one-time workforce study. There is no anticipated reduction in service levels.

Expenditures	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	433,417	479,243	559,100	532,600	546,100	-2%
Supplies/Services	186,886	199,414	265,300	243,311	187,800	-29%
<b>Total</b>	<b>620,303</b>	<b>678,657</b>	<b>824,400</b>	<b>775,911</b>	<b>733,900</b>	<b>-11%</b>
<u>By division</u>						
General Ops	620,303	678,657	824,400	775,911	733,900	-11%
<b>Total</b>	<b>620,303</b>	<b>678,657</b>	<b>824,400</b>	<b>775,911</b>	<b>733,900</b>	<b>-11%</b>

### Revenues

#### By fund source

General Fund	620,303	678,657	824,400	775,911	733,900	-11%
<b>Total</b>	<b>620,303</b>	<b>678,657</b>	<b>824,400</b>	<b>775,911</b>	<b>733,900</b>	<b>-11%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Program Manager	1.0	1.0	1.0	1.0	0.0
Economic Development Coordinator	2.0	2.0	2.0	2.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Part Time	0.5	0.5	0.7	0.7	0.0
<b>Total</b>	<b>5.0</b>	<b>5.5</b>	<b>5.7</b>	<b>5.7</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Crescent Crown, Sands Chevrolet, Trader Joe's, HAM Inc., and Canyon Pipe openings.
- Communiversit@Surprise education partnership and workforce profile.
- Repurpose of City Bell Road Complex as AZ TechCelerator.

### Goals, Objectives, and Performance Measures

#### Strategic Focus Area: Economic Development

**Focus Area Goal:** Strengthen and expand the local economy by building upon the community's assets, creating jobs, promoting tourism, and implementing a proactive strategy that is compatible with the community's quality of life.

- **Department Goal:** The Economic Development Department will respond and assist with requests from entrepreneurs, small companies, and local businesses, increasing the growth rate of all types of business.
  - **Objective:** Help twenty-five new companies start a business in Surprise.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
New requests by entrepreneurs	100	85	90	50	50
New requests by local businesses	5	13	15	2	20
Business start-up successes	26	43	25	26	25
Local business retention/expansion successes	3	8	5	2	5
New small business assistance volunteers	12	36	25	2	25

- **Department Goal:** Increase employment opportunities for Surprise residents.
  - **Objective:** Attract a significant employer to Surprise that will employ one hundred or more employees.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Company inquiries	85	137	100	111	100
Non-retail developer inquiries	12	19	15	7	10
Company location announcements	19	23	25	19	25
Non-retail developer location announcements	0	6	1	1	1
Companies with greater than 100 employees	1	1	1	0	1
Companies with development agreements and 100 employees	---	---	---	0	1

*\*New measure, data not available*

- **Department Goal:** Marketing efforts will involve a variety of retail/hospitality oriented companies.
  - **Objective:** Attract twenty-five retailers, hotels, or restaurants with different products.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Retailer inquiries	67	55	100	85	100
Retail developer inquiries	11	17	20	7	10
Retailer location announcements	13	15	25	12	30
Retail developer location announcements	0	9	1	5	0
Theme park/resort developer location announcements	---	---	---	---	1

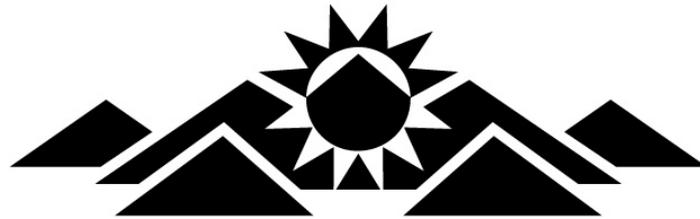
*\*New measure, data not available*

- **Department Goal:** Marketing efforts will focus on technology based companies.
  - **Objective:** Attract a significant employer engaged in life sciences, sustainability, or other technology.

<b>Performance Measures</b>	<b>Actual FY2007</b>	<b>Actual FY2008</b>	<b>Target FY2009</b>	<b>Actual FY2009</b>	<b>Target FY2010</b>
Technology company inquiries	8	40	50	27	25
Technology company location announcements	0	0	1	1	1
Technology company incubator tenants	---*	---*	---*	---*	3

*\*New measure, data not available*

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Community Development

### Description

The Community Development Department provides planning, building safety, permitting, code enforcement, and neighborhood services. The department is charged with ensuring responsible planning within the current and future city limits, and that new and existing structures are safe for occupancy.

### Divisions

- Administration - The Administration Division is responsible for the overall coordination of the department's activities and performance in relation to the organization.
- Planning & Zoning - The Planning Division's primary function is to ensure that projects are developed according to government regulations and development agreements. Long range planning is achieved by following the city's General Plan, which is a blueprint for future development.
- Development Services - The Development Services Division provides a single point of contact for city services to the customer so they may complete their development project in a faster, more cost efficient manner. The division also administers development agreements and creates process improvements for the department.
- Building Safety - The Building Safety Division reviews plans and permits for new development, inspects existing structures for remodeling, and performs building inspections.
- Code Enforcement - The Code Enforcement Division is charged with the health and safety of occupants/residents related to commercial and residential structures.
- Neighborhood Services - Neighborhood Services is committed to improving the condition of residential homes. The staff works closely with homeowners, advising on code requirements and various opportunities available for home improvements and enhancements.

### Budget Summary

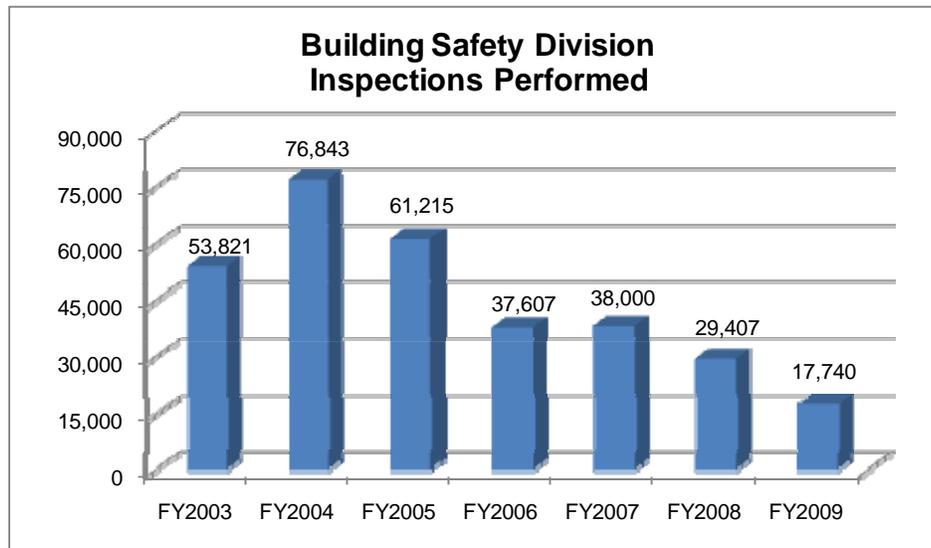
The Community Development Department budget of \$4,993,300 represents an increase of 18% from the FY2009 budget of \$4,225,950. Due to the reduction in permitting and construction activity, the staffing level of the department was reduced by 11.5 full time equivalent positions (FTE) during FY2009. An additional two FTE were eliminated as a part of the FY2010 budget. The large increase in the supplies and services is as a result of anticipated grant related program income in the Neighborhood Services Division that was moved to this department from the Community Initiatives Department.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	3,729,110	3,890,903	3,841,600	3,912,000	2,815,400	-27%
Supplies/Services	511,639	536,419	384,350	316,515	2,177,900	467%
<b>Total</b>	<b>4,240,750</b>	<b>4,427,323</b>	<b>4,225,950</b>	<b>4,228,515</b>	<b>4,993,300</b>	<b>18%</b>
<u>By division</u>						
Administration	373,257	376,031	275,900	294,582	242,000	-12%
Building Safety	1,748,210	1,698,947	1,250,450	1,509,720	810,600	-35%
Code Enforcement	14,275	452,102	634,100	472,718	611,600	-4%
Development Services	811,808	687,958	697,500	732,562	426,100	-39%
Planning and Zoning	1,293,200	1,212,284	1,368,000	1,218,933	886,600	-35%
Neighborhood Svcs	0	0	0	0	2,016,400	0%
<b>Total</b>	<b>4,240,750</b>	<b>4,427,323</b>	<b>4,225,950</b>	<b>4,228,515</b>	<b>4,993,300</b>	<b>18%</b>
<u>Revenues</u>						
<u>By fund source</u>						
Charges for Services	5,527,926	3,441,464	3,130,700	1,600,200	991,100	-68%
Grants	0	0	0	0	1,800,000	0%
Miscellaneous	0	0	46,300	14,300	8,900	-81%
General Fund	0	985,859	1,048,950	2,614,015	2,193,300	109%
<b>Total</b>	<b>5,527,926</b>	<b>4,427,323</b>	<b>4,225,950</b>	<b>4,228,515</b>	<b>4,993,300</b>	<b>18%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Senior Analyst	1.0	1.0	0.0	0.0	0.0
Senior Planner	3.0	3.0	2.0	2.0	0.0
Division Manager	2.0	2.0	1.0	1.0	0.0
Planner	8.0	8.0	5.0	5.0	0.0
Assistant Planner	1.0	1.0	0.0	0.0	0.0
Senior Plans Examiner	1.0	1.0	1.0	0.0	(1.0)
Plans Examiner	5.0	5.0	2.0	2.0	0.0
Manager	0.0	0.0	1.0	1.0	0.0
Code Compliance Supervisor	2.0	2.0	0.0	0.0	0.0
Senior Inspector	4.0	4.0	4.0	4.0	0.0
Inspector	10.0	13.0	6.0	6.0	0.0
Administrative Specialist	3.0	2.0	2.0	2.0	0.0
Administrative Support Supervisor	1.0	1.0	1.0	1.0	0.0
Fiscal Support Specialist	4.0	3.0	3.0	3.0	0.0
Fiscal Support Assistant	5.0	4.0	3.0	2.0	(1.0)
Administrative Assistant	2.0	3.0	2.0	2.0	0.0
Program Coordinator	0.0	0.0	2.0	2.0	0.0
Program Supervisor	0.0	0.0	1.0	1.0	0.0
Part Time Neighborhood Services	0.0	0.0	0.5	0.5	0.0
<b>Total</b>	<b>53.0</b>	<b>54.0</b>	<b>37.5</b>	<b>35.5</b>	<b>(2.0)</b>

## Capital

No capital items have been programmed for this fiscal year.



## Accomplishments

- Implementation of streamlined development process and opening of new Development Center.
- A Northwest Citizen Group was established to increase public participation in the unincorporated areas of the planning area.
- Eight staff members were certified by the International Association for Public Participation (IAP2).
- Public participation plan requirements for development projects were revised based on American Planning Association and city benchmarking best practices.
- Successfully secured Neighborhood Stabilization Program funding in the amount of \$2,197,000 to be used in home buyer assistance programs.
- Code Enforcement staff was the key note speaker at the inaugural meeting of the Home Owner's Association (HOA) Presidents Advisory Board. Current topics in code enforcement were discussed with approximately 20 HOA Presidents or designees.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Community Revitalization

**Focus Area Goal:** Ensure that all areas of the city of Surprise remain economically viable, safe, aesthetically pleasing, and vibrant.

- **Department Goal:** The community participation process is comprehensive.
  - **Objective:** Provide multiple and efficient ways for citizens to participate in the planning process.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Arizona Revised Statute (ARS) public participation compliance	100%	100%	100%	100%	100%
Staff training days in area of communication and participation	---*	2 days	3 days	3 days	1 day
% increase in attendance for community outreach meetings	---*	---*	5%	7%	5%
% of outreach activities that have multiple means of communication	---*	---*	---*	100%	100%

\*New measure, data not available

- **Department Goal:** Participate in neighborhood meetings and educate regarding code enforcement.
  - **Objective:** Develop a presentation for the Home Owner's Association (HOA) Academy, HOA Connections, and "Beat Team."

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Meetings attended by Code Enforcement	---*	97%	99%	100%	99%
Participants reached	---*	15	25	100	125

\*New measure, data not available

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

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Homes improved through grant funds	46	42	50	37	29
Grant amounts awarded for neighborhood revitalization activities	\$958,702	\$700,000	\$500,000	\$736,000	\$1,860,000
Tons of refuse removed from neighborhoods	620	780	1,200	300	100
Gallons of paint used for homes and to remove graffiti	850	950	1,200	400	300
Homes assisted through neighborhood improvement "Pride Day" (volunteers)	21	23	25	300	350

- **Objective:** Increase neighborhood participation and community building activities.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Neighborhood associations created	12	3	25	2	15
Neighborhood association participants	3,000	3,621	4,500	1,000	1,500
“Block party trailer” participants	---*	5,432	7,000	6,300	9,000

*\*New measure, data not available*

- **Department Goal:** Provide a single point of contact for city services to the customer so they may complete their development project in a faster more cost efficient manner.
  - **Objective:** Reduce customer wait times.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
% of submittal reviews completed within 30 minutes of sign in time with Development Services staff	---*	---*	---*	95%	95%
# of customers assisted not submitting for development review	---*	---*	---*	3,957	4,000

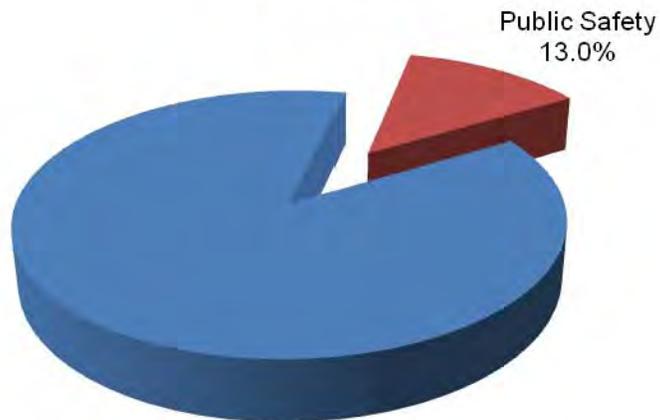
*\*New measure, data not available*

## ***Public Safety***

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- Fire & Emergency Services
- Firefighter's Pension Fund
- Fire & EMS Development Fund
- Police
- Police Development Fund
- Municipal Court
- Municipal Court Enhancement Fund

**\$36,404,100**





## Fire & Emergency Services

### Description

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

### Divisions

<u>Administration</u> -	Responsible for the administrative and support functions of the department.
<u>Community Services</u> -	Offers a variety of fire and life safety programs that directly benefit the community.
<u>Crises Response</u> -	Manages volunteers who provide on-scene victim assistance and support.
<u>EMS</u> -	Maintains all emergency medical supplies and equipment and researches new patient care technologies.
<u>Operations</u> -	Responsible for all field operations and will provide emergency service to the city 24 hours per day, 7 days a week.
<u>Fire Prevention</u> -	Supports programs designed to reduce the loss of life and property through education, prevention, and code enforcement.
<u>Support Services</u> -	Ensures stations and apparatus remain fully equipped and all personal protective equipment remains functional.
<u>Training</u> -	Coordinates all individual training programs in addition to inter-agency and multi-company drills and Training Academy curriculum.

### Budget Summary

The FY2010 budget is programmed for \$13,731,000, a net decrease of 6% from FY2009. Following a reduction of one Inspector position during FY2009, a second Inspector was eliminated in the FY2010 budget due to a decrease in workload resulting in a reduction in personnel costs.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Personnel	8,885,164	10,655,392	12,819,100	12,580,224	11,990,600	-6%
Supplies/Services	1,436,179	1,826,151	1,831,559	1,770,131	1,740,400	-5%
<b>Total</b>	<b>10,321,342</b>	<b>12,481,543</b>	<b>14,650,659</b>	<b>14,350,355</b>	<b>13,731,000</b>	<b>-6%</b>
<u>By division</u>						
Administration	652,636	758,045	886,400	875,262	1,415,200	60%
Community Svcs	275,023	194,771	192,759	169,940	164,000	-15%
Crisis Response	3,121	116,036	114,500	110,094	112,100	-2%
EMS	0	88281.52	80300	77177.82	80,300	0%
Fire Ops	8,617,716	9,893,611	11,960,200	11,772,410	10,769,100	-10%
Prevention	757,423	703,938	696,800	657,554	612,600	-12%
Support Svcs	15423	457,219	451,000	437,122	401,800	-11%
Training	0	269,641	268,700	250,794	175,900	-35%
<b>Total</b>	<b>10,321,342</b>	<b>12,481,543</b>	<b>14,650,659</b>	<b>14,350,355</b>	<b>13,731,000</b>	<b>-6%</b>
<b>Revenues</b>						
<u>By fund source</u>						
State Fire Insurance Tax	0	0	474,300	0	240,000	-49%
Charges for Services	432,395	358,640	1,222,300	175,600	175,600	-86%
Grants	45,914	47,922	0	0	0	0%
Miscellaneous	236,163	338,799	569,200	448,600	453,900	-20%
General Fund	9,606,869	11,736,182	12,384,859	13,726,155	12,861,500	4%
<b>Total</b>	<b>10,321,342</b>	<b>12,481,543</b>	<b>14,650,659</b>	<b>14,350,355</b>	<b>13,731,000</b>	<b>-6%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Assistant Department Director	2.0	2.0	2.0	2.0	0.0
Division Manager	1.0	1.0	1.0	1.0	0.0
Battalion Chief	3.0	3.0	4.0	4.0	0.0
Fire Captain	22.0	25.0	25.0	25.0	0.0
Inspector	4.0	4.0	3.0	2.0	(1.0)
Fire Engineer	19.0	22.0	24.0	24.0	0.0
Firefighter	47.0	56.0	54.0	54.0	0.0
Program Specialist	1.0	1.0	1.0	1.0	0.0
Program Supervisor	1.0	1.0	1.0	1.0	0.0
Administrative Technician	2.0	2.0	2.0	2.0	0.0
Plans Examiner	1.0	1.0	1.0	1.0	0.0
Fiscal Support Specialist	1.0	1.0	1.0	1.0	0.0
Analyst	0.0	1.0	0.0	0.0	0.0
Senior Analyst	0.0	0.0	1.0	1.0	0.0
Administrative Support Supervisor	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Service Worker/Groundskeeper	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Technician	0.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>108.0</b>	<b>125.0</b>	<b>125.0</b>	<b>124.0</b>	<b>(1.0)</b>

### Capital

Capital is programmed as indicated by the table below in the amount of \$44,800 for payment to the city of Phoenix for radio services.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
800Mhz radio payment to city of Phoenix		21112	342	316	39431	29999	44,800
<b>Total</b>							<b>44,800</b>

### Accomplishments

- Opened Station 307, greatly expanding the department's coverage area in the southern portion of our city limits.
- Placed a new Type 3 (rural response engine) and 2,000 gallon Water Tender into service, greatly increasing capabilities in our Acacia District.
- Deployed seven new automatic external defibrillators throughout various city locations, including the new City Hall complex.
- Applied for, and received, over \$302,000 in state and federal grants used to enhance the department's capabilities and security.
- Completed setup and installation of all computer and A/V equipment in city's Emergency Operations Center.
- The department's training division coordinated over 10,000 hours of interagency training for the Westside Training Consortium.
- Completed an Insurance Services Office (ISO) audit and are currently awaiting results.

## Goals, Objectives, and Performance Measures

### Strategic Plan Focus Area: Community Revitalization

**Focus Area Goal:** Ensure that all areas of the city of Surprise remain economically viable, safe, aesthetically pleasing, and vibrant.

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

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Target training hours per fire fighter	240	240	240	240	240
Total training hours	21,954	31,770	26,400	26,280	29,000
% of target hours attained	97.3%	124.8%	100%	110%	120%

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

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Total calls	10,485	11,000	12,000	10,718	11,250
5 minute response attained*	33.9%	38.0%	40.0%	39.4%	42.0%
90 <sup>th</sup> percentile response time**	9:19	8:43	8:35	7:55	7:45
Operating expenses per call	\$982	\$1,236	\$1,275	\$1,234	\$1,221

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

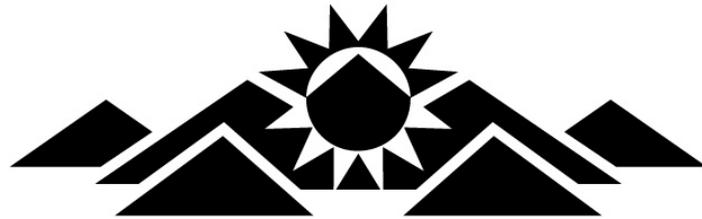
\*\* 90% of all calls had an emergency response unit on-scene within the stated timeframe.

- **Department Goal:** Ensure the city of Surprise remains a viable location for new businesses.
  - **Objective:** Begin process of obtaining an official Insurance Services Office (ISO) Audit to reduce the city of Surprise's ISO rating from 5 to 3 by FY2010.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
ISO rating*	5	5	5	5	3

\*The goal is to reduce the ISO rating in FY2010

*City of Surprise, Arizona*



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**A R I Z O N A**

*FY2010 Adopted Budget*

## Firefighter's Pension Fund

### Description

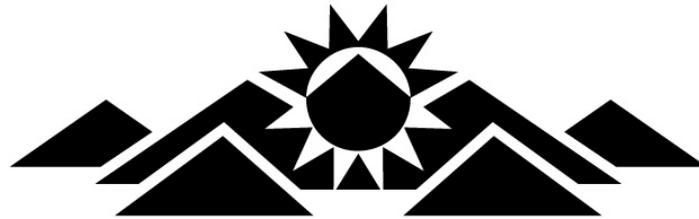
The firefighter's pension fund is established to temporarily hold or collect resources on behalf of a third party (firefighters).

### Budget Summary

The firefighter's pension fund has been programmed so the expenditures are equal to anticipated resources. Resources for this fund are comprised 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.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	0	0	96,900	0	98,100	1%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>96,900</b>	<b>0</b>	<b>98,100</b>	<b>1%</b>
<u>By department</u>						
General Operations	0	0	96,900	0	98,100	1%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>96,900</b>	<b>0</b>	<b>98,100</b>	<b>1%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Interest	2,743	2,242	1,000	0	1,000	0%
Fund Balance	0	0	95,900	0	97,100	1%
<b>Total</b>	<b>2,743</b>	<b>2,242</b>	<b>96,900</b>	<b>0</b>	<b>98,100</b>	<b>1%</b>

*City of Surprise, Arizona*



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*FY2010 Adopted Budget*

## Fire & EMS Development Fund

### Description

The fire and emergency medical services (EMS) development fee fund is established to account for the inflow of fire and EMS development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on fire and emergency medical services caused by growth. Development fees cannot be used to subsidize operational needs.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-22. The fire and EMS development fee remains unchanged from the prior fiscal year amount of \$706 per single family residential permit as established July 1, 2007.

Funding in the amount of \$194,800 is programmed as rent to be used as payment on the Municipal Property Corporation (MPC) lease for the new Public Safety Building that includes Fire Administration. The debt service payment is budgeted in the general fund. Development agreement authority is included in the amount of \$50,000.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	409,899	504,824	212,500	200,000	244,800	15%
Capital	11,319,841	4,496,629	1,644,700	1,207,300	0	-100%
<b>Total</b>	<b>11,729,740</b>	<b>5,001,453</b>	<b>1,857,200</b>	<b>1,407,300</b>	<b>244,800</b>	<b>-87%</b>
<u>By department</u>						
Finance	2,125	0	12,500	0	0	-100%
Fire-Emergency Services	11,727,615	5,001,453	1,844,700	1,407,300	244,800	-87%
<b>Total</b>	<b>11,729,740</b>	<b>5,001,453</b>	<b>1,857,200</b>	<b>1,407,300</b>	<b>244,800</b>	<b>-87%</b>

### Revenues

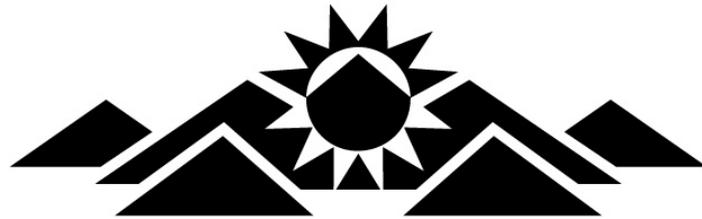
<u>By fund source</u>						
Development Fees	2,266,095	1,548,612	1,701,700	1,062,300	557,400	-67%
Interest	244,476	38,622	0	0	0	0%
Grants	73,490	0	0	0	0	0%
Transfer In	0	0	155,500	345,000	3,854,300	2379%
Fund Balance	9,145,679	3,414,219	0	0	-4,166,900	0%
<b>Total</b>	<b>11,729,740</b>	<b>5,001,453</b>	<b>1,857,200</b>	<b>1,407,300</b>	<b>244,800</b>	<b>-87%</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	(4,166,900)	-	455,900	1,036,900	1,717,200
Revenues	557,400	663,300	776,100	889,000	889,000
Transfers In	3,854,300	-	-	-	1,392,800
Expenditures	(50,000)	(12,500)	-	(12,500)	-
Debt Service	(194,800)	(194,900)	(195,100)	(196,200)	(194,700)
<b>Ending Balance</b>	<b>-</b>	<b>455,900</b>	<b>1,036,900</b>	<b>1,717,200</b>	<b>3,804,300</b>

*City of Surprise, Arizona*



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A R I Z O N A

*FY2010 Adopted Budget*

## Police

### Description

The Surprise Police Department, in partnership with the community, provides the delivery of progressive crime prevention and protection.

### Divisions

- Office of the Chief - The Office of the Chief is responsible for the performance of the Surprise Police Department and its commanding officers. The professional standards unit is also a component of this office and is responsible for the internal inspections and investigations.
- Administrative Services - Responsible for the centralized administrative functions of the department and includes Police Communications/911, records management, community relations programs and services, and technical services.
- Criminal Investigations - The investigative arm of the department, performing investigations into criminal activity, and includes evidence and property management and victim services.
- Field Operations - Provide service in the field to the community including the Beat Team Program, traffic enforcement, animal control, jail transport, and other directed community policing activities.

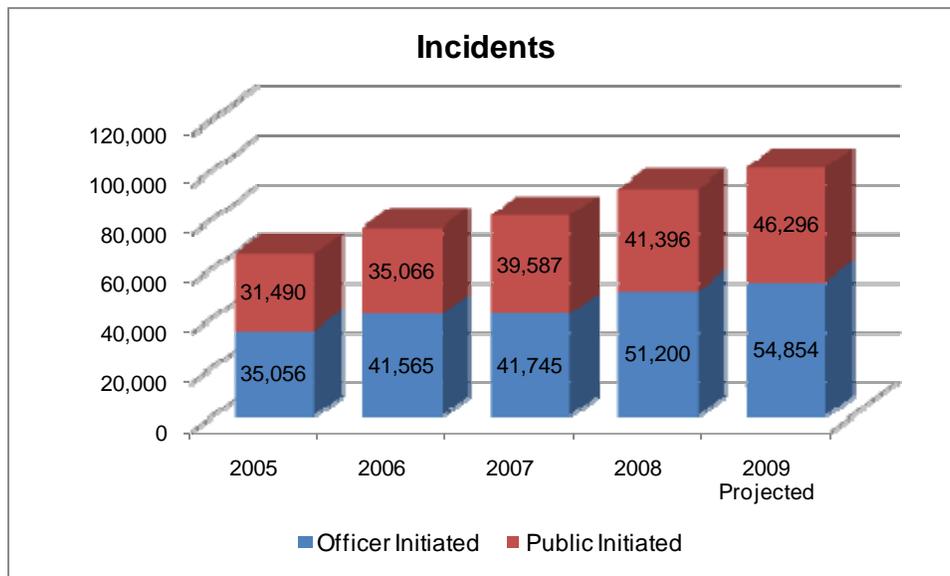
### Budget Summary

The Police Department's FY2010 operating budget of \$17,961,300 represents a decrease of 2% from the FY2009 operating budget of \$18,290,900.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	11,323,197	14,031,842	16,917,500	16,323,156	16,662,600	-2%
Supplies/Services	1,597,247	1,506,502	1,373,400	1,472,546	1,298,700	-5%
<b>Total</b>	<b>12,920,444</b>	<b>15,538,344</b>	<b>18,290,900</b>	<b>17,795,702</b>	<b>17,961,300</b>	<b>-2%</b>
<u>By division</u>						
Administration	2,386,439	2,279,768	3,028,600	2,839,949	2,703,300	-11%
Communications	1,746,343	1,603,716	2,046,600	1,889,790	1,981,800	-3%
Community Svcs	3	11	-	-	-	0%
General Ops	(480,251)	-	-	-	-	0%
Investigations	1,824,036	1,677,228	2,562,100	2,233,929	2,278,800	-11%
Patrol	7,437,539	9,577,258	10,079,100	10,280,364	10,416,300	3%
Tech Svcs	6,334	400,364	574,500	551,670	581,100	1%
<b>Total</b>	<b>12,920,444</b>	<b>15,538,344</b>	<b>18,290,900</b>	<b>17,795,702</b>	<b>17,961,300</b>	<b>-2%</b>
<b>Revenues</b>						
<u>By fund source</u>						
State Shared	23,457	5,629	0	6,900	7,900	0%
Finger Printing	26,866	622,685	62,400	655,200	720,400	1054%
Grants	61,675	346,080	66,000	268,600	66,000	0%
General Fund	12,808,446	14,563,950	18,162,500	16,865,002	17,167,000	-5%
<b>Total</b>	<b>12,920,444</b>	<b>15,538,344</b>	<b>18,290,900</b>	<b>17,795,702</b>	<b>17,961,300</b>	<b>-2%</b>

For FY2010, an Administrative Specialist position has been added. This position is funded with towing program fees. The authorized Police Department position count will increase from the current 187.0 full time equivalent positions (FTE) to 188.0 FTE, of which 134.0 FTE are sworn positions. The department also has the authorization to "over-hire" (the ability to hire additional positions higher than authorized in the budget) up to six additional FTE with Mayor and Council approval should the need arise. Reductions in supplies and services are due in large part to utilities costs being consolidated into the Public Works Department.

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Assistant Department Director	3.0	3.0	3.0	3.0	0.0
Division Manager	3.0	3.0	5.0	5.0	0.0
Police Sergeant	16.0	16.0	16.0	16.0	0.0
Police Officer	96.0	104.0	109.0	109.0	0.0
Community Service Officer	6.0	7.0	6.0	6.0	0.0
IT Administrator	1.0	1.0	1.0	1.0	0.0
Manager	1.0	1.0	1.0	1.0	0.0
Senior Analyst	1.0	1.0	2.0	2.0	0.0
Training Coordinator	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	2.0	1.0
Administrative Technician	6.0	7.0	6.0	6.0	0.0
Transportation Officer	2.0	2.0	2.0	2.0	0.0
Communications Supervisor	4.0	4.0	5.0	5.0	0.0
Administrative Support Supervisor	1.0	1.0	1.0	1.0	0.0
Forensic Technician	1.0	1.0	1.0	1.0	0.0
Analyst	1.0	1.0	1.0	1.0	0.0
Communications Officer	12.0	20.0	19.0	19.0	0.0
Animal Control Officer	3.0	3.0	3.0	3.0	0.0
Program Coordinator	1.0	1.0	1.0	1.0	0.0
Information Technology Technician	1.0	1.0	1.0	1.0	0.0
Senior IT Administrator	0.0	0.0	1.0	1.0	0.0
<b>Total</b>	<b>162.0</b>	<b>180.0</b>	<b>187.0</b>	<b>188.0</b>	<b>1.0</b>



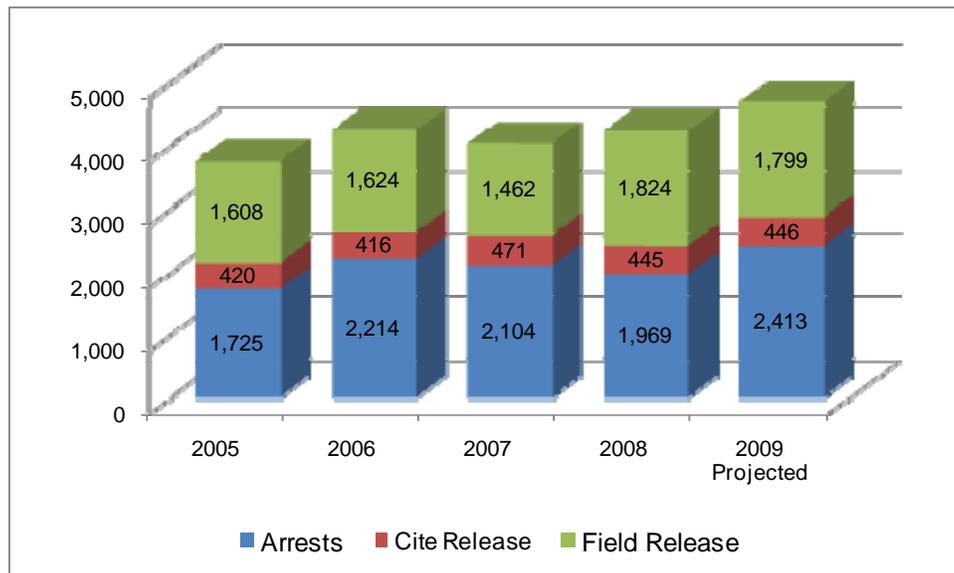
### Capital

Capital is programmed for \$1,292,400 as indicated by the table below and includes carry forward funds for the Public Safety Building, Communications Upgrade, and grant funding.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
Public Safety Building	Carry Fwd	21112	341	111	39411	20219	183,900
Police Communications Upgrade to RWC	Carry Fwd	21413	341	313	39411	20805	286,000
Police Communications Upgrade to RWC		21413	341	313	39311	20805	230,000
Police Communications Upgrade to RWC		21413	341	313	39411	20805	515,800
Special Assignment Unit Vehicle	Carry Fwd	21111	341	311	39421	27045	44,700
JAG		21111	341	312	39431	27076	32,000
<b>Total</b>							<b>1,292,400</b>

## Accomplishments

- All required Commission on Accreditation for Law Enforcement Agencies (CALEA) audits, inspections, and reviews completed to ensure that the Surprise Police Department retains accredited status.
- Crimeview project completed that allows public access to up-to-date crime statistics via the internet.
- Public awareness and education regarding traffic safety resulted in overall reduction in all types of traffic accidents.



## Goals, Objectives, and Performance Measures

### Strategic Plan Focus Area: Community Land Issues, Community Revitalization

**Focus Area Goal:** Ensure that all areas of the City of Surprise remain economically viable, safe, and residents' quality of life is good.

- **Department Goal:** Educate residents and increase community awareness.
  - **Objective:** Increase public awareness of program that allows the community to access crime statistical information.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Visits to department webpage	---	---	1,000	4,451	5,000

\*New measure, data not available

- **Objective:** Conduct two 4-week “Teen Leadership Academy” classes annually.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Teens attended with successful completion	69	79	80	68	80

N/A: This program was initiated in FY2007

- **Objective:** Conduct interactive community meetings in all beats of the city.

Performance Measure	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Town Hall Completion	2	7	7	3	3
Citizen Attendance	30	120	240	90	150

- **Objective:** Participate in city HOA Connection program to increase awareness of neighborhood issues.

Performance Measure	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Suspicious incident reports from citizens	5,887	6,820	7,500	2,137	2,000

- **Department Goal:** Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) accreditation standards.

- **Objective:** Complete the annual review process for future CALEA reaccreditation process.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Submission of Proof completed by August 30th	N/A	N/A	Yes	Yes	Yes
CALEA accredited?	No	Yes	Yes	Yes	Yes

N/A: The department submitted proofs for continuing accreditation in FY2009.

- **Department Goal:** Increase efficiency of off-duty notification and scheduling.

- **Objective:** Implement automated off-duty notification and scheduling system in FY2009.

Performance Measure	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Annual staff hours of scheduling and coordinating off-duty	900	1,040	800	500	300

- **Department Goal:** Conduct event planning for city events and special details.

- **Objective:** Provide safe, organized events and reduce traffic congestion.

Performance Measure	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Annual hours of event management	548	564	590	620	640
Events hosted/participated	118	125	135	140	145

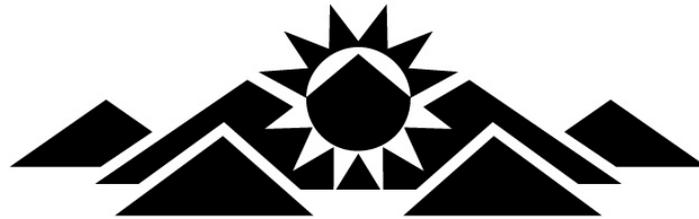
- **Department Goal:** Partner with the Transportation Department to monitor top traffic collision-related intersections in the city.
  - **Objective:** Increase safety through public awareness and education.

<b>Performance Measure</b>	<b>Actual FY2007</b>	<b>Actual FY2008</b>	<b>Actual FY2009</b>	<b>3 Year Average</b>	<b>Estimate FY2010</b>
Fatal collision	9	5	7	7	5
Injury collision	263	261	201	241.6	190
Non-injury collision	964	952	913	943	900
Hit/Run collision	245	252	240	245.6	230
Private property collision	207	187	174	189.3	160

- **Department Goal:** Continue active recruitment.
  - **Objective:** Roll-out of recruitment video.

<b>Performance Measure</b>	<b>Actual FY2007</b>	<b>Actual FY2008</b>	<b>Target FY2009</b>	<b>Actual FY2009</b>	<b>Target FY2010</b>
% of positions maintained full by end of fiscal year	88%	95%	96%	97%	98%

*City of Surprise, Arizona*



**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*

## Police Development Fee Fund

### Description

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

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-21. The public safety development fee remains unchanged from the prior fiscal year amount of \$372 per single family residential permit as established July 1, 2007.

Payment on the Municipal Property Corporation (MPC) lease for the new Public Safety Building is programmed as rent at \$464,800. The completion of the Police Communications Upgrade to Regional Wireless Cooperative (RWC) project is budgeted in FY2010.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	559,994	477,100	489,600	477,100	464,800	-5%
Capital	414,746	85,728	432,600	146,600	1,031,800	139%
Contingency	0	0	151,700	0	0	-100%
Transfer Out	4,000,000	0	1,701,500	1,200,500	0	-100%
<b>Total</b>	<b>4,974,740</b>	<b>562,828</b>	<b>2,775,400</b>	<b>1,824,200</b>	<b>1,496,600</b>	<b>-46%</b>
<u>By department</u>						
General Operations	0	0	1,853,200	1,200,500	0	-100%
Finance	2,300	0	12,500	0	0	-100%
Police	4,972,440	562,828	909,700	623,700	1,496,600	65%
<b>Total</b>	<b>4,974,740</b>	<b>562,828</b>	<b>2,775,400</b>	<b>1,824,200</b>	<b>1,496,600</b>	<b>-46%</b>

### Revenues

#### By fund source

Development Fees	2,085,418	766,873	890,400	582,000	303,000	-66%
Interest	198,106	62,224	0	0	0	0%
Miscellaneous	0	0	0	0	348,800	0%
Transfer In	0	0	0	0	558,800	0%
Fund Balance	2,691,215	0	1,885,000	1,242,200	286,000	-85%
<b>Total</b>	<b>4,974,740</b>	<b>829,097</b>	<b>2,775,400</b>	<b>1,824,200</b>	<b>1,496,600</b>	<b>-46%</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. Intergovernmental funding and a transfer in from general capital balance the fund in FY2010. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	286,000	-	-	-	-
Revenues	303,000	358,800	420,500	482,300	482,300
Intergovernmental Contributions	198,800	-	-	-	-
Transfers In	708,800	118,600	44,900	-	-
Expenditures	(1,031,800)	(12,500)	-	(12,500)	-
Transfers Out	-	-	-	(1,900)	(17,800)
Debt Service	(464,800)	(464,900)	(465,400)	(467,900)	(464,500)
Ending Balance	-	-	-	-	-

## Municipal Court

### Description

The Surprise Municipal Court's primary function is to adjudicate all cases filed in the Court and to effectively obtain compliance with the Court's order, as prescribed by the Code of Judicial Conduct and all other standards as set by the Arizona Supreme Court. Court staff answers questions from the public and provides assistance to those having business at the Court and also ensures accounting for both judicial and financial activities.

### Budget Summary

The Municipal Court's budget of \$2,033,500 represents a 15% decrease from the FY2009 budget of \$2,386,800. A personnel reduction of one Administrative Technician is included in the budget. A net increase in personnel occurs as Pro-Tem Judges were reclassified from consultant general (a service) to part time employees (a personnel cost). Security costs (\$150,000) were moved from the general fund to the court enhancement fund. Additional court fees will be added during FY2010 to help the Municipal Court to be less reliant on other general fund revenue sources.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	1,415,806	1,616,928	1,829,300	1,822,600	1,844,300	1%
Supplies/Services	477,332	507,185	557,500	484,588	189,200	-66%
<b>Total</b>	<b>1,893,138</b>	<b>2,124,113</b>	<b>2,386,800</b>	<b>2,307,188</b>	<b>2,033,500</b>	<b>-15%</b>
<u>By division</u>						
JCEF	0	54,023	10,000	0	0	-100%
General Ops	1,893,138	2,070,090	2,376,800	2,307,188	2,033,500	-14%
<b>Total</b>	<b>1,893,138</b>	<b>2,124,113</b>	<b>2,386,800</b>	<b>2,307,188</b>	<b>2,033,500</b>	<b>-15%</b>

### Revenues

#### By fund source

Grants	14,504	17,768	0	0	0	0%
Court Fines	1,168,244	1,282,024	1,237,500	1,574,100	1,868,700	51%
Miscellaneous	0	-285	0	0	0	0%
General Fund	710,390	824,606	1,149,300	733,088	164,800	-86%
<b>Total</b>	<b>1,893,138</b>	<b>2,124,113</b>	<b>2,386,800</b>	<b>2,307,188</b>	<b>2,033,500</b>	<b>-15%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Presiding Judge	1.0	1.0	1.0	1.0	0.0
Associate Judge	1.0	1.0	1.0	1.0	0.0
Division Manager	1.0	1.0	1.0	1.0	0.0
Accountant/Tax Auditor	0.0	1.0	1.0	1.0	0.0
Analyst	1.0	1.0	0.0	0.0	0.0
Program Manager	0.0	0.0	1.0	1.0	0.0
Administrative Support Supervisor	2.0	2.0	2.0	2.0	0.0
Assistant Analyst	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	7.0	8.0	8.0	8.0	0.0
Executive Administrative Specialist	0.0	0.0	1.0	1.0	0.0
Administrative Technician	7.0	7.0	6.0	5.0	(1.0)
<b>Total</b>	<b>21.0</b>	<b>23.0</b>	<b>23.0</b>	<b>22.0</b>	<b>(1.0)</b>

### Capital

No capital items have been programmed for this fiscal year.

## Accomplishments

- Early case disposition implemented May 2009. This program has significantly reduced the number of pre-trial settings for criminal cases. In addition, public defender appointments have been significantly reduced as well as fewer cases set for trial. As a result, we are seeing more cases adjudicated within 60 days of filing.
- Pre-trial conference/trial setting conference. This practice has also contributed to the reduced number of cases being docketed as well as the speedy resolution of Driving Under the Influence (DUI) cases.
- Home detention program has resulted in a financial savings to the city for jail housing expenses. At this time only defendants convicted of a DUI are eligible for this program. The cost of the program is paid by the defendant after statutory jail time at the county jail.
- Civil traffic arraignments have been streamlined by scheduling defendants Monday through Friday thereby reducing crowding on any one particular day of the week as was the previous practice.
- Electronic transfer of citations (E-Cite). Although E-Cites have been manually filed in this Court since 2007, the electronic data transfer was implemented this past June. This process has enabled the citation clerk to support other high priority assignments that were unassigned because of staffing shortages.

## Goals, Objectives, and Performance Measures

### Strategic Plan Focus Area: Community Revitalization

**Focus Area Goal:** Ensure that all areas of the city of Surprise remain economically viable, safe, aesthetically pleasing, and vibrant.

- **Department Goal:** Maintain an access and fairness rating of the court's accessibility and treatment of customers in terms of fairness, equality, and respect.
  - **Objective:** Maintain court access and fairness.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Court users surveyed	---	---	100	99	200
Percent of court users surveyed with a positive experience	---	---	70%	80%	85%

*\*New measure, data not available*

### Strategic Plan Focus Area: Organizational Issues

**Focus Area Goal:** Achieve organizational excellence.

- **Department Goal:** Improve "Time to Disposition" – the percentage of cases disposed or otherwise resolved within established time frames.
  - **Objective:** Improve clearance rates for case processing.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Percentage of timely conviction reporting	---	---	85%	85%	85%
Case audits for accuracy	---	---	1,200	1,200	2,000

*\*New measure, data not available*

## Municipal Court Enhancement Fund

### Description

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

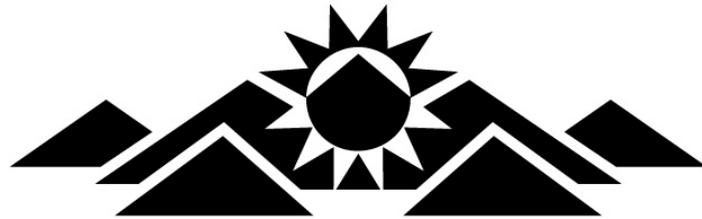
### Budget Summary

Programmed resources are based upon actual collections and expenditures in the prior year. For FY2010, \$43,000 has been programmed to contract with a computer programmer who will provide services related to the AZTEC and Wizard programs used by the courts. Court security costs in the amount of \$150,000 are included here as well. The remaining \$178,900 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.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	0	34,417	40,000	37,000	150,000	275%
Capital	0	0	0	0	43,000	0%
Contingency	0	0	118,600	0	178,900	51%
<b>Total</b>	<b>0</b>	<b>34,417</b>	<b>158,600</b>	<b>37,000</b>	<b>371,900</b>	<b>134%</b>
<u>By department</u>						
City Court	0	34,417	158,600	37,000	328,900	107%
Information Services	0	0	0	0	43,000	0%
<b>Total</b>	<b>0</b>	<b>34,417</b>	<b>158,600</b>	<b>37,000</b>	<b>371,900</b>	<b>134%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Court Fines	54,546	66,283	40,000	78,000	80,000	100%
Interest	0	483	0	0	0	0%
Fund Balance	0	0	118,600	0	291,900	146%
<b>Total</b>	<b>54,546</b>	<b>66,766</b>	<b>158,600</b>	<b>78,000</b>	<b>371,900</b>	<b>134%</b>

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

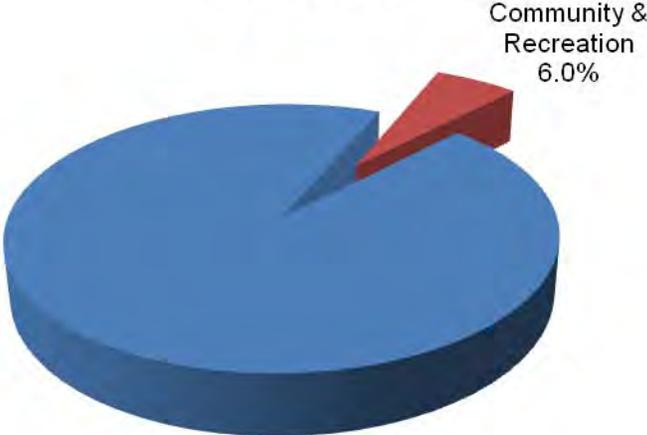
*FY2010 Adopted Budget*

**Community & Recreation Services**

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- Community & Recreation Services
- Campus Operations Fund
- Parks & Recreation Development Fund
- Library Development Fund
- Community Initiatives
- 10% Set-Aside Fund

\$16,729,700





## Community & Recreation Services

### Description

The city of Surprise Community and Recreation Services Department is responsible for recreational and special event programming, recreational facility operations, aquatics programming, library services, and ground maintenance of city parks. The campus operations fund is managed by the Community and Recreation Department and is detailed on a separate page.

### Divisions

- Administration - The Administration Division provides managerial support to all aspects of Community and Recreation Services.
- Aquatics - The Aquatics Division manages the Surprise Aquatic Center and the Hollyhock swimming pool.
- Special Events/Programs - The Special Events Division programs activities that include the Cancer Treatment Centers of America Tennis Championships, the "Surprise Party" in December, and the annual 4<sup>th</sup> of July celebration. The Division also manages the Surprise Tennis and Racquet Complex Operations.
- Recreation - The Recreation Division manages programming that includes youth and adult sports, adaptive recreation, senior programs, special interest classes, tot time and teens totaling over 790 programs.
- Park Maintenance - The Park Maintenance Division manages 15 park and recreation center locations that include nearly 400 acres.
- Library - The Library Division provides for a service agreement with the Maricopa County Library District which operates the Northwest Surprise Regional Library and the Hollyhock Branch Library.
- Community Promotions - The Community Promotions Division provides marketing and promotion of the department and all aspects of business services.

### Budget Summary

The total budget of \$9,693,800 represents an increase of 9% from the FY2009 budget. As a result of the reorganization, the Human and Senior Services Divisions of the Community Initiatives Department and the Disability Advocate Division of the Management and Budget Department were moved here.

<b>Expenditures</b>	FY2007	FY2008	FY2009	FY2009	FY2010	Budget
<u>By category</u>	Actual	Actual	Budget	Estimate	Budget	Change
Personnel	3,278,254	4,355,168	4,839,300	4,645,765	4,934,000	2%
Supplies/Services	3,088,169	3,845,851	4,023,345	4,215,556	4,759,800	18%
<b>Total</b>	<b>6,366,422</b>	<b>8,201,020</b>	<b>8,862,645</b>	<b>8,861,321</b>	<b>9,693,800</b>	<b>9%</b>
<u>By division</u>						
Administration	352,867	276,619	269,530	266,889	627,700	133%
Aquatics	682,027	794,361	746,170	718,903	624,000	-16%
Community Promo	134,380	126,487	146,065	147,816	143,100	-2%
Library	150,641	170,166	168,530	160,345	168,500	0%
Park Maintenance	1,684,489	2,199,125	2,250,300	2,094,972	2,582,000	15%
Recreation	2,674,178	3,349,405	3,282,555	3,394,699	3,778,900	15%
Special Events	677,364	628,513	570,425	554,434	487,000	-15%
Tennis	5,057	656,344	1,350,970	1,445,162	1,282,600	-5%
Campus Ops	5,419	0	78,100	78,100	0	-100%
<b>Total</b>	<b>6,366,422</b>	<b>8,201,020</b>	<b>8,862,645</b>	<b>8,861,321</b>	<b>9,693,800</b>	<b>9%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Charges for Services	911,186	1,051,810	1,080,600	1,038,898	1,091,000	1%
Miscellaneous	8,738	139,452	1,062,000	1,005,089	998,700	-6%
General Fund	5,446,498	7,009,758	6,720,045	6,817,334	7,604,100	13%
<b>Total</b>	<b>6,366,422</b>	<b>8,201,020</b>	<b>8,862,645</b>	<b>8,861,321</b>	<b>9,693,800</b>	<b>9%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	4.0	4.0	3.0	3.0	0.0
Manager	0.0	0.0	2.0	1.0	(1.0)
Fiscal Support Supervisor	1.0	1.0	1.0	1.0	0.0
Recreation Supervisor	4.0	5.0	6.0	6.0	0.0
Recreation Coordinator	6.0	8.0	7.0	7.0	0.0
Recreation Specialist	0.0	1.0	1.0	1.0	0.0
Recreation Aide	1.0	1.0	1.8	1.8	0.0
Administrative Technician	2.0	2.0	2.5	2.5	0.0
Analyst	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	2.0	2.0	3.0	3.0	0.0
Program Supervisor	0.0	0.0	3.0	2.0	(1.0)
PT Seasonal Positions	40.4	48.9	49.6	49.6	0.0
<b>Total</b>	<b>62.4</b>	<b>74.9</b>	<b>81.9</b>	<b>79.9</b>	<b>(2.0)</b>

Supplies and services increases are due to increased costs of operations and the addition of Veramonte and Surprise Farms Parks.

The Community and Recreation Services Department endeavors to recover at least 100% of all direct costs for recreation programs. Exceptions to the 100% recovery policy are youth recreation, special events, aquatics, and senior programming. Programs that make a "profit" are utilized to subsidize the direct costs of all other programs. When total operating costs (direct and indirect expenses) are factored, the Community and Recreation Services Department recovers approximately 20% of all operational costs.

Program fees consist of all user fees charged to participate in city recreation programs and other activities. Revenue recovery of direct program costs ranges from 0% to 100% for all programs offered by the city. The city continues to make progress in the variety of activities offered and in the cost recovery of those activities.

## Capital

Capital programmed for the Community and Recreation Services Department totals \$1,443,800 including \$1,171,000 for projects that have been carried forward from FY2009 as indicated in the table below. Additionally, funds are programmed for parks maintenance asset replacement program

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
CRS Park Maint. Asset Replacement Program		21111	444	111	39713	20001	272,800
Surprise Farms Park Development	Carry Fwd	21414	444	429	39211	20606	888,000
Lizard Run Enhancements	Carry Fwd	21112	444	431	39211	20902	283,000
<b>Total</b>							<b>1,443,800</b>

## Accomplishments

- Received nine local and national awards recognizing the quality facilities and programs.
- Hosted Surprise's first international tennis competition, the 2009 FedCup by BNP Paribas in which Team USA beat rival Argentina.
- Successfully developed, promoted, and implemented the first annual Cancer Treatment Centers of America Championships hosted at the Surprise Tennis and Racquet Complex.
- Parks and Recreation Parks and Trails Master Plan: Development of projects for inclusion in the Capital Improvements Plan (CIP) and the potential FY2010 General Obligation bonding package.
- Parks Asset Replacement Program: Five of eight parks received or exceeded the allocated percentage of replacement plants this year.
- The department delivered over 1,900 recreation and special event programs servicing over 237,800 participants.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Quality of Life

**Focus Area Goal:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** Implement the Surprise Parks and Trails Master Plan.
  - **Objective:** Modify the Community and Recreation Services Department's portion of the CIP to achieve the recommended facility level of service standards identified in the Surprise Parks and Trails Master Plan.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Percentage of recommended facility level of service standards identified in the Park and Trails Master Plan that are achieved at the end of the 10 year CIP	---	---	100%	100%	100%

*\*New measure, data not available*

- **Department Goal:** Promote Surprise as a national player by attracting a professional tennis tournament to the state of Arizona by successfully developing, coordinating, promoting, and implementing the first annual Cancer Treatment Centers of America Championship Series.
  - **Objective:** The impact to the economy will be two times the host cost.
  - **Objective:** Achieve 90% revenue recovery.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Host cost in dollars	---	---	747,500	696,100	747,500
Projected impact to the economy in dollars	---	---	1,495,000	2,000,000	2,000,000
Revenue recovery in dollars	---	---	695,000	593,900	695,000
Percent revenue recovery	---	---	90%	85%	93%

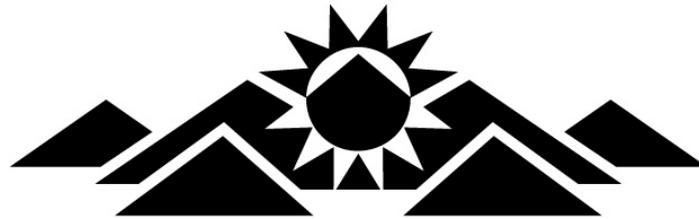
*\*New measure, data not available*

- **Department Goal:** Provide safe and well-maintained facilities that protect public safety, maximize the usability of facilities, and instill community pride in its parks.
  - **Objective:** Maintain park asset per the Park Asset Replacement Schedule.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Percent of asset replacement projects addressed	---	---	100%	107%	20%
Percent of plants replaced per year	---	---	5%	4%	1%

*\*New measure, data not available*

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Campus Operations Fund

### Description

The campus operations fund is established to track revenues and expenditures associated with the operation and maintenance of the 145-acre Surprise Recreation Campus, specifically stadium operations, turf, and ground maintenance. Through this fund, the Campus Operations Division of Community and Recreation Services Department facilitates Cactus League Baseball, community special events, and youth and adult sports programming year round. Campus Operations also oversees the facility maintenance of all Community and Recreation Services facilities.

### Budget Summary

The overall budget decreases by 14% from the FY2009 budget to a total of \$3,669,600. A Maintenance and Operations Supervisor position was eliminated during FY2009 and for FY2010, a Senior Maintenance and Operations Technician was removed resulting in an 11% reduction in personnel costs.

There are no changes to the supplies and services budgets. The capital component of the budget has been reduced to \$0. This is due to the suspension of the asset replacement program.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	1,410,698	1,656,495	1,682,300	1,671,822	1,501,300	-11%
Supplies/Services	2,278,611	1,892,982	2,168,335	1,773,071	2,168,300	0%
Capital	144,406	313,593	406,500	406,500	0	-100%
<b>Total</b>	<b>3,833,714</b>	<b>3,863,069</b>	<b>4,257,135</b>	<b>3,851,393</b>	<b>3,669,600</b>	<b>-14%</b>

<u>By department</u>						
Community and Rec Svcs	3,833,714	3,863,069	4,257,135	3,851,393	3,669,600	-14%
<b>Total</b>	<b>3,833,714</b>	<b>3,863,069</b>	<b>4,257,135</b>	<b>3,851,393</b>	<b>3,669,600</b>	<b>-14%</b>

### Revenues

<u>By fund source</u>						
Charges for Services	49,890	25,749	500,000	27,444	500,000	0%
Miscellaneous	1,449,271	1,647,525	1,148,900	1,303,581	1,299,500	13%
Transfer In	2,523,200	2,198,400	2,608,900	2,608,900	1,547,300	-41%
Fund Balance	0	0	0	0	322,800	0%
<b>Total</b>	<b>4,022,361</b>	<b>3,871,674</b>	<b>4,257,800</b>	<b>3,939,925</b>	<b>3,669,600</b>	<b>-14%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	3.0	3.0	3.0	3.0	0.0
Maintenance & Operations Supervisor	4.0	4.0	3.0	3.0	0.0
Senior Maintenance & Operations Tech	12.0	12.0	13.0	12.0	(1.0)
Maintenance & Operations Technician	14.8	15.0	14.0	14.0	0.0
Service Worker/Groundskeeper	8.0	8.0	8.5	8.5	0.0
<b>Total</b>	<b>41.8</b>	<b>42.0</b>	<b>41.5</b>	<b>40.5</b>	<b>(1.0)</b>

Established as a special revenue fund, Campus Operations is intended to recover as much of its costs as possible. The general fund subsidizes the operations of the campus. This subsidy comes from the increased tourism related revenue that is indirectly attributable to the operations of the campus.

Campus Operations is expected to recover approximately 40% of its operating costs through baseball and other program revenue in the current fiscal year. A subsidy from the general fund and a beginning fund balance make up the remainder of programmed resources. Unknown special events have been programmed for \$500,000 to enable the campus to host revenue recovering events that arise throughout the year.

## Capital

No Capital Items are programmed this fiscal year.

## Accomplishments

- In 2009, to maximize resources and operational budgets the annual AZ Major League Alumni game was combined with the 7th annual Celebration of Baseball Fan Fest drawing over 6,000 participants.
- Spring Training attracted over 176,150 fans and generated \$3.7 million dollars; the 3rd best year over the 7 year history of Cactus League Baseball in Surprise.
- Twenty-one tournaments were hosted at the Surprise Recreation Campus attracting 426 teams and over 7,400 players locally, regionally, nationally, and internationally.

## Goals, Objectives and Performance Measures

### Strategic Focus Area: Quality of Life

**Focus Area Goal:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** The 7<sup>th</sup> Annual Celebration of Baseball will face new challenges (competition) with the addition of two new local spring training facilities. The goal of the department is to maintain revenues and fan base.
  - **Objective:** Reformat the Coca Cola Classic College Baseball Tournament into a mid-week/weekend classic featuring teams from target markets of Kansas City and Texas with games played during the spring training season.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Maintain revenues from the 2008 season	\$3,879,300	\$4,200,000	\$4,200,000	\$3,715,585	\$3,800,000
Maintain fan base from the 2008 season	159,900	179,000	179,000	176,150	193,700

## Parks & Recreation Development Fund

### Description

The parks and recreation development fee fund is established to account for the inflow of parks and recreation development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on parks and recreation services caused by growth. Development fees cannot be used to subsidize operational needs.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-20. The parks and recreation development fee remains unchanged from the prior fiscal year amount of \$2,114 single family residential permit as established July 1, 2007.

The completion of Surprise Farms Park is programmed in FY2010 with a carry forward in the amount of \$888,000. For FY2010, \$1,872,500 is programmed as rent to be used as payment on the Municipal Property Corporation (MPC) lease for debt associated with the Surprise Stadium and other Surprise Center amenities.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	2,071,837	1,959,300	1,934,800	1,922,300	1,922,500	-1%
Capital	15,671,763	2,477,273	5,779,500	4,859,200	888,000	-85%
<b>Total</b>	<b>17,743,600</b>	<b>4,436,573</b>	<b>7,714,300</b>	<b>6,781,500</b>	<b>2,810,500</b>	<b>-64%</b>
<u>By department</u>						
Community and Rec Svcs	17,741,225	4,436,573	7,701,800	6,781,500	2,810,500	-64%
Finance	2,375	0	12,500	0	0	-100%
<b>Total</b>	<b>17,743,600</b>	<b>4,436,573</b>	<b>7,714,300</b>	<b>6,781,500</b>	<b>2,810,500</b>	<b>-64%</b>

### Revenues

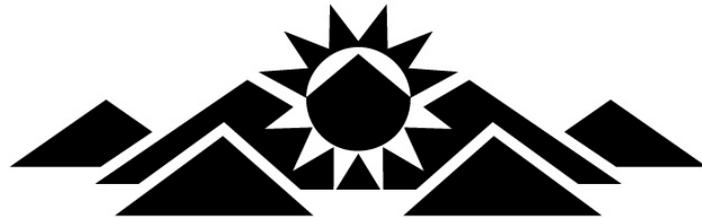
	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By fund source</u>						
Development Fees	2,372,708	2,101,227	1,505,500	730,000	567,800	-62%
Interest	387,374	34,088	0	0	0	0%
Transfer In	0	0	6,208,800	6,051,500	2,940,500	-53%
Fund Balance	14,983,518	2,301,258	0	0	-697,800	0%
<b>Total</b>	<b>17,743,600</b>	<b>4,436,573</b>	<b>7,714,300</b>	<b>6,781,500</b>	<b>2,810,500</b>	<b>-64%</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund. As projected, the parks and recreation fund has expenditures exceeding revenues in all five years. A transfer from the general capital fund is required to balance this fund.

Fund Balance	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	(697,800)	-	-	-	-
Revenues	567,800	811,100	892,200	973,300	973,300
Transfers In	2,940,500	1,074,500	982,800	924,600	898,100
Expenditures	(938,000)	(12,500)	-	(12,500)	-
Debt Service	(1,872,500)	(1,873,100)	(1,875,000)	(1,885,400)	(1,871,400)
Ending Balance	-	-	-	-	-

*City of Surprise, Arizona*



**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*

## Library Development Fund

### Description

The library development fee fund is established to account for the inflow of library development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on library services caused by growth. Development fees cannot be used to subsidize operational needs.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-19. The library development fee remains unchanged from the prior fiscal year amount of \$467 single family residential permit as established July 1, 2007.

Anticipated resources of this fund exceed current year expenditures by \$4,105,500. Of this amount, \$251,400 has been programmed as unallocated contingencies; however, the availability of these funds is crucial to the funding of the city's five-year Capital Improvements Plan (CIP). The remainder shows as a loan to the fire and EMS development fee fund.

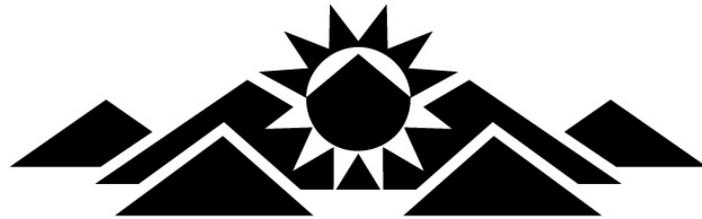
	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	2,025	0	12,500	0	0	-100%
Contingency	0	0	3,705,500	0	251,400	-93%
Transfer Out	0	0	0	0	3,854,300	0%
<b>Total</b>	<b>2,025</b>	<b>0</b>	<b>3,718,000</b>	<b>0</b>	<b>4,105,700</b>	<b>10%</b>
<u>By department</u>						
Finance	2,025	0	12,500	0	0	-100%
General Operations	0	0	3,705,500	0	4,105,700	11%
<b>Total</b>	<b>2,025</b>	<b>0</b>	<b>3,718,000</b>	<b>0</b>	<b>4,105,700</b>	<b>10%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Development Fees	561,270	461,743	332,600	161,300	166,300	-50%
Interest	134,034	111,105	0	0	0	0%
Fund Balance	0	0	3,385,400	0	3,939,400	16%
<b>Total</b>	<b>695,304</b>	<b>572,848</b>	<b>3,718,000</b>	<b>161,300</b>	<b>4,105,700</b>	<b>10%</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	3,939,400	251,400	476,500	737,800	1,010,400
Revenues	166,300	237,600	261,300	285,100	285,100
Expenditures	-	(12,500)	-	(12,500)	-
Transfers Out	(3,854,300)	-	-	-	-
<b>Ending Balance</b>	<b>251,400</b>	<b>476,500</b>	<b>737,800</b>	<b>1,010,400</b>	<b>1,295,500</b>

*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## Community Initiatives

### Description

The Community Initiatives Department worked to promote the self-sufficiency of Surprise residents through the provision of human, senior, transit, and neighborhood services. This department has now been reorganized with each division reporting in a new organizational structure.

### Divisions

<u>Administration-</u>	The Administrative Division is now reporting to the Community and Recreation Services Department.
<u>Human Services-</u>	The Human Services Division is now reporting to the Community and Recreation Services Department.
<u>Neighborhood Services-</u>	The Neighborhood Services Division is now reporting to the Community Development Department.
<u>Senior Services-</u>	The Senior Services function has been assumed by the Recreation Division of the Community and Recreation Services Department.
<u>Transit-</u>	The Transit Division or Dial-a-Ride function has been transferred to the Transportation Department.

### Budget Summary

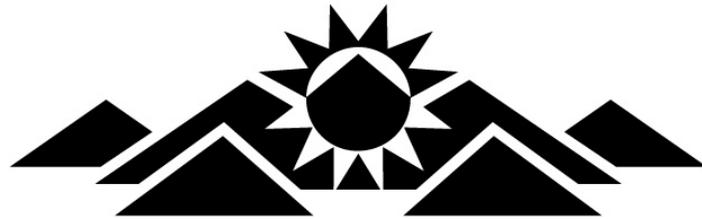
During FY2009 the Community Initiatives Department was reorganized into other existing departments. The Human Services and Senior Services were placed in the Community and Recreation Services Department and Neighborhood Services was placed in the Community Development Department.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Personnel	941,004	992,735	946,600	972,605	0	-100%
Supplies/Services	428,958	493,837	299,940	251,679	0	-100%
<b>Total</b>	<b>1,369,963</b>	<b>1,486,572</b>	<b>1,246,540</b>	<b>1,224,284</b>	<b>0</b>	<b>-100%</b>
<u>By division</u>						
Administration	361,714	378,676	440,200	385,008	0	-100%
Human Svcs	161,352	174,028	121,300	182,976	0	-100%
Neighborhood Svcs	439,832	468,088	315,340	240,465	0	-100%
Sr. Svcs	407,065	465,547	369,700	415,835	0	-100%
<b>Total</b>	<b>1,369,963</b>	<b>1,486,339</b>	<b>1,246,540</b>	<b>1,224,284</b>	<b>0</b>	<b>-100%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Charges for Services	39,972	36,475	128,900	95,300	0	-100%
Grants	61,840	58,405	397,700	50,000	0	-100%
Miscellaneous	-1,840	-2,208	0	0	0	0%
General Fund	1,269,991	1,393,668	719,940	1,078,984	0	-100%
<b>Total</b>	<b>1,369,963</b>	<b>1,486,339</b>	<b>1,246,540</b>	<b>1,224,284</b>	<b>0</b>	<b>-100%</b>

### Capital

No capital items have been programmed for this fiscal year.

*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## 10% Set-Aside Fund

### Description

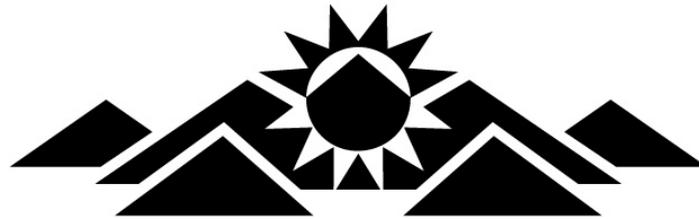
The 10% set-aside fund is established to provide a dedicated funding source equal to 10% of the city's primary property tax levy for the development and improvement of any area of the city that has a current revitalization plan to ensure all residents share the benefits of growth within the city of Surprise.

### Budget Summary

Funding for the 10% set-aside comes from a general fund transfer that represents 10% of the primary property tax levy. During FY2009, the Mayor and Council suspended transfers to the 10% set-aside. All funds that were not encumbered were returned to the general fund. No expenditures or revenues are anticipated in the fund for FY2010.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	103,237	141,960	262,800	23,600	0	-100%
Capital	113,951	1,302,647	560,000	0	0	-100%
Contingency	0	0	1,103,200	0	0	-100%
Transfer Out	0	0	0	824,200	0	0%
<b>Total</b>	<b>217,188</b>	<b>1,444,607</b>	<b>1,926,000</b>	<b>847,800</b>	<b>0</b>	<b>-100%</b>
<u>By department</u>						
Community and Rec Svcs	105,579	1,303,316	0	0	0	0%
Community Development	0	0	140,000	0	0	-100%
Community Initiatives	8,372	35,453	0	0	0	0%
General Operations	51,203	58,205	1,146,000	847,800	0	-100%
Public Works	52,034	47,633	640,000	0	0	-100%
<b>Total</b>	<b>217,188</b>	<b>1,444,607</b>	<b>1,926,000</b>	<b>847,800</b>	<b>0</b>	<b>-100%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Grants	2,501	672,679	0	37,900	0	0%
Interest	37,935	29,791	0	3,300	0	0%
Transfer In	500,000	580,000	635,600	0	0	-100%
Fund Balance	0	162,136	1,290,400	806,600	0	-100%
<b>Total</b>	<b>540,436</b>	<b>1,444,607</b>	<b>1,926,000</b>	<b>847,800</b>	<b>0</b>	<b>-100%</b>

*City of Surprise, Arizona*



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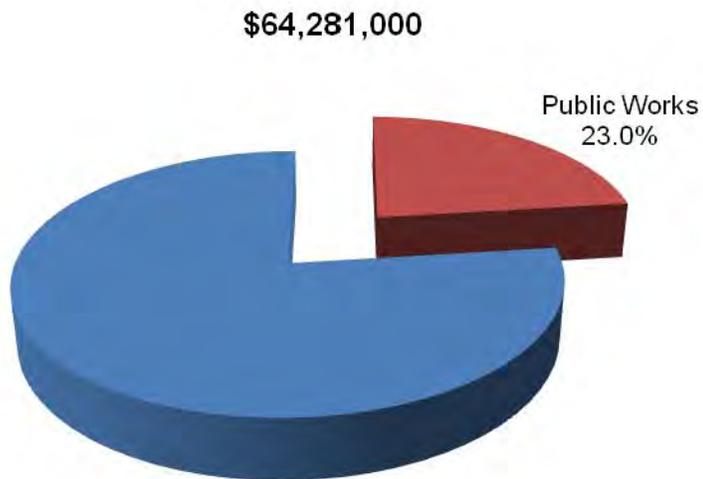
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*FY2010 Adopted Budget*

## ***Public Works***

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- Transportation – Highway User Revenue Fund
- Transit Fund
- Transportation Improvement Fund
- Roads of Regional Significance Development Fund
- Public Works
- Public Works – Highway User Revenue Fund
- Public Works Development Fund
- Street Light Improvement District Fund



## Transportation Highway User Revenue Fund

### Description

The highway user revenue fund (HURF) is established to track non-transit transportation related activities. HURF is the only fund other than the general fund required by state law. The Transportation Department is funded by HURF. The department is responsible for transportation planning for all modes in the city with emphasis on regional connectivity. This department oversees traffic engineering operations, design and planning; including signs, signals, pavement markings, work zone traffic control, incident response, and Intelligent Transportation Systems (ITS) applications. The transit fund is managed by the Transportation Department and is detailed on a separate page.

### Divisions

- Operations - Provides overall oversight, centralized administration, transportation planning, traffic studies, liaison with developers on traffic and traffic related customer service.
- Signs - Responsible for installing, maintaining, and repairing all traffic signs and pavement markings within the city.
- Signals - Responsible for installing, maintaining, and repairing all traffic signals and city owned streetlights.

### Budget Summary

For FY2010, the Transportation budget increases by 11% to \$2,167,300. During FY2009, five positions were added to what was the Traffic Engineering Division of the Engineering Department to create the Transportation Department. For FY2010, six positions have been eliminated and the Traffic Management Division has been combined with the General Operations Division. The reductions are not reflected in the Budget Change column because the reorganization that occurred during FY2009 is not reflected in the FY2009 budget.

<b>Expenditures</b>	FY2007	FY2008	FY2009	FY2009	FY2010	Budget
<u>By category</u>	Actual	Actual	Budget	Estimate	Budget	Change
Personnel	990,100	1,136,430	1,278,500	1,344,600	1,324,100	4%
Supplies/Services	694,844	776,071	677,000	633,100	843,200	25%
<b>Total</b>	<b>1,684,944</b>	<b>1,912,501</b>	<b>1,955,500</b>	<b>1,977,700</b>	<b>2,167,300</b>	<b>11%</b>
<u>By division</u>						
General Ops	589,481	669,819	589,800	596,800	1,245,000	111%
Signs	530,132	638,332	586,000	590,200	499,700	-15%
Signals	565,331	604,350	606,900	551,400	422,600	-30%
Traffic Management	0	0	172,800	239,300	0	-100%
<b>Total</b>	<b>1,684,944</b>	<b>1,912,501</b>	<b>1,955,500</b>	<b>1,977,700</b>	<b>2,167,300</b>	<b>11%</b>
<b>Revenues</b>						
<u>By fund source</u>						
HURF	1,684,944	1,912,501	1,955,500	1,977,700	2,167,300	11%
<b>Total</b>	<b>1,684,944</b>	<b>1,912,501</b>	<b>1,955,500</b>	<b>1,977,700</b>	<b>2,167,300</b>	<b>11%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	1.0	1.0	2.0	1.0	(1.0)
Senior Planner	0.0	0.0	1.0	1.0	0.0
Senior Civil Engineer	0.0	0.0	1.0	0.0	(1.0)
Civil Engineer	0.0	0.0	1.0	0.0	(1.0)
Associate Engineer	2.0	2.0	2.0	2.0	0.0
Program Coordinator	0.0	0.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Specialist	2.0	2.0	2.0	2.0	0.0
Sr Maintenance & Operations Tech	2.0	2.0	3.0	2.0	(1.0)
Maintenance & Operations Tech	4.0	4.0	2.0	2.0	0.0
Service Worker/Groundskeeper	2.0	2.0	2.0	0.0	(2.0)
Administrative Specialist	1.0	1.0	2.0	2.0	0.0
<b>Total</b>	<b>15.0</b>	<b>16.0</b>	<b>21.0</b>	<b>15.0</b>	<b>(6.0)</b>

## Capital

Capital for the Transportation Department is programmed at \$11,023,100 as outlined in the table below. Of this amount, carry forwards are programmed at \$2,205,000 as indicated in the table below. The department is programmed for improvements including the fiber optics system, traffic signal master computer system, Bullard Avenue, Greenway Road, and traffic signals including wiring and upgrades.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
Traffic Signals	Carry Fwd	21112	545	511	39211	20001	140,000
Traffic Signals	Carry Fwd	21415	545	511	39211	20001	1,204,000
Bell Road Pavement		21418	545	112	39211	20001	2,883,400
Traffic Management Center (TMC)	Carry Fwd	21415	545	112	39211	20428	612,800
Dysart Rd and Thunderbird Intersection Improve.		21418	545	112	39211	20632	1,000,000
Union Hills Dr Widening (111th Ave to 115th Ave)		21418	545	112	39211	20716	635,000
Fiber Optics - Greenway (Grand to Cotton)	Carry Fwd	21415	545	112	39211	20718	112,500
Roads of Reg'l Significance Reimb. SPA 2, 4, 6		21411	545	112	39211	20813	1,723,600
Roads of Reg'l Significance Reimb. SPA 3, 5		21419	545	112	39211	20813	521,100
Greenway Road (Litchfield Road to Bullard Ave)		21418	545	112	39211	20815	1,050,000
Bullard Avenue (Bell Road to Paradise Lane)		21418	545	112	39211	20816	1,005,000
Fiber Optics - Peoria (Litchfield to Jackrabbit)	Carry Fwd	21415	545	112	39211	20905	135,700
<b>Total</b>							<b>11,023,100</b>

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

## Accomplishments

- Performed traffic crash analysis and traffic signal warrant studies, identified high crash locations, identified deficiencies, and implemented countermeasures; Improved three traffic signals, implemented coordinated signal timing east of Grand Ave on Bell Road, installed seven new traffic signals, and installed pavement markings and traffic signs to improve traffic safety.
- Established the new Traffic Sign Fabricating facility. Developed a sign rehabilitation program using brighter and more legible street name signs using "Clearview font".
- Utilized latest technology in transportation engineering to enhance efficiency and safety - Added fiber optical cable on Bell Road, installed six closed caption television (CCTV) cameras, brought three new signals online.

- Retained full funding for State Transportation Advancement Needs program projects on State Route Loop 303 (SR 303L) and American Recovery and Reinvestment Act funding for Bell Road reconstruction work.
- Completed Deer Valley Road Design Concept Report, Alternative Agua Fria Truck Route study, final design of US 60/Grand Avenue widening (construction to begin in fall of 2009), and 90% completion of US 60 Access Management Plan (west of SR 303L).

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Transportation

**Focus Area Goal:** Improve local and regional transportation to improve connectivity, encourage economic development, and improve quality of life.

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

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Traffic impact analysis (TIA) reviewed	72	50	75	28	40

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

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
High Collision Intersections analyzed	---*	31	35	35	35

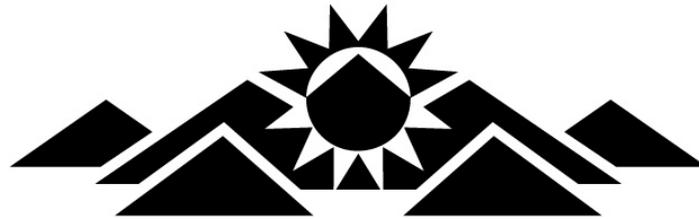
\*New measure, data not available

- **Objective:** Install and replace pavement markings in accordance with department policies.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Lane miles demanded	---*	200 lane miles	250 lane miles	150 lane Miles	200 lane Miles
Lane miles completed	54.5 lane miles	60 lane miles	75 lane miles	69.25 lane Miles	75 lane miles

\*New measure, data not available

*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## Transit Fund

### Description

The transit fund is established to provide public transit services to Surprise residents. The Dial-a-Ride program provides curb-to-curb services which are especially needed by the elderly and persons with disabilities. Valley Metro regional routes provided either through the Regional Transportation Plan or city funds provide intercity connections and commuter express services to Surprise residents and those working in the community. The Transportation Department is responsible for planning, coordination, and some operations of public transportation programs to meet the city's transit needs.

### Budget Summary

The transit fund budget is programmed this year for \$1,066,100. Excluding contingency, this represents an operating budget decrease of 7% from last fiscal year. The decrease is primarily due to annual salary adjustments. Supplies and services remained constant.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>By category</b>						
Personnel	439,446	495,703	569,600	517,000	530,700	-7%
Supplies/Services	243,284	225,688	351,676	337,722	351,700	0%
Contingency	0	0	272,600	0	183,700	-33%
<b>Total</b>	<b>682,731</b>	<b>721,391</b>	<b>1,193,876</b>	<b>854,722</b>	<b>1,066,100</b>	<b>-11%</b>
<b>By department</b>						
Community and Rec Svcs	-2,940	0	0	0	0	0%
Community Initiatives	685,671	721,391	921,276	854,722	0	-100%
General Operations	0	0	272,600	0	183,700	-33%
Transportation	0	0	0	0	882,400	0%
<b>Total</b>	<b>682,731</b>	<b>721,391</b>	<b>1,193,876</b>	<b>854,722</b>	<b>1,066,100</b>	<b>-11%</b>

### Revenues

#### By fund source

State Shared	636,007	612,270	450,500	443,400	320,700	-29%
Charges for Services	17,716	20,334	18,000	20,000	20,000	11%
Grants	32,512	29,183	0	188,800	0	0%
Interest	26,762	19,494	2,600	4,000	4,000	54%
Transfer In	258,900	347,400	0	0	0	0%
Fund Balance	0	0	722,776	198,522	721,400	0%
<b>Total</b>	<b>971,898</b>	<b>1,028,680</b>	<b>1,193,876</b>	<b>854,722</b>	<b>1,066,100</b>	<b>-11%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Program Supervisor	0.0	0.0	1.0	1.0	0.0
Program Assistants	0.0	0.0	8.0	8.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>9.0</b>	<b>9.0</b>	<b>0.0</b>

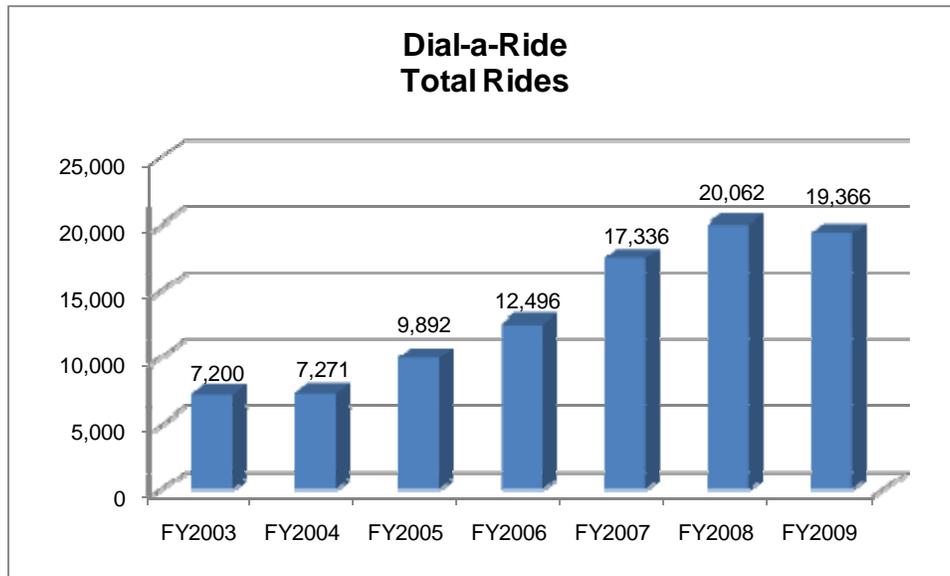
### Capital

No capital items have been programmed for this fiscal year.

### Accomplishments

- Dial-a-Ride assumed the total dialysis passengers previously served under the Essential Services Program. While the Dial-a-Ride resources remained the same, the denial rate increased from 7% in FY2008 to 18% in FY2009 as a result.

- Dial-a-Ride remained accident-free during revenue service, logging over 153,000 miles with no mishaps.
- The on-time performance remained over 99%. This is an accomplishment unsurpassed in the Valley Metro Regional Public Transportation Authority (RPTA) region since November 2007.



## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Transportation

**Focus Area Goal:** Improve local and regional transportation to improve connectivity, encourage economic development, and improve quality of life.

- **Department Goal:** Provide efficient and safe transportation for residents while increasing annual ridership.
  - **Objective:** Collaborate with community partners to provide additional rides for residents.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Total Dial-a-Ride boarding	17,336	19,762	21,000	19,336	20,000
On-time ride performance	99%	99%	99%	99.4%	99%

- **Objective:** Implement monthly staff training to improve customer service.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Customer complaints**	17	15	25	30	25

\*\*A new phone system is implemented in FY2009, capturing greater customer calls.

## Transportation Improvement Fund

### Description

The transportation improvement fund is established to provide for the collection and expenditure of the dedicated 1.5% local construction transaction tax adopted by the Mayor and Council through ordinance 05-13. This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

### Budget Summary

Estimated revenues are based upon projected construction activity within the city of Surprise. Both the collections and expenditures associated with this dedicated transaction tax are directly related to the rate of growth within the city. The expenditure of these funds is restricted to roadway corridor improvements and construction of new roadways. Also included are the costs incurred to plan roadways and transit infrastructure.

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

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>By category</b>						
Supplies/Services	295,669	92,394	562,700	291,200	456,500	-19%
Capital	1,217,711	4,430,688	21,933,800	12,846,500	15,302,900	-30%
Contingency	0	0	0	0	2,010,000	0%
<b>Total</b>	<b>1,513,379</b>	<b>4,523,083</b>	<b>22,496,500</b>	<b>13,137,700</b>	<b>17,769,400</b>	<b>-21%</b>
<b>By department</b>						
Finance	8,900	0	0	0	0	0%
Public Works	1,384,858	3,221,672	20,607,600	13,044,000	11,146,000	-46%
Transportation	119,622	1,301,411	1,888,900	93,700	6,623,400	251%
<b>Total</b>	<b>1,513,379</b>	<b>4,523,083</b>	<b>22,496,500</b>	<b>13,137,700</b>	<b>17,769,400</b>	<b>-21%</b>

### Revenues

#### By fund source

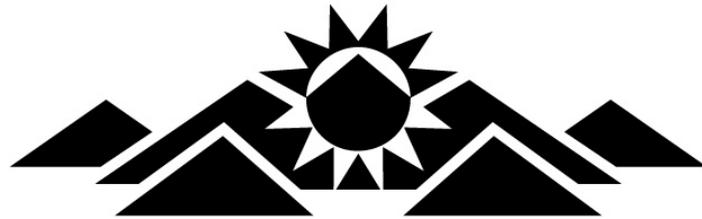
Sales Tax	11,052,892	6,420,536	3,816,600	4,725,700	2,340,900	-39%
Grants	0	0	2,148,400	250,000	0	-100%
Interest	247,576	301,327	0	0	0	0%
Miscellaneous	0	0	0	3,473,800	5,585,700	0%
Transfer In	0	0	3,032,300	0	0	-100%
Fund Balance	0	0	13,499,200	4,688,200	9,842,800	-27%
<b>Total</b>	<b>11,300,468</b>	<b>6,721,863</b>	<b>22,496,500</b>	<b>13,137,700</b>	<b>17,769,400</b>	<b>-21%</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund. As projected, revenues are sufficient to fund expenditures in this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	9,842,800	2,010,000	357,100	1,678,000	107,700
Revenues	2,340,900	2,376,000	2,755,900	3,146,700	3,193,800
Intergovernmental Contributions	5,585,700	-	-	-	-
Expenditures	(15,759,400)	(4,028,900)	(1,435,000)	(4,717,000)	(2,824,000)
Ending Balance	2,010,000	357,100	1,678,000	107,700	477,500

*City of Surprise, Arizona*



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*FY2010 Adopted Budget*

## Roads of Regional Significance Development Fund

### Description

The roads of regional significance development fund is established to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on roadways caused by growth. Development fees cannot be used to subsidize operational needs.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-25. The roads of regional significance development fee remains unchanged from the prior fiscal year amount of \$5,715 in Special Planning Area (SPA) 2, 4, and 6 and \$5,396 in SPA 3 and 5 per single family residential permit as established July 1, 2007. A roads of regional significance fee component is not planned for SPA 1. This fee was established in FY2008.

The budget of this fund consists of developer reimbursements in the amount of \$2,244,700 for qualifying capital improvements constructed by developers.

	FY2007	FY2008	FY2009	FY2009	FY2010	Budget
<b>Expenditures</b>	Actual	Actual	Budget	Estimate	Budget	Change
<u>By category</u>						
Supplies/Services	0	0	49,300	0	0	-100%
Capital	0	0	1,000,000	0	2,244,700	124%
Contingency	0	0	2,097,900	0	0	-100%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3,147,200</b>	<b>0</b>	<b>2,244,700</b>	<b>-29%</b>
<u>By department</u>						
Finance	0	0	12,600	0	0	-100%
General Operations	0	0	2,097,900	0	0	-100%
Public Works	0	0	1,036,700	0	0	-100%
Transportation	0	0	0	0	2,244,700	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3,147,200</b>	<b>0</b>	<b>2,244,700</b>	<b>-29%</b>
 <b>Revenues</b>						
<u>By fund source</u>						
Development Fees	0	1,040,455	2,002,600	670,500	521,500	-74%
Interest	0	12,243	48,000	0	0	-100%
Fund Balance	0	0	1,096,600	0	1,723,200	57%
<b>Total</b>	<b>0</b>	<b>1,052,698</b>	<b>3,147,200</b>	<b>670,500</b>	<b>2,244,700</b>	<b>-29%</b>

## Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following tables show the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for these funds.

### 21411 - ROADS OF REGIONAL SIGNIFICANCE DEV SPA 2, 4, 6

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	1,423,500	-	-	-	-
Revenues	300,100	428,700	471,500	514,400	514,400
Expenditures	(1,723,600)	(428,700)	(471,500)	(514,400)	(514,400)
Ending Balance	-	-	-	-	-

### 21419 - ROADS OF REGIONAL SIGNIFICANCE DEV SPA 3 & 5

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	299,700	-	-	-	-
Revenues	221,400	316,300	348,000	379,600	379,600
Expenditures	(521,100)	(316,300)	(348,000)	(379,600)	(379,600)
Ending Balance	-	-	-	-	-

## Public Works

### Description

The Public Works Department general fund divisions include: vehicle maintenance, facilities management, project management, engineering development services, and storm water. The Streets Division of the Public Works Department is funded by highway user revenue funds and is detailed on a separate page. The replenishment, water, sewer, and sanitation operations funds are also managed by the Public Works Department and are detailed on separate pages.

### Divisions

Vehicle Maintenance - The Vehicle Maintenance Division maintains and repairs the city's fleet of vehicles and equipment.

Facilities Management - The Facilities Management Division is comprised of custodians and building maintenance personnel and is tasked with maintaining city buildings and facilities as well as project management of new construction.

Engineering Services - The Engineering Development Services Division provides engineering development review, civil engineering plan review, permit issuance, and construction inspection within the public right of way.

Storm Water - The Storm Water Division's primary focus is to meet all federal and state regulations established to prevent polluted storm water runoff.

### Budget Summary

The Public Works general fund divisions have a total operating budget of \$6,690,500 representing a 13% decrease from FY2009. Following a reorganization that brought Storm Water and Development Engineering to Public Works, eight positions were eliminated from the budget during FY2009. For FY2010, the project management portion of the Transportation Department was transferred in and further position reductions have decreased the full time equivalent (FTE) total by 1.5 positions. A total of \$2,849,700 is programmed for supplies and services which remains relatively constant from the prior fiscal year.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<i>By category</i>						
Personnel	3,342,638	4,474,799	4,820,300	4,899,400	3,840,800	-20%
Supplies/Services	1,532,826	2,787,111	2,842,410	2,113,191	2,849,700	0%
<b>Total</b>	<b>4,875,464</b>	<b>7,261,910</b>	<b>7,662,710</b>	<b>7,012,591</b>	<b>6,690,500</b>	<b>-13%</b>
<i>By division</i>						
Development Engineering	1,976,813	2,730,339	2,309,410	2,314,823	1,275,800	-45%
Facilities Management	1,629,108	2,933,752	3,601,500	3,088,433	3,726,700	3%
Vehicle Maintenance	1,194,004	1,520,595	1,646,600	1,518,318	1,592,700	-3%
Storm Water	75,540	77,225	105,200	91,017	95,300	-9%
<b>Total</b>	<b>4,875,464</b>	<b>7,261,910</b>	<b>7,662,710</b>	<b>7,012,591</b>	<b>6,690,500</b>	<b>-13%</b>
<b>Revenues</b>						
<i>By fund source</i>						
Charges for Services	2,710,391	2,547,753	2,828,000	711,300	332,000	-88%
State Shared	0	0	0	0	88,000	0%
General Fund	2,165,073	4,714,157	4,834,710	6,301,291	6,270,500	30%
<b>Total</b>	<b>4,875,464</b>	<b>7,261,910</b>	<b>7,662,710</b>	<b>7,012,591</b>	<b>6,690,500</b>	<b>-13%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	7.0	5.0	5.0	5.0	0.0
Administrative Specialist	4.0	3.0	3.0	3.0	0.0
Analyst	3.0	1.0	2.0	2.0	0.0
Information Technology Administrator	6.0	0.0	1.0	1.0	0.0
Associate Engineer	3.0	4.0	1.0	1.0	0.0
Project Manager	5.0	7.0	3.0	2.0	(1.0)
Senior Civil Engineer	0.0	0.0	0.0	1.0	1.0
Civil Engineer	0.0	0.0	1.0	1.5	0.5
Maintenance & Operations Supervisor	3.0	3.0	3.0	3.0	0.0
Senior Maintenance & Operations Tech	8.0	8.0	8.0	8.0	0.0
Maintenance & Operations Specialist	9.0	10.0	10.0	10.0	0.0
Maintenance & Operations Technician	0.0	1.0	1.0	1.0	0.0
Manager	0.0	0.0	1.0	0.0	(1.0)
Civil Engineering Supervisor	2.0	2.0	1.0	1.0	0.0
Senior Inspectors	0.0	0.0	2.0	2.0	0.0
Inspector	6.0	6.0	2.0	2.0	0.0
Service Worker/Groundskeeper	5.0	6.0	6.0	6.0	0.0
Project Associate	2.0	2.0	1.0	0.0	(1.0)
Administrative Technician	1.0	1.0	0.0	0.0	0.0
Fiscal Support Specialist	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>66.0</b>	<b>61.0</b>	<b>53.0</b>	<b>51.5</b>	<b>(1.5)</b>

## Capital

Public Works manages several capital projects ranging from street and drainage improvements to building construction. A carry forward amount of \$21,624,200 is included in FY2010.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
Dysart Road Improvements @ Grand Avenue	Carry Fwd	21418	541	115	39222	20509	2,370,000
Saguaro View Rehabilitation Project	Carry Fwd	21112	541	115	39211	20526	59,700
TMC Connection	Carry Fwd	21112	541	115	39211	20547	100,000
Pave Dirt Road Program (Saguaro Acres)	Carry Fwd	21112	541	115	39211	20612	561,400
Dysart Rd & Thunderbird Intersection Improve.	Carry Fwd	21418	541	115	39211	20632	1,200,000
Dysart Rd & Thunderbird Intersection Improve.	Carry Fwd	21418	541	115	39222	20632	60,000
Greenway Road (Litchfield Road to Bullard Ave)	Carry Fwd	21418	541	115	39211	20815	14,100
Bullard Avenue (Bell Road to Paradise Lane)	Carry Fwd	21418	541	115	39211	20816	7,000
Civic Center Parkway (Bell Rd to Paradise Ln)	Carry Fwd	21418	541	115	39211	20817	31,700
Bell Road Landscaping/Lighting	Carry Fwd	21112	541	115	39211	20901	1,154,700
Jerry Street Drainage	Carry Fwd	21112	541	115	39211	20913	560,000
Reems Road (Cactus to Peoria)	Carry Fwd	21418	541	115	39211	20915	1,283,200
IT Infrast. & Lighting SR 303	Carry Fwd	21418	541	115	39211	20916	247,800
City Hall	Carry Fwd	21112	543	115	39311	20675	6,087,400
City Hall	Carry Fwd	21112	543	115	39411	20675	3,188,000
Public Works Yard - Deer Valley	Carry Fwd	21415	543	115	39111	20717	1,276,000
Park and Ride	Carry Fwd	21418	543	115	39111	20909	1,492,600
Park and Ride	Carry Fwd	21418	543	115	39311	20909	93,100
Park and Ride		21418	543	115	39211	20909	1,930,000
City Hall Solar		21112	543	115	39211	21001	742,000
City Hall Solar		21112	543	115	39311	21001	10,000
Equipment Replacements	Carry Fwd	21114	542	112	39431	20001	386,000
Vehicle Replacements	Carry Fwd	21114	542	112	39421	20001	1,451,500
<b>Total</b>							<b>24,306,200</b>

The City Hall Solar project is programmed with \$752,000 along with an additional amount of \$1,930,000 for the completion of the Park and Ride facility.

### Accomplishments

- Completed new facilities policy manual for City Hall.
- Updated the Engineering Development Standards for Engineering Development Services.
- Completed fuel report for intranet viewing.
- Relocation of personnel from old City Hall into new City Hall.
- Completed Surprise Fire Station #7.
- Completed Phase I of Surprise Farms Park.
- Completed interior fit out of Emergency Operations Center.
- Completed design of Communiversity Space of South Building.

### Goals, Objectives, and Performance Measures

#### Strategic Focus Area: Organizational Effectiveness

**Focus Area Goal:** Improve organizational structures, process, procedures, and operational methods to be adaptable and responsive to council, citizens, and economic conditions while ensuring financial sustainability.

- **Department Goal:** Respond to all emergency service requests within thirty minutes and high service requests within one hour.
  - **Objective:** Improve service level on emergency and high service requests from fleet customers.
    - **Emergency Service:** An event that creates a major safety hazard, interrupts operations, or disrupts business activities. Examples include break downs, accidents, or if a vehicle is stranded.
    - **High Service:** Any work that is disruptive but does not present an immediate threat to health or safety. Any public safety emergency vehicle and high priority use vehicle such as sanitation.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Emergency service – service requests	---	---	20	188	100
Emergency service – work order requests	---	---	20	188	100
High service – service requests	---	---	150	1,528	1,200
High service – work order requests	---	---	150	1,528	1,200
Emergency service – service request on time completion	---	---	100%	100%	100%
Emergency service – work order request on time completion	---	---	100%	100%	100%
High service – service request on time completion	---	---	100%	100%	100%
High service – work order request on time completion	---	---	100%	100%	100%

*\*New measure, data not available*

- **Department Goal:** Facilities Management will focus on operational improvements.
  - **Objective:** Perform heat/ventilation/air conditioning (HVAC), electrical, and plumbing service requests and work orders within the prescribed response times. Delivery of services to meet 99% of defined response times and repair completions. Response times are as follows:
    - **Initial Response Times:** 30 Minutes
    - **Major Repairs:** 1-30 Days
    - **Minor Repairs:** 1-7 Days

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
HVAC Major Repair Services – Service Order Requests	---	---	20	31	20
HVAC Major Repair Services – Work Order Requests	---	---	10	8	20
HVAC Major Repair Services – On Time Completion	---	---	99%	75%	99%
HVAC Minor Repair Services – Service Order Requests	---	---	100	24	50
HVAC Minor Repair Services – Work Order Requests	---	---	200	490	250
HVAC Minor Repair Services – On Time Completion	---	---	99%	99%	99%
Electrical – Service Order Requests	---	---	50	8	25
Electrical – Work Order Requests	---	---	150	307	300
Electrical – On Time Completion	---	---	99%	99%	99%
Plumbing – Service Order Requests	---	---	150	17	50
Plumbing – Work Order Requests	---	---	200	112	200
Plumbing – On Time Completion	---	---	99%	76%	99%

*\*New measures, data not available*

- **Department Goal:** Project Management will complete all projects targeted for FY2009 completion within budget and on time.
  - **Objective:** Reduction of possible cost increases, limit operational inefficiencies, and return remaining funds to the appropriate city fund account.
  - **Objective:** Evaluate project costs in determining the best value for the city during a project lifecycle and when procuring new projects.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Scheduled projects have specific milestones met	70%	75%	80%	85%	85%
Percentage of projects under project budget	100%	100%	100%	100%	100%
Average \$/square foot paid back to general fund	\$0.73*	\$19	\$10	\$8.61	\$2

*\*Only one project was scheduled for completion in FY2007*

- **Department Goal:** Improve public's knowledge of the review process to reduce the number of third and subsequent reviews required and increase the number of approvals upon first review.
  - **Objective:** Reduce the number of "third and subsequent submittals approved" by increasing approvals in the "initial submittal approval."

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Commercial improvement plans submitted/reviewed	148	417*	200	473	200
Subdivision improvement plans submitted/reviewed	189	433*	200	107	120
Commercial reports submitted/reviewed	58	242*	60	129	60
Subdivision reports submitted/reviewed	52	73*	60	26	35
Initial submittal approved	383	559	600	191	325

\*FY2008 figures include a backlog of plans and reports reviewed due to the addition of new plan types.

- **Department Goal:** Maintain staff presence on active construction sites.
  - **Objective:** Maintain inspector percent of time on site at 63%.
  - **Objective:** Maintain inspection of 17% of active construction sites daily.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Commercial construction permits issued	246	379	380	206	300
Subdivision construction permits issued	321	165	165	93	100
% of time on site	---*	63%	63%	64%	65%
% of sites inspected daily	---*	17%	17%	11%	15%

\*New measure, data not available

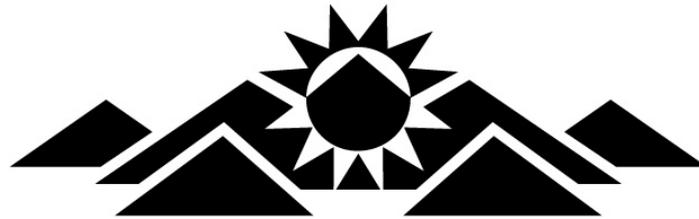
#### Strategic Focus Area: Quality of Life

**Focus Area Goal:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** Develop storm water program as specified in city of Surprise Storm Water Management Plan as approved by the Arizona Department of Environmental Quality.
  - **Objective:** Complete the six control measures in the city's Storm Water Pollution Plan.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Public education and outreach	100%	100%	100%	100%	100%
Public participation and involvement	100%	100%	100%	100%	100%
Illicit discharge detection and elimination	100%	100%	100%	100%	100%
Construction site runoff control	100%	100%	100%	100%	100%
Post-construction runoff control	100%	100%	100%	100%	100%
Pollution prevention and good housekeeping for municipal operations	100%	100%	100%	100%	100%

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*



## Public Works Highway User Revenue Fund

### Description

The highway user revenue fund (HURF) is established to track non-transit transportation related activities. HURF is the only fund other than the general fund required by state law. The Streets Division of the Public Works Department is funded by HURF. It is structured in seven functions as follows: operations, asphalt, concrete, crack sealing, right of way, street sweeping, and pavement preservation.

### Division

Streets Division - The Streets Division is responsible for the care and maintenance of dedicated pavement, sidewalks and rights of way within the city of Surprise.

### Budget Summary

The FY2010 operating budget is programmed at \$4,292,700. This represents a 3% increase over the FY2009 amended budget. The decrease in personnel costs is due to the elimination of one position during FY2009 (Service Worker/Groundskeeper) and a second for FY2010 (Maintenance and Operations Technician), along with a reorganization that moved two positions (Division Manager and Administrative Specialist) into the general fund. As part of the reorganization, the Right of Way maintenance program was moved here from the Community and Recreation Services Department. This resulted in the arrival of a Maintenance and Operations Supervisor and a large increase in supplies and services to support the contracted landscaping services.

Expenditures	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	1,984,067	2,313,086	2,445,900	2,354,800	2,070,600	-15%
Supplies/Services	991,081	1,646,614	1,705,645	1,524,076	2,222,100	30%
<b>Total</b>	<b>2,975,148</b>	<b>3,959,700</b>	<b>4,151,545</b>	<b>3,878,876</b>	<b>4,292,700</b>	<b>3%</b>
<u>By division</u>						
CRS - Right of Way	404,597	557,579	537,245	533,680	0	-100%
Streets	2,570,551	3,402,121	3,614,300	3,344,496	4,292,700	19%
Transit	0	0	0	700	0	0%
<b>Total</b>	<b>2,975,148</b>	<b>3,959,700</b>	<b>4,151,545</b>	<b>3,878,876</b>	<b>4,292,700</b>	<b>3%</b>

### Revenues

#### By fund source

HURF	2,975,148	3,959,700	4,151,545	3,878,876	4,292,700	3%
<b>Total</b>	<b>2,975,148</b>	<b>3,959,700</b>	<b>4,151,545</b>	<b>3,878,876</b>	<b>4,292,700</b>	<b>3%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	2.0	2.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	2.0	2.0	3.0	3.0	0.0
Program Coordinator	1.0	1.0	1.0	1.0	0.0
Sr Maintenance & Operations Technician	6.0	6.0	6.0	6.0	0.0
Maintenance & Operations Technician	13.0	13.0	14.0	13.0	(1.0)
Service Worker/Groundskeeper	7.0	7.0	6.0	6.0	0.0
Administrative Specialist	2.0	2.0	1.0	1.0	0.0
<b>Total</b>	<b>33.0</b>	<b>33.0</b>	<b>32.0</b>	<b>31.0</b>	<b>(1.0)</b>

## Capital

Capital expenditures for the Streets Division total \$463,900. This amount is for the Street Preservation and Maintenance Program (SPM).

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
Street Preservation and Maintenance Prog.		21212	544	112	39222	20001	463,900
<b>Total</b>							<b>463,900</b>

## Accomplishments

- Completed pavement condition survey.
- Completed pavement preservation program for FY2009.
- Completed phase 1 – truncated dome for curb cuts, retro fit program.
- Completed bridge maintenance and repairs as requested by the Arizona Department of Transportation.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Transportation

**Focus Area Goal:** Improve local and regional transportation to improve connectivity, encourage economic development, and improve quality of life.

- **Department Goal:** Respond to street hazards within one hour of notice, 95% of the time.
  - **Objective:** Revise on-call procedures to ensure timely response and report to determine average response time.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Street hazards responded to within target time	---	55	60	89	70
Percent of timely responses	---	---	95%	100%	96%

*\*New measure, data not available*

- **Department Goal:** Establish method to identify new streets to be swept and incorporate into sweeping route cycles.
  - **Objective:** Maintain current sweeping schedule and incorporate newly accepted and annexed streets.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Number of times a cycle of sweeping all residential streets was completed	16	20	20	21	21
Number of times a cycle of sweeping all arterial streets was completed	26	26	26	26	26

- **Objective:** Maintain and report on sweeping intervals while increasing miles swept.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Lane miles swept	20,103	20,460	21,000	21,230	21,000

- **Department Goal:** Remove graffiti within twenty-four hours of notification.
  - **Objective:** Partner with police, code enforcement, and citizen groups to update the graffiti response procedure.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Calls requesting graffiti removal	---*	37	30	24	4

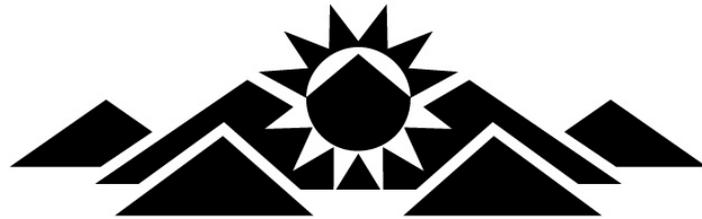
*\*New measure, data not available*

- **Objective:** Reduce graffiti tag events by responding in a timely manner, thus discouraging repeat episodes by taggers.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Average days to respond to graffiti calls	---*	1	1	1	1

*\*New measure, data not available*

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Public Works Development Fund

### Description

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

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-23. The public works development fee remains unchanged from the prior fiscal year amount of \$998 per single family residential permit as established July 1, 2007.

A carry forward amount of \$3,341,000 will complete various existing projects such as fiber optics design and traffic signal installation.

All public works capital purchases required due to growth are detailed in the individual department budgets and in the five-year Capital Improvements Plan (CIP) and are summarized in the table below under expenditures by department.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	439,935	355,264	306,100	149,600	133,600	-56%
Capital	3,275,295	2,565,923	6,529,600	1,639,100	3,341,000	-49%
Contingency	0	0	299,400	0	0	-100%
Transfer Out	4,649,500	0	0	0	2,418,300	0%
<b>Total</b>	<b>8,364,730</b>	<b>2,921,186</b>	<b>7,135,100</b>	<b>1,788,700</b>	<b>5,892,900</b>	<b>-17%</b>
<u>By department</u>						
Finance	1,175	0	12,500	0	0	-100%
General Operations	0	0	299,400	0	0	-100%
Public Works	4,683,906	167,106	2,000,000	6,000	3,694,300	85%
PW-Sanitation	1,160,677	474,224	93,600	93,600	49,600	-47%
PW-Streets	298,768	0	0	0	0	0%
Transportation	2,220,204	2,279,856	4,729,600	1,689,100	2,149,000	-55%
<b>Total</b>	<b>8,364,730</b>	<b>2,921,186</b>	<b>7,135,100</b>	<b>1,788,700</b>	<b>5,892,900</b>	<b>-17%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Development Fees	2,334,977	1,646,551	1,668,800	1,148,100	640,600	-62%
Grants	0	0	0	600,000	0	0%
Interest	488,851	311,091	0	0	0	0%
Transfer In	0	2,418,300	0	0	0	0%
Fund Balance	5,540,902	0	5,466,300	40,600	5,252,300	-4%
<b>Total</b>	<b>8,364,730</b>	<b>4,375,942</b>	<b>7,135,100</b>	<b>1,788,700</b>	<b>5,892,900</b>	<b>-17%</b>

## Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	5,252,300	-	77,800	290,800	614,000
Revenues	640,600	790,300	913,000	1,035,700	1,035,700
Expenditures	(3,474,600)	(712,500)	(700,000)	(712,500)	(700,000)
Transfers Out	(2,418,300)	-	-	-	-
<b>Ending Balance</b>	<b>-</b>	<b>77,800</b>	<b>290,800</b>	<b>614,000</b>	<b>949,700</b>

## Street Light Improvement District Funds

### Description

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

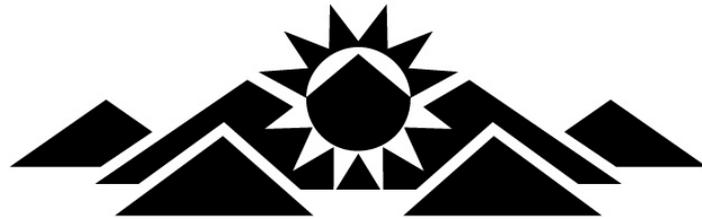
### Budget Summary

Currently there are 75 SLIDs operated by the city with additional districts to be added as new subdivisions open. All street light operational costs are paid for through a special district property tax assessment. The city of Surprise assesses up to the maximum levy of \$1.20 per hundred dollars of assessed valuation for each district and has established a separate fund for each district. Actual assessment is based upon estimated expenditures.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	1,594,483	1,954,618	2,000,000	2,211,800	2,628,500	31%
<b>Total</b>	<b>1,594,483</b>	<b>1,954,618</b>	<b>2,000,000</b>	<b>2,211,800</b>	<b>2,628,500</b>	<b>31%</b>
<u>By department</u>						
Public Works	1,594,483	1,954,618	2,000,000	2,211,800	2,628,500	31%
<b>Total</b>	<b>1,594,483</b>	<b>1,954,618</b>	<b>2,000,000</b>	<b>2,211,800</b>	<b>2,628,500</b>	<b>31%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Property Tax	1,420,634	1,442,179	1,980,500	2,211,800	2,628,500	33%
Interest	8,717	5,382	0	0	0	0%
Miscellaneous	148,727	171,549	19,500	0	0	-100%
Fund Balance	16,405	335,507	0	0	0	0%
<b>Total</b>	<b>1,594,483</b>	<b>1,954,618</b>	<b>2,000,000</b>	<b>2,211,800</b>	<b>2,628,500</b>	<b>31%</b>

As homes are constructed and sold within the SLID, the property tax levy will reach a point where the funds raised are adequate to cover the operating costs of the street lights. Currently, 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, Arizona*



**S U R P R I S E**

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A R I Z O N A

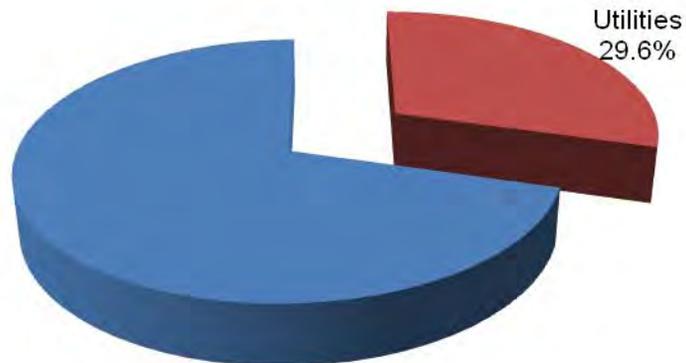
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## ***Utilities***

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- Water Replenishment Operations Fund
- Water Replenishment Development Fund
- Water Operations Fund
- Water Systems Development Fund
- Sewer Operations Fund
- Sewer System Development Fee Fund
- Sanitation Operations Fund

**\$82,700,100**



## Water Replenishment Operations Fund

### Description

The water replenishment operations fund is established as an enterprise fund to account for the provision of water replenishment services to users. The Public Works Department manages this fund to store water utilizing replenishment facilities located throughout the Phoenix Active Management Area. The activities of the water replenishment operations fund have been combined into the water and sewer operations funds under the Public Works Department.

### Budget Summary

During FY2009, the water replenishment fee was combined with the water and sewer utility fees. No additional revenue will be collected in this fund. The expenditures for FY2010 consist solely of the completion of the integrated water master plan funded with existing fund balance. All personnel have been moved to the water and sewer operations funds.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	164,239	240,580	299,500	153,900	0	-100%
Supplies/Services	442,216	1,243,651	2,009,700	1,934,700	75,000	-96%
Capital	18,829	42,006	30,000	30,000	0	-100%
Contingency	0	0	18,300	0	0	-100%
Transfer Out	55,500	168,000	175,000	175,000	0	-100%
<b>Total</b>	<b>680,784</b>	<b>1,694,237</b>	<b>2,532,500</b>	<b>2,293,600</b>	<b>75,000</b>	<b>-97%</b>

<u>By department</u>						
General Operations	0	0	18,300	0	0	-100%
Water Services-Replenishm	680,784	1,694,237	2,514,200	2,293,600	75,000	-97%
<b>Total</b>	<b>680,784</b>	<b>1,694,237</b>	<b>2,532,500</b>	<b>2,293,600</b>	<b>75,000</b>	<b>-97%</b>

### Revenues

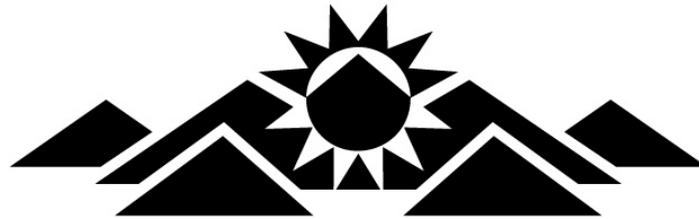
<u>By fund source</u>						
Charges for Services	796,498	766,596	1,432,900	431,400	0	-100%
Interest	54,407	30,478	6,000	0	0	-100%
Miscellaneous	0	5,000	0	0	0	0%
Transfer In	560,946	608,929	0	1,433,300	0	0%
Fund Balance	0	283,234	1,093,600	428,900	75,000	-93%
<b>Total</b>	<b>1,411,851</b>	<b>1,694,237</b>	<b>2,532,500</b>	<b>2,293,600</b>	<b>75,000</b>	<b>-97%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Water Resources Specialist	1.8	1.8	0.0	0.0	0.0
Water Services Technician	0.6	0.6	0.0	0.0	0.0
Analyst	0.3	0.3	0.0	0.0	0.0
<b>Total</b>	<b>2.6</b>	<b>2.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Capital

No capital items have been programmed for this fiscal year.

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*



## Water Replenishment Development Fund

### Description

The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-15. The development fees remain unchanged from the prior fiscal year amount of \$2,100 in Special Planning Area 1 (SPA1) and \$796 in SPA 2-6 per single family residential permit as established July 1, 2007.

The water replenishment budget of \$5,202,300 is a decrease of 26% over the FY2009 budget. The overall budget consists of capital projects and unallocated contingencies. Infrastructure will be constructed as necessary within the financial constraints of this revenue source.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	3,225	59,491	240,700	13,700	138,100	-43%
Capital	0	0	6,513,400	2,446,100	4,100,400	-37%
Contingency	0	0	271,400	0	963,800	255%
Transfer Out	1,960,946	608,929	0	0	0	0%
<b>Total</b>	<b>1,964,171</b>	<b>668,421</b>	<b>7,025,500</b>	<b>2,459,800</b>	<b>5,202,300</b>	<b>-26%</b>
<u>By department</u>						
Finance	3225	0	12,500	0	12,500	0%
General Operations	0	0	271,400	0	888,800	227%
Water Services-Replenishm	1,960,946	668,421	6,741,600	2,459,800	4,301,000	-36%
<b>Total</b>	<b>1,964,171</b>	<b>668,421</b>	<b>7,025,500</b>	<b>2,459,800</b>	<b>5,202,300</b>	<b>-26%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Development Fees	341,941	1,045,337	589,100	343,400	224,300	-62%
Interest	383,884	247,928	15,000	0	0	-100%
Fund Balance	1,238,346	0	6,421,400	2,116,400	4,978,000	-22%
<b>Total</b>	<b>1,964,171</b>	<b>1,293,265</b>	<b>7,025,500</b>	<b>2,459,800</b>	<b>5,202,300</b>	<b>-26%</b>

As budgeted, anticipated resources of this fund exceed current year expenditures by \$963,800. This amount has been programmed as unallocated contingencies. The availability of these funds is essential to the funding of the city's five-year Capital Improvements Plan (CIP).

### Capital

Capital items programmed in this fund include carry forwards of \$1,132,800 for the installation of recharge wells in SPA1, \$207,600 for SPA1 groundwater savings facility project, \$600,000 reclaimed water turnouts for G-Farms, and \$1,675,000 for reclaimed line improvements. An additional \$485,000 is programmed for the SPA1 groundwater savings facility project.

All water replenishment system capital purchases required due to growth are detailed in the five-year CIP and are summarized in the table below.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
Reclaimed Water Line Connection Sierra Verde		22522	642	112	39311	20001	25,000
SPA 1 Install Rechg Wells @ S. Plant	Carry Fwd	22522	642	112	39211	20234	1,132,800
SPA 1 Groundwater Savings Facility Project	Carry Fwd	22522	642	112	39223	20415	63,300
SPA 1 Groundwater Savings Facility Project	Carry Fwd	22522	642	112	39311	20415	144,300
SPA 1 Groundwater Savings Facility Project		22522	642	112	39211	20415	485,000
SPA 1 16-in Reclaim Line - Parkview & Greenwa	Carry Fwd	22522	642	112	39211	20726	1,500,000
SPA 1 Reclaimed Water Turnouts for G-Farms	Carry Fwd	22522	642	112	39211	20810	600,000
Reclaim Water Line Connection Litchfield Manor	Carry Fwd	22522	642	112	39311	20917	150,000
<b>Total</b>							<b>4,100,400</b>

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	4,694,000	679,800	990,000	722,200	501,600
Revenues	224,300	310,200	344,700	379,400	379,400
Expenditures	(4,238,500)	-	(612,500)	(600,000)	(412,500)
Ending Balance	679,800	990,000	722,200	501,600	468,500

## Water Operations Fund

### Description

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

Additionally, the Public Works Department is responsible for oversight of an agreement with Arizona American Water Company that provides for the billing of city of Surprise water customers. The city is serviced by several water systems including Arizona American Water Company, city of El Mirage, Beardsley Water Company, and the city of Surprise. The department provides for the coordination of these entities in providing quality service to the residents of Surprise.

### Divisions

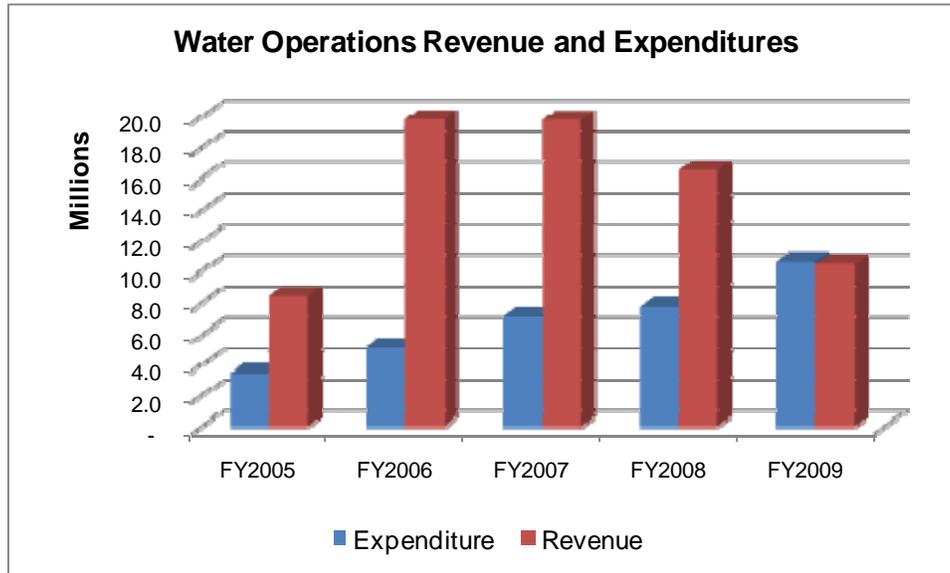
<u>Administration</u> -	Maintains all the centralized administrative functions.
<u>Operations</u> -	Oversees all the day-to-day operations of the division.
<u>Project Management</u> -	Responsible for city related water infrastructure construction projects and utility locations.
<u>Customer Service</u> -	Responds to customer's water infrastructure needs.
<u>Environmental</u> -	Guarantees compliance with government regulations regarding water quality and supply.

### Budget Summary

The water operations fund operating budget of \$12,530,500 represents a net decrease of 3% from the FY2009 budget. The increase in personnel costs can be attributed to the annualizing of costs associated with 20 positions added over the course of last fiscal year for the transition of water operations from Arizona American Water Company to city staff. These positions are expected to be phased in throughout the fiscal year. The reduction in supplies and services is due to the cancellation of the water operations contract.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Personnel	593,871	692,842	1,859,700	1,427,700	2,387,300	28%
Supplies/Services	5,299,089	5,441,518	6,932,300	6,696,100	6,408,400	-8%
Capital	697,155	823,441	2,897,200	2,021,400	2,600,000	-10%
Contingency	0	0	55,700	0	0	-100%
Transfer Out	867,737.54	943,000	1,153,100	2,586,400	1,134,800	-2%
<b>Total</b>	<b>7,457,852</b>	<b>7,900,800</b>	<b>12,898,000</b>	<b>12,731,600</b>	<b>12,530,500</b>	<b>-3%</b>
<u>By department</u>						
General Operations	0	0	55,700	0	0	-100%
Water Services-Water	7,457,852	7,900,800	12,842,300	12,731,600	12,530,500	-2%
<b>Total</b>	<b>7,457,852</b>	<b>7,900,800</b>	<b>12,898,000</b>	<b>12,731,600</b>	<b>12,530,500</b>	<b>-3%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Charges for Services	7,741,626	8,683,500	8,634,400	9,513,100	10,335,900	20%
Interest	144,307	113,471	5,800	40,000	40,000	590%
Miscellaneous	7,972,457	833,942	0	900,000	500,000	0%
Transfer In	3,927,861	6,884,999	0	0	0	0%
Fund Balance	0	0	4,257,800	2,278,500	1,654,600	-61%
<b>Total</b>	<b>19,786,251</b>	<b>16,515,912</b>	<b>12,898,000</b>	<b>12,731,600</b>	<b>12,530,500</b>	<b>-3%</b>

As indicated in the preceding table, \$1,134,800 is transferred out to offset overhead support costs provided by departments and activities within the general fund and for equipment replacement. This is a reduction from last fiscal year due to a decline in the overhead cost rate.



All water system enterprise fund expenditures are funded by fees charged to the users of the system. Due to an increasing customer base, charges for service revenues are rising annually. As presented, the residential water system user fee charged to single family homes is at a service rate of \$18.78 and a usage rate of \$1.55 per 1,000 gallons.

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	2.0	2.0	2.0	2.0	0.0
Maintenance & Operations Supervisor	0.0	0.0	1.0	1.0	0.0
Maintenance & Operations Specialist	0.0	0.0	1.0	1.0	0.0
Water Operations Superintendent	0.0	1.0	1.0	1.0	0.0
Senior Utilities Technician	0.0	0.0	3.0	3.0	0.0
Inspector	0.0	0.0	1.0	1.0	0.0
Sr. Maintenance & Operations Technician	0.0	0.0	3.0	3.0	0.0
Maintenance & Operations Technician	0.0	0.0	3.0	3.0	0.0
Utilities Supervisor	0.0	0.0	2.0	2.0	0.0
Lead Utility Technician	0.0	0.0	1.0	1.0	0.0
Utilities Technician	0.0	0.0	3.0	3.0	0.0
Administrative Technician	0.0	0.0	1.0	1.0	0.0
Project Manager	1.5	1.5	1.5	1.5	0.0
Information Technology Specialist	0.5	0.5	0.0	0.0	0.0
Water Resources Specialist	0.8	0.8	2.5	2.5	0.0
Water Services Technician	0.9	0.9	1.5	1.5	0.0
Analyst	0.4	0.4	2.0	2.0	0.0
<b>Total</b>	<b>6.1</b>	<b>7.1</b>	<b>29.5</b>	<b>29.5</b>	<b>0.0</b>

### Capital

Capital items programmed in this fund total \$2,600,000 and include carry forward items in the amount of \$2,524,000 for the water treatment plant technical assessment. Special Planning Area 1 (SPA 1) Roseview Water Supply Facilities (WSF), Supervisory Control and Data Acquisition (SCADA) upgrades and system expansion. New items include the Veramonte reclaimed connection and utility location equipment. Depreciation is budgeted at \$1,265,000.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
Water Treatment Plant Tech Assessment	Carry Fwd	22511	641	112	39224	20001	250,000
Depreciation	Carry Fwd	22511	641	111	39711	20001	1,167,900
Depreciation	Carry Fwd	22511	641	111	39713	20001	41,700
Depreciation - Replenishment	Carry Fwd	22511	641	111	39712	20001	40,400
Depreciation - Replenishment	Carry Fwd	22511	641	111	39713	20001	15,000
Water Blue Stake - Transition		22511	641	604	39421	20001	20,000
Water Blue Stake - Transition		22511	641	604	39422	20001	6,000
Water Veramonte Irrigation Reclaim Connection		22511	641	112	39224	20001	50,000
SPA 1 Roseview WSF - Arsenic Treatment	Carry Fwd	22511	641	112	39211	20521	965,700
SCADA - Upgrades/System Expansion	Carry Fwd	22511	641	112	39211	20721	43,300
<b>Total</b>							<b>2,600,000</b>

## Accomplishments

- Implemented the Potable Water Transition Plan by staffing the organization and completing activities to assume operations on July 1, 2009.
- Commissioned the Ashton Ranch Arsenic Treatment Plant; completed storage tank and booster pump expansion project; and placed the systems into continuous operation.
- Commissioned the Rancho Gabriela Arsenic Treatment Plant; completed facility expansion project; and placed the systems into continuous operation.
- Connected the Sierra Verde Home Owner's Association irrigation system to reclaim water.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Quality of Life

**Focus Area Goal:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** Operate and maintain the city's water supply facilities, wells, and water distribution and transmission systems.
  - **Objective:** Operate facilities within plant capacity.

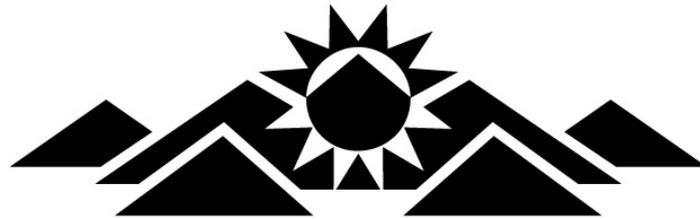
Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Water Plant Capacity (MGD)	13.5	13.5	13.5	13.5	13.5
Water production (MGD)	5.93	6.27	7	5.90	6.45
Customers	13,985	14,380	14,546	14,472	14,504

- **Department Goal:** Transition the water operations from Arizona American to city of Surprise operations.
  - **Objective:** Fill positions identified in the water operations transition plan.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Positions available	N/A	1	20	20	N/A
Positions filled	N/A	1	20	20	N/A
Percentage of positions filled	N/A	100%	100%	100%	N/A

N/A: The Water Operations personnel transition was initiated in FY2008 and all positions were hired as targeted in FY2008 – FY2009.

*City of Surprise, Arizona*



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ARIZONA

*FY2010 Adopted Budget*

## Water System Development Fund

### Description

The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

### Budget Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-16 and 07-17 where the water development fee was divided into the drinking water system development fee and the dual water system development fee respectively. The development fees remains unchanged from the prior fiscal year amount of \$3,895 for drinking water and \$3,923 for dual water per single family residential permit as established July 1, 2007.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Supplies/Services	3,725	3,260	12,500	0	12,500	0%
Capital	-107,442	-1,563,498	4,671,500	4,193,600	2,669,200	-43%
Contingency	0	0	7500	0	80,900	979%
Transfer Out	3,927,861	6,884,999	0	0	0	0%
<b>Total</b>	<b>3,824,145</b>	<b>5,324,760</b>	<b>4,691,500</b>	<b>4,193,600</b>	<b>2,762,600</b>	<b>-41%</b>
<u>By department</u>						
Finance	3,725	0	20,000	0	18,400	-8%
General Operations	1,646,352	0	0	0	0	0%
Water Services-Water	2,174,067	5,324,760	4,671,500	4,193,600	2,744,200	-41%
<b>Total</b>	<b>3,824,145</b>	<b>5,324,760</b>	<b>4,691,500</b>	<b>4,193,600</b>	<b>2,762,600</b>	<b>-41%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Development Fees	2,072,920	609,620	1,411,400	617,000	403,900	-71%
Interest	707,161	464,193	0	0	0	0%
Transfer In	299,438	0	180,900	180,900	0	-100%
Fund Balance	744,626	4,250,947	3,099,200	3,395,700	2,358,700	-24%
<b>Total</b>	<b>3,824,145</b>	<b>5,324,760</b>	<b>4,691,500</b>	<b>4,193,600</b>	<b>2,762,600</b>	<b>-41%</b>

An update to the prior development impact fee study is programmed at \$12,500. Resources exceed expenditures by \$80,900 which is programmed as unallocated contingency. The Public Works 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 residents due to the increased demand placed upon the system by growth.

### Capital

Capital items programmed in this fund include carry forwards of \$1,500 for Supervisory Control and Data Acquisition (SCADA) upgrades and system expansion and \$275,000 for Special Planning Area 1 (SPA 1) Ashton Ranch Water Supply Facility (WSF) Expansion. The city's Central Arizona Project (CAP) allocation is programmed in the amount of \$576,000. The budget of this fund also includes developer reimbursements in the amount of \$1,816,700 for qualifying capital improvements constructed by developers.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
CAP Allocation		22512	641	112	39311	20001	576,000
Water Development Reimbursement		22512	641	112	39311	20655	1,816,700
SPA 1 Ashton Ranch WSF- Expansion	Carry Fwd	22512	641	112	39223	20674	275,000
SCADA - Upgrades/System Expansion	Carry Fwd	22512	641	112	39211	20721	1,500
<b>Total</b>							<b>2,669,200</b>

All water system capital purchases required due to growth are detailed in the five-year Capital Improvements Plan (CIP).

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	2,277,800	-	-	-	131,700
Revenues	403,900	558,200	620,600	683,000	683,000
Expenditures	(2,681,700)	(558,200)	(620,600)	(551,300)	(315,500)
Ending Balance	-	-	-	131,700	499,200

## Sewer Operations Fund

### Description

The sewer operations fund is established as an enterprise fund to account for the provision of sewer services to users to protect the city and its residents from exposure to health related diseases and issues caused by inadequately treated sewage. The fund is used to plan, design, implement, operate, and maintain the city's wastewater infrastructure in a cost effective and efficient manner. The Public Works Department works to satisfy all federal, state, county, and local agency permits, regulations, and requirements. The department is also responsible for the planning, implementation, operation, and maintenance of the city's wastewater facilities and lines.

### Divisions

- Administration - Maintains all centralized administrative functions.
- Operations - Responsible for all the day-to-day operations and oversight of construction activities.
- Collections - Maintains all the collection activities.
- Blue Stake - Handles all the blue stake activities.

### Budget Summary

The sewer operations fund budget of \$39,141,400 represents an increase of 35% from the FY2009 budget. The increase is primarily due to capital expenditures that are programmed this year and an increase in depreciation costs with the addition of new facilities. The increase in contingency includes the budgeting of funds that will be needed in future years for equipment replacements.

	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Personnel	2,449,895	2,852,424	3,145,300	2,892,900	3,029,400	-4%
Supplies/Services	4,094,533	4,318,177	6,053,900	6,000,051	6,080,100	0%
Capital	2,246,102	2,692,993	5,294,500	2,410,303	9,243,600	75%
Contingency	0	0	6,651,000	0	13,864,100	108%
Transfer Out	753,800	8,050,400	7,953,600	2,732,800	6,924,200	-13%
<b>Total</b>	<b>9,544,331</b>	<b>17,913,994</b>	<b>29,098,300</b>	<b>14,036,054</b>	<b>39,141,400</b>	<b>35%</b>
<u>By department</u>						
General Operations	0	0	11,871,800	0	13,864,100	17%
Water Services-Sewer	9,544,331	17,913,994	17,226,500	14,036,054	25,277,300	47%
<b>Total</b>	<b>9,544,331</b>	<b>17,913,994</b>	<b>29,098,300</b>	<b>14,036,054</b>	<b>39,141,400</b>	<b>35%</b>

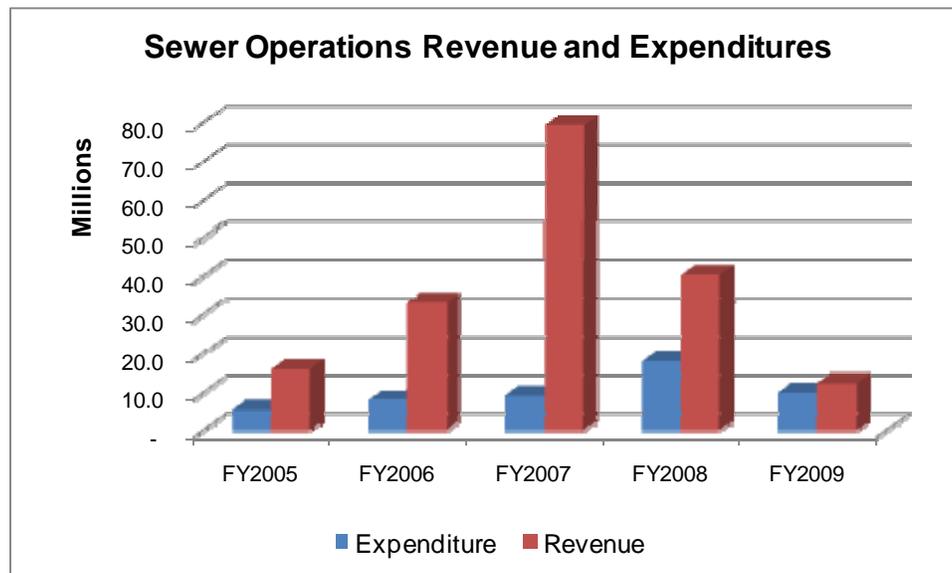
### Revenues

<u>By fund source</u>						
Charges for Services	12,569,999	13,014,944	12,027,200	12,360,100	13,690,900	14%
Interest	1,250,924	776,958	100,000	180,000	180,000	80%
Miscellaneous	9,741,160	8,740,499	60,000	0	1,000,000	1567%
Bonding	0	74,057	0	0	0	0%
Transfer In	55,894,045	17,883,267	0	0	0	0%
Fund Balance	0	0	16,911,100	1,495,954	24,270,500	44%
<b>Total</b>	<b>79,456,129</b>	<b>40,489,725</b>	<b>29,098,300</b>	<b>14,036,054</b>	<b>39,141,400</b>	<b>35%</b>

For FY2010, \$1,052,900 is transferred out to offset overhead support costs provided by departments and activities within the general fund and for equipment replacement. This is a reduction from last fiscal year due to a decline in the overhead cost rate. Additional transfers are made to vehicle replacement and sewer development fee funds.

All sewer system enterprise fund expenditures are funded by fees charged to the users of the system. As presented, the residential sewer system user fee charged to single family homes is at a service rate of \$23.69.

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	0.0	0.0	0.0
Assistant Director	0.0	0.0	1.0	1.0	0.0
Division Manager	2.0	2.0	2.0	2.0	0.0
Senior Project Manager	0.0	0.0	0.0	1.0	1.0
Project Manager	2.5	2.5	2.5	1.5	(1.0)
Information Technology Specialist	0.5	0.5	0.0	0.0	0.0
Wastewater Operations Manager	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	2.0	2.0	2.0	2.0	0.0
Wastewater Operations Foreman	3.0	3.0	3.0	3.0	0.0
Wastewater Operations Technician II	6.0	6.0	6.0	6.0	0.0
Wastewater Operations Technician I	5.0	5.0	5.0	5.0	0.0
Lead Utilities Technician	0.0	1.0	1.0	1.0	0.0
Maintenance & Operations Specialist	0.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Administrative Technician	3.0	3.0	3.0	3.0	0.0
Utilities Analyst	1.0	1.0	1.0	1.0	0.0
Laborer	2.0	2.0	2.0	2.0	0.0
Analyst	0.7	0.7	0.0	0.0	0.0
Water Services Technician	0.5	0.5	0.5	0.5	0.0
Water Resources Specialist	1.9	1.9	1.9	1.9	0.0
Wastewater Mechanic	2.0	2.0	2.0	2.0	0.0
Maintenance & Operations Technician	0.0	0.0	1.0	1.0	0.0
Electrician	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>36.1</b>	<b>38.1</b>	<b>37.9</b>	<b>37.9</b>	<b>0.0</b>



### Capital

Capital is programmed for \$9,243,600. Capital items programmed are itemized in the following table. As indicated, carry forwards account for \$8,243,600 of items programmed. The majority of this carry forward is associated with Phase 1 of the 163<sup>rd</sup> Avenue Sanitary Sewer Interceptor. Also included are digester repairs at the South Water Reclamation Facility, Special Planning Area 1 (SPA1) sewer line replacements, and Happy Trails utility access improvements. Depreciation is programmed at \$5,309,900.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
Waste Water Treatment Plant Tech Assessment	Carry Fwd	22531	643	112	39224	20001	250,000
Depreciation	Carry Fwd	22531	643	111	39711	20001	5,073,200
Depreciation	Carry Fwd	22531	643	111	39713	20001	196,300
Depreciation - Replenishment	Carry Fwd	22531	643	111	39712	20001	40,400
SPA 2 163rd Ave Sanitary Sewer Intercept-Ph 1	Carry Fwd	22531	643	601	39211	20616	2,000,000
SPA 2 163rd Ave Sanitary Sewer Intercept-Ph 1	Carry Fwd	22531	643	601	39223	20616	100,000
SPA 2 163rd Ave Sanitary Sewer Intercept-Ph 2		22531	643	112	39211	20616	1,000,000
SPA 1 Happy Trails Utility Access Improve	Carry Fwd	22531	643	112	39211	20731	133,700
Digester Repairs @ South WRF	Carry Fwd	22531	643	112	39211	20912	450,000
<b>Total</b>							<b>9,243,600</b>

Additional detail on these projects can be found in the city's Capital Improvements Plan (CIP). Capital projects related to new growth are programmed in the sewer development fund and are paid for by development fees.

### Accomplishments

- Started up and placed into operation the expansion of the solids handling system at the SPA1 Water Reclamation Facility.
- Removed Plants 1 and 2 from service and diverted all flow to Plants 4 and 5 at the SPA1 Water Reclamation Facility.
- A floating cover was installed and placed in service at SPA1 Water Reclamation Facility to support the operation of vadose zone recharge wells.
- Reviewed engineering drawings for the SPA2 regional membrane Water Reclamation Facility. Construction has commenced.
- Cleaned 100 miles of sewer collection system piping

### Goals, Objectives, and Performance Measures

#### Strategic Focus Area: Quality of Life

**Focus Area Goal:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** Operate and maintain the South Water Reclamation Facility, Desert Oasis, SPA2, and SPA3 Water Reclamation Facility.
  - **Objective:** Operate facilities within plant capacity.

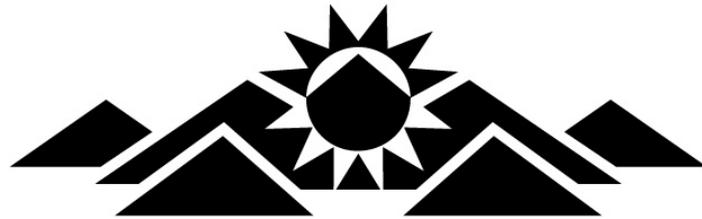
Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Daily influent plant capacity (MGD)	12.65	16.65	17.85	19.65	19.65
Average daily influent flow (MGD)	7.7	7.9	7.9	7.4	7.9
Customers	42,284	43,924	43,612	44,916	44,792

- **Department Goal:** Operate and maintain the sewer collection system.
  - **Objective:** Maintain or improve current level of service for the sewer collection system.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Miles of sewer system	---*	526	535	530	536
Percentage of sewer system cleaned	---*	11%	18%	19%	19%

\*New measure, data not available

*City of Surprise, Arizona*



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*FY2010 Adopted Budget*

## Sewer System Development Fund

### Description

The sewer system development fee fund is established 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 Summary

Revenues are based upon an estimated issuance of 350 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2010. The Mayor and Council adopted updated development fees on March 8, 2007, in accordance with ordinance 07-18. The development fees remain unchanged from the prior fiscal year amount of \$3,853 in Special Planning Area (SPA) 1 and \$3,039 in SPA 2-6 per single family residential permit as established July 1, 2007.

The Public Works 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 residents due to the increased demand placed upon the system by growth.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	1,809,100	4,278,031	9,041,300	5,130,800	7,985,000	-12%
Capital	165,744	0	36,997,800	4,240,700	31,983,500	-14%
Contingency	0	0	4,300	0	1,116,500	25865%
Transfer Out	55,894,045	17,883,267	0	0	0	0%
<b>Total</b>	<b>57,868,890</b>	<b>22,161,298</b>	<b>46,043,400</b>	<b>9,371,500</b>	<b>41,085,000</b>	<b>-11%</b>

<u>By department</u>						
General Operations	0	0	4,300	0	2,700	-37%
Finance	5,600	0	12,500	0	12,500	0%
Water Services-Sewer	57,863,290	22,161,298	46,026,600	9,371,500	41,069,800	-11%
<b>Total</b>	<b>57,868,890</b>	<b>22,161,298</b>	<b>46,043,400</b>	<b>9,371,500</b>	<b>41,085,000</b>	<b>-11%</b>

### Revenues

<u>By fund source</u>						
Development Fees	8,972,264	7,956,425	41,233,700	39,747,300	1,337,300	-97%
Interest	1,391,077	651,064	0	0	0	0%
Transfer In	40,258,655	6,533,300	1,074,500	1,074,500	5,476,700	410%
Fund Balance	7,246,894	7,020,509	3,735,200	0	34,271,000	818%
<b>Total</b>	<b>57,868,890</b>	<b>22,161,298</b>	<b>46,043,400</b>	<b>40,821,800</b>	<b>41,085,000</b>	<b>-11%</b>

The budget for the sewer system development fund of \$41,085,000 decreases 11% from the FY2009 budget of \$46,043,400. The budget of this fund consists of capital related projects and Municipal Property Corporation (MPC) rent payments. Payment to the MPC capital projects fund, in the form of rent, is programmed at \$4,154,500 for debt service on the MPC bond sale. Current year resources of this fund exceed anticipated expenditures by \$1,116,500. This amount is programmed as unallocated contingencies. The availability of these funds is essential to the funding of the city's five-year Capital Improvements Plan (CIP).

### Capital

Capital items programmed for FY2010 total \$31,983,500. The majority of these funds are programmed for the carry forward of prior fiscal year projects including \$31,716,100 for Special Planning Area 2 and 3 (SPA 2 and 3) Water Reclamation Facility initial capacity, and \$206,100 for a 16 inch reclaimed water line from Statler to Bell Road Lake.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Capital</b>							
SPA 1 16-in Reclaim Line Statler to Bell Rd Lake	Carry Fwd	22532	643	601	39223	20418	206,100
SPA 2 WRF Initial Capacity - 2 MGD	Carry Fwd	22533	643	112	39211	20609	19,236,100
SPA 2 WRF Initial Capacity - 2 MGD	Carry Fwd	22533	643	112	39311	20609	2,222,200
SPA 3 WRF Initial Capacity - 1 MGD	Carry Fwd	22534	643	112	39223	20647	8,857,800
SPA 3 WRF Initial Capacity - 1 MGD	Carry Fwd	22534	643	112	39311	20647	1,400,000
Sewer Development Reimbursements		22532	643	112	39311	20656	61,300
<b>Total</b>							<b>31,983,500</b>

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 developer constructed for the city's water system.

### Fund Balance

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund. As projected, a transfer from the sewer operations fund in the current fiscal year and continued up front developer funding will be required in future years in order to fund all projects included in the CIP.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	(2,379,600)	-	-	-	-
Revenues	1,337,300	1,780,100	2,003,700	2,227,300	2,227,300
Transfers In	5,476,700	2,436,200	2,241,400	2,015,100	5,490,600
Expenditures	(279,900)	(61,300)	(88,300)	(75,800)	(88,300)
Debt Service	(4,154,500)	(4,155,000)	(4,156,800)	(4,166,600)	(7,629,600)
Ending Balance	-	-	-	-	-

## Sanitation Operations Fund

### Description

The sanitation operations fund is established as an enterprise fund to account for the provision of sanitation services to users. The Sanitation Division of the Public Works Department manages this fund to provide solid waste and recycling/environmental services to the residents of Surprise while working to manage waste disposal costs. The city of Surprise offers residential curbside garbage pickup once a week and recycling once a week. Each resident is provided with a 95-gallon trash receptacle and a recycling receptacle. Bulk trash pickup is offered to residents whose regular sanitation service is provided by the city of Surprise.

### Divisions

- Operations - Conducts the general residential solid waste collection operations of the division.
- Bulk Trash - Handles operations and issues related to bulk trash and roll off collection services.
- Recycling - Conducts the recycling and waste inspection program for the city.

### Budget Summary

The Sanitation Division's operating budget is programmed at \$8,145,700 which represents an increase of 2% over the FY2009 budget. The increase in supplies and services is due to the creation of an internal bio-solids hauling program. This service will be provided to the city's sewer utility at a cost savings versus the current provider. The service will be charged back to the sewer utility. As indicated, \$1,348,200 is transferred out to offset overhead support cost provided by departments and activities within the general fund and for equipment replacement. There is a 14% reduction in this category due to the decrease in the overhead cost rate.

All sanitation operations fund expenditures are funded by fees charged to the users of the service. Due to an increasing customer base, charges for services revenues are rising annually. As presented the sanitation service user fee charged to single family homes is at a service rate of \$15.80 per month.

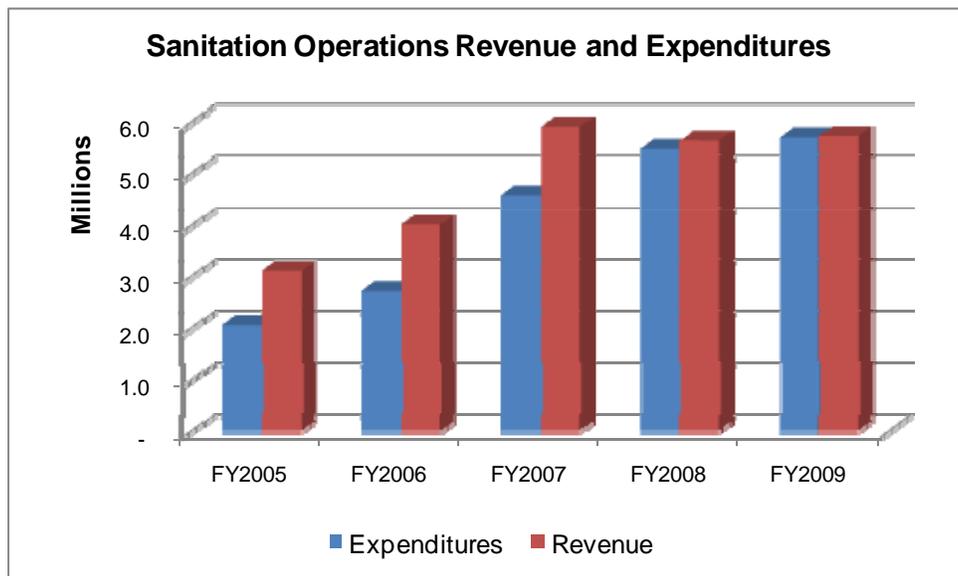
	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<b>Expenditures</b>						
<u>By category</u>						
Personnel	1,570,769	1,739,284	2,234,900	1,994,100	2,092,200	-6%
Supplies/Services	1,640,570	1,855,195	2,277,500	2,037,734	2,407,500	6%
Capital	330,682	420,696	0	172,553	212,000	0%
Contingency	0	0	1,870,700	0	2,085,800	11%
Transfer Out	1,011,900	1,449,900	1,567,700	1,567,700	1,348,200	-14%
<b>Total</b>	<b>4,553,921</b>	<b>5,465,074</b>	<b>7,950,800</b>	<b>5,772,087</b>	<b>8,145,700</b>	<b>2%</b>
<u>By department</u>						
General Operations	0	0	1,870,700	0	2,085,800	11%
PW-Sanitation	4,553,921	5,465,074	6,080,100	5,772,087	6,059,900	0%
<b>Total</b>	<b>4,553,921</b>	<b>5,465,074</b>	<b>7,950,800</b>	<b>5,772,087</b>	<b>8,145,700</b>	<b>2%</b>

### Revenues

#### By fund source

Development Fees	4,599,920	5,281,116	5,387,800	5,676,500	5,811,500	8%
Grants	0	0	0	0	55,000	0%
Interest	121,751	60,014	15,000	0	0	-100%
Miscellaneous	267	21,203	0	45,000	45,000	0%
Bonding	1,184,970	270,583	0	0	0	0%
Fund Balance	0	0	2,548,000	50,587	2,234,200	-12%
<b>Total</b>	<b>5,906,908</b>	<b>5,632,916</b>	<b>7,950,800</b>	<b>5,772,087</b>	<b>8,145,700</b>	<b>2%</b>

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	1.0	1.0	2.0	2.0	0.0
Sr Maintenance & Operations Technician	2.0	2.0	3.0	3.0	0.0
Recycling Inspector	1.0	1.0	1.0	1.0	0.0
Service Worker/Groundskeeper	5.0	5.0	4.0	4.0	0.0
Equipment Operator	2.0	2.0	2.0	2.0	0.0
Maintenance & Operations Technician	18.0	18.0	17.0	17.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Administrative Technician	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>0.0</b>



### Capital

A total of \$212,000 is budget for capital items for FY2010. The items include equipment needed to begin the bio-solids hauling program and improvements to the restrooms at the North Plant.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
PW Sanitation Bio-Solid Hauling		22541	644	112	39421	20001	180,000
PW Sanitation North Plant Restroom Improvements		22541	644	112	39212	20001	32,000
<b>Total</b>							<b>212,000</b>

### Accomplishments

- Rewrite and passage of solid waste ordinance.
- Expansion of recycling drop-off locations.
- Completed rate study of solid waste users.
- Redefined solid waste fees and commercial haulers licenses.

## Goals, Objectives, and Performance Measures

### Strategic Focus Area: Quality of Life

**Focus Area Goal:** Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** Expand the drop off recycling program to include locations accessible to the developments of Sun City Grand, Arizona Traditions, and Happy Trails.
  - **Objective:** Provide recyclable service to Surprise residents that are not in the city service area.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Annual tons collected from drop off locations	---	---	200	120	240

*\*New measure, data not available*

- **Department Goal:** Increase recycling participation through promotional school visits and homeowner association presentations.
  - **Objective:** Increase overall recycling tonnage per household and reduce trash.

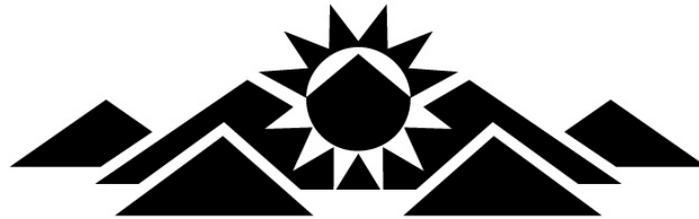
Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Pounds per household per month recyclables	39	39	40	38	40
Pounds per household per month trash	170	164	161	151	155
Average annual tons collected recyclables	6,882	7,454	7,926	7,550	7,850
Annual tons collected trash	30,283	31,122	31,833	29,800	30,000
Average annual households in service area	29,628	31,693	32,393	32,468	32,918

- **Department Goal:** Decrease recycling contamination to ensure continued revenue from recyclables.
  - **Objective:** Receive revenue for all city recyclable material.

Performance Measures	Actual FY2007	Actual FY2008	Target FY2009	Actual FY2009	Target FY2010
Recyclable contamination percentage	---	---	20%	20%	20%

*\*New measure, data not available*

*City of Surprise, Arizona*



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*FY2010 Adopted Budget*

### ***Capital Purchases/Projects***

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- General Capital Fund
- Vehicle Replacement Fund
- Municipal Property Corporation Fund
- Community Facilities District Funds
- Capital Improvements Program
- FY2010 Approved Capital Projects
- FY2010 Capital Improvement Operating Costs

## General Capital Fund

### Description

The general capital fund is established to provide a centralized location for the acquisition of capital that is not restricted such as a development impact fee. 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.

### Budget Summary

Transfers into this fund are programmed at \$5,480,100. At the direction of the Mayor and Council, the city of Surprise dedicates 75% of estimated construction related sales tax collections to capital purchases. The 75% construction sales tax is considered a one-time revenue source and is reserved for one-time expenditures. The 75% construction sales tax component of the transfer in is \$2,575,000. A second transfer in of \$2,418,300 from the public works development fee fund is made as the repayment on a prior loan to that fund. The final amount transferred in, \$486,800, is a payment from the general government development fee fund for the New City Hall project.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	1,132,687	1,106,812	982,400	542,900	6,260,100	537%
Capital	26,660,269	40,289,742	37,678,000	25,965,300	13,114,900	-65%
Contingency	0	0	146,100	0	0	-100%
Transfer Out	2,599,800	2,418,300	16,127,300	13,729,400	3,499,300	-78%
<b>Total</b>	<b>30,392,755</b>	<b>43,814,854</b>	<b>54,933,800</b>	<b>40,237,600</b>	<b>22,874,300</b>	<b>-58%</b>
<u>By department</u>						
Community and Rec Svcs	1,167,860	1,315,806	283,000	0	283,000	0%
Community Development	26,214	73,136	0	0	0	0%
Community Initiatives	160,712	0	0	0	0	0%
Fire-Emergency Services	81,595	768,998	43,600	43,600	44,800	3%
General Operations	3,058,000	3,181,495	17,231,600	14,187,600	9,193,500	-47%
Information Services	272,427	145,464	93,000	66,300	0	-100%
Police	7,287,819	7,505,071	300,000	116,100	183,900	-39%
Public Works	17,756,623	29,439,479	35,225,700	25,072,300	13,029,100	-63%
PW-Streets	65,145	163,155	0	0	0	0%
Transportation	516,361	1,222,250	1,756,900	751,700	140,000	-92%
<b>Total</b>	<b>30,392,755</b>	<b>43,814,854</b>	<b>54,933,800</b>	<b>40,237,600</b>	<b>22,874,300</b>	<b>-58%</b>

### Revenues

#### By fund source

Grants	613,092	190	17,110,600	9,035,000	5,812,000	-66%
Interest	0	-383,138	0	0	0	0%
Miscellaneous	450,000	0	0	0	0	0%
Transfer In	58,829,200	6,712,200	25,173,300	21,768,100	5,480,100	-78%
Fund Balance	0	37,485,602	12,649,900	9,434,500	11,582,200	-8%
<b>Total</b>	<b>59,892,292</b>	<b>43,814,854</b>	<b>54,933,800</b>	<b>40,237,600</b>	<b>22,874,300</b>	<b>-58%</b>

Grant revenue for the City Hall Solar project is programmed at \$812,000. The remaining grant revenue of \$5,000,000 is programmed as unforeseen revenue. This amount is available to increase the budget authority of departments upon verification of a new grant or other revenue source unforeseen at the time of the budget. All funds are programmed for use, including general capital fund balance of \$11,582,200.

Capital purchases as detailed in the individual departmental budgets total \$13,114,900. Transfers out of this fund include \$2,940,500 transferred to the parks and recreation development fee fund and \$558,800 transferred to the police development fee fund. These amounts are transferred to fund the completion of

Surprise Farms Park in the parks and recreation development fee fund and the Police Communications Upgrade to the Regional Wireless Cooperative (RWC) in the police development fee fund.

**Fund Balance**

The city of Surprise evaluates the revenue and expenditures over five years for each capital improvement fund. The city ensures a positive fund balance at the end of the five years. The following table shows the forecasted resources and planned expenditures as detailed in the FY2010 – FY2014 CIP for this fund.

<b>Fund Balance</b>	FY2010	FY2011	FY2012	FY2013	FY2014
Beginning Balance	11,582,200	-	-	-	-
Revenues	2,575,000	2,613,600	3,031,500	3,461,300	3,513,200
Intergovernmental Contributions	812,000	-	-	-	-
Transfers In	2,905,100	567,000	674,800	759,500	858,500
Expenditures	(13,928,700)	(46,000)	(47,300)	-	-
Transfers Out	(3,499,300)	(2,688,100)	(3,212,100)	(3,771,400)	(3,925,600)
Debt Service	(446,300)	(446,500)	(446,900)	(449,400)	(446,100)
Ending Balance	-	-	-	-	-

## Vehicle Replacement Fund

### Description

The vehicle replacement fund is established to allow the city to replace vehicles and equipment as they reach the end of their useful life. The Fleet Management Division of the Public Works Department administers the fleet replacement program. The city's capital asset policy is the guideline for the replacement timeline with minor exceptions for reserve vehicles. The Fleet Manager and Department Director evaluate vehicles during the budget process and adjustments in the replacement schedule may be made. All vehicles are replaced turn key. Adjustments are made annually for inflation. The replacement fund is not used to upgrade or enhance vehicles.

### Budget Summary

The \$10,547,500 budget of the vehicle replacement fund represents a 3% increase over the FY2009 budget. The budget for capital increases by \$51,500 from FY2009. The division intends to replace five vehicles and 12 pieces of equipment in FY2010. Revenues exceed expenditures by \$8,710,000 which is programmed as unallocated contingency. The availability of these funds is essential to city's ability to replace vehicles as needed in future years.

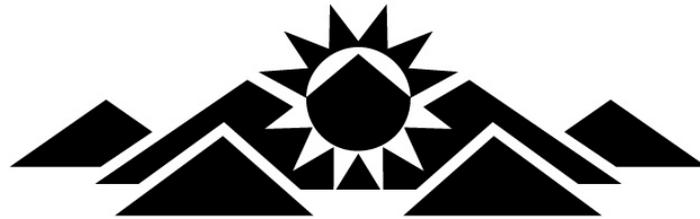
<b>Expenditures</b>	FY2007	FY2008	FY2009	FY2009	FY2010	Budget
<u>By category</u>	Actual	Actual	Budget	Estimate	Budget	Change
Capital	2,582,464	1,400,388	1,786,000	1,786,000	1,837,500	3%
Contingency	0	0	8,411,000	0	8,710,000	4%
<b>Total</b>	<b>2,582,464</b>	<b>1,400,388</b>	<b>10,197,000</b>	<b>1,786,000</b>	<b>10,547,500</b>	<b>3%</b>
<u>By department</u>						
Fire-Emergency Services	283,994	0	0	0	0	0%
Police	354,444	0	0	0	0	0%
Public Works	1,944,026	1,400,388	10,197,000	1,786,000	10,547,500	3%
<b>Total</b>	<b>2,582,464</b>	<b>1,400,388</b>	<b>10,197,000</b>	<b>1,786,000</b>	<b>10,547,500</b>	<b>3%</b>

### Revenues

<u>By fund source</u>	FY2007	FY2008	FY2009	FY2009	FY2010	Budget
Interest	0	-70,046	0	0	0	0%
Miscellaneous	17,441	-135,714	0	0	0	0%
Other Financing Sources	56,982	322,989	0	0	0	0%
Transfer In	2,911,800	3,470,000	3,770,500	3,770,500	873,000	-77%
Fund Balance	0	0	6,426,500	0	9,674,500	51%
<b>Total</b>	<b>2,911,800</b>	<b>3,470,000</b>	<b>10,197,000</b>	<b>3,770,500</b>	<b>10,547,500</b>	<b>3%</b>

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

*City of Surprise, Arizona*



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*FY2010 Adopted Budget*

## Municipal Property Corporation Fund

### Description

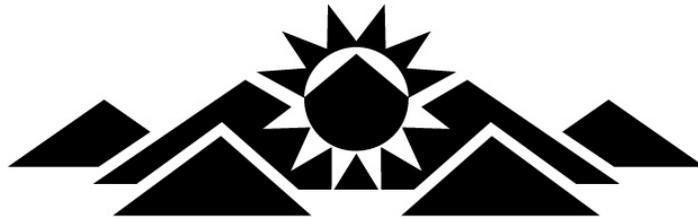
The municipal property corporation fund is established to account for projects funded through the proceeds of the Municipal Property Corporation (MPC) bond sales of 2000, 2003, and 2007. Bond proceeds are to be used for the acquisition or construction of capital assets for public safety facilities, sewer facilities, and recreation facilities.

### Budget Summary

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 fund serves as a clearinghouse for the payment of debt service on MPC bonds, monitoring of bond proceeds, and the expenditure of those funds. The \$6,686,600 budget is devoted entirely to outstanding debt service payments.

<b>Expenditures</b>	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2009 Estimate	FY2010 Budget	Budget Change
<u>By category</u>						
Supplies/Services	5,643	69,306	0	0	0	0%
Capital	12,107,929	-1,284,195	0	0	0	0%
Debt Service	6,332,314	6,968,930	7,208,200	7,208,200	6,686,600	-7%
Transfer Out	40,258,655	0	9,469,000	9,469,000	0	-100%
<b>Total</b>	<b>58,704,541</b>	<b>5,754,041</b>	<b>16,677,200</b>	<b>16,677,200</b>	<b>6,686,600</b>	<b>-60%</b>
<u>By department</u>						
General Operations	46,596,469	6,974,430	16,677,200	16,677,200	6,686,600	-60%
Police	11,823,836	-1,220,389	0	0	0	0%
Water Services-Sewer	284,236	0	0	0	0	0%
<b>Total</b>	<b>58,704,541</b>	<b>5,754,041</b>	<b>16,677,200</b>	<b>16,677,200</b>	<b>6,686,600</b>	<b>-60%</b>
 <u>Revenues</u>						
<u>By fund source</u>						
Interest	1,114,787	713,055	0	0	0	0%
Miscellaneous	4,861,100	7,362,381	7,148,200	7,148,200	6,686,600	-6%
Bonding	50,768,243	0	0	0	0	0%
Fund Balance	1,960,411	0	9,529,000	9,529,000	0	-100%
<b>Total</b>	<b>58,704,541</b>	<b>8,075,436</b>	<b>16,677,200</b>	<b>16,677,200</b>	<b>6,686,600</b>	<b>-60%</b>

*City of Surprise, Arizona*



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*FY2010 Adopted Budget*



## Community Facilities District Funds

### Description

Community facilities district (CFD) funds are established by ordinance to provide a centralized location for the collection of taxes from properties directly benefiting from the district. These proceeds are legally restricted to expenditures associated with the construction, development, and ongoing maintenance of infrastructure within the district and the repayment of general obligation bonds. The Mayor and Council serve as the governing board for the district, which is a separate legal entity with the authority to levy taxes on all properties included in the district.

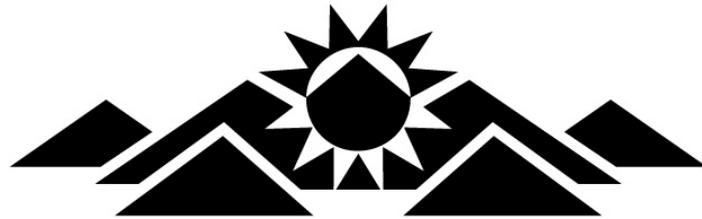
### Budget Summary

Currently there is one CFD (Marley Park CFD) operated by the city with the possibility of additional districts to be added as the city continues to grow. The city of Surprise assesses a levy of \$3.30 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. Of the total rate, \$0.30 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.

	FY2007	FY2008	FY2009	FY2009	FY2010	Budget
<b>Expenditures</b>	Actual	Actual	Budget	Estimate	Budget	Change
<u>By category</u>						
Supplies/Services	141,525	0	50,000	75,000	50,000	0%
Capital	1,451,408	4,211,742	20,000,000	4,067,200	20,000,000	0%
Debt Service	180,951	256,445	0	231,200	0	0%
<b>Total</b>	<b>1,773,884</b>	<b>4,468,187</b>	<b>20,050,000</b>	<b>4,373,400</b>	<b>20,050,000</b>	<b>0%</b>
<u>By department</u>						
General Operations	322,476	256,445	20,050,000	306,200	20,050,000	0%
Public Works	1,451,408	4,211,742	0	4,067,200	0	0%
<b>Total</b>	<b>1,773,884</b>	<b>4,468,187</b>	<b>20,050,000</b>	<b>4,373,400</b>	<b>20,050,000</b>	<b>0%</b>
<b>Revenues</b>						
<u>By fund source</u>						
Interest	3,278	1,477	0	500	0	0%
Miscellaneous	169,330	75,000	0	1,595,400	0	0%
Other Financing Sources	1,365,000	3,950,000	20,050,000	2,777,500	20,050,000	0%
<b>Total</b>	<b>1,537,608</b>	<b>4,026,477</b>	<b>20,050,000</b>	<b>4,373,400</b>	<b>20,050,000</b>	<b>0%</b>

The CFD has been authorized by the board to issue up to \$80.0 million of bonds. Budget authority of \$20.0 million is available for a potential bond issue during FY2010. The proceeds of this issuance will be utilized to reimburse the developer for authorized infrastructure construction within the district. A total of \$50,000 has been set aside for the purpose of supporting the operations of the CFD. The estimated assessed value of this district is detailed in the appendix of this document.

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## FY2010– FY2014

The city of Surprise has transitioned from a small agricultural community to one of the fastest growing communities in the nation. During fiscal year 2008, the estimated population grew to 100,858, triple the 2000 census tabulation of approximately 30,000 residents. It is estimated that the population will increase to over 118,000 people by the end of FY2014.

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 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 new residents expected to be added annually.



Management worked with the Mayor and City Council and all departments throughout the Capital Improvement Plan (CIP) process to develop the adopted CIP. The CIP process runs in conjunction with the operating budget process and both culminate with the adoption of the recommended budget and CIP by the Mayor and Council in May.

A CIP is a multi-year plan that outlines current capital and infrastructure projects, future anticipated needs, 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 the city's website [www.surpriseaz.com](http://www.surpriseaz.com).

The recommended budget and CIP include a number of capital expenditures. Most of the projects recommended for inclusion in the FY2010 budget have been in the CIP for several years. As a funded planning document, as expected, most projects should be foreseen long before they become a reality.

The following is a breakdown of some of the major projects that are included in the recommended FY2010 Capital Improvement Plan. 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 FY2010 – FY2014 CIP is funded and is within the city's means.

### **Major Accomplishments/Undertakings:**

#### **Capital Improvements Plan (CIP)**

Funding for FY2010 is \$17,458,800. The FY2010 major projects for each fund are summarized below.

- **General Capital – FY2010 (\$812,000) FY2010-2014 (\$812,000)**  
The City Hall Solar project is planned in FY2010 and is 100% funded by a federal grant.
- **Highway User Revenue Fund – FY2010 (\$463,900) FY2010-2014 (\$8,624,800)**  
This fund includes the annual street preservation and maintenance program.
- **Police Development Fee Fund – FY2010 (\$745,800) FY2010-2014 (\$745,800)**  
This fund includes the completion of the communications upgrade to the Regional Wireless Cooperative (RWC).
- **Public Works Development Fee Fund – FY2010 (\$0) FY2010-2014 (\$2,800,000)**

- Transportation Improvement Fund – FY2010 (\$8,713,400) FY2010-2014 (\$21,718,300)  
Road improvements/construction projects for Bell Road, Bullard Avenue, Greenway Road, and Union Hills Widening are funded in FY2010. The park and ride lot and money to share in the cost of improvements to Dysart Road and Thunderbird Avenue are also included in FY2010.
- Roads of Regional Significance – FY2010 (\$2,244,700) FY2010-2014 (\$5,572,000)  
As part of the transportation development impact fee, developers are reimbursed for constructed eligible projects.
- Water Operations User Fee Fund – FY2010 (\$500,000) FY2010-2014 (\$500,000)  
Arsenic treatment funded with a federal grant is planned for FY2010.
- Water System Development Fee Fund – FY2010 (\$2,392,700) FY2010-2014 (\$4,413,300)  
The CAP (Central Arizona Project) contribution and potential reimbursements to developers for wells, water supply facilities, well sites, water treatment, and oversize of distribution system are budgeted in FY2010.
- Replenishment Development Fee Fund – FY2010 (\$525,000) FY2010-2014 (\$2,125,000)  
Replenishment efforts in FY2010 include permitting and reclaim line construction for G-Farms and/or Santa Lucia Farms.
- Sewer Operations Fund – FY2010 (\$1,000,000) FY2010-2014 (\$1,000,000)  
Completion of the design and construction of the 163<sup>rd</sup> Avenue sewer line interceptor is scheduled for FY2010. This project has offsetting revenue of \$1,000,000 from developers.
- Sewer Development Fee Fund – FY2010 (\$61,300) FY2010-2014 (\$550,000)  
Potential reimbursements to developers for development fee eligible projects are programmed in FY2010.

In addition to the major projects listed above which are funded in the FY2010 budget, the city plans on continuing to make investments in infrastructure and capital acquisition over the next five years. The following projects are included in the FY2010 – FY2014 CIP:

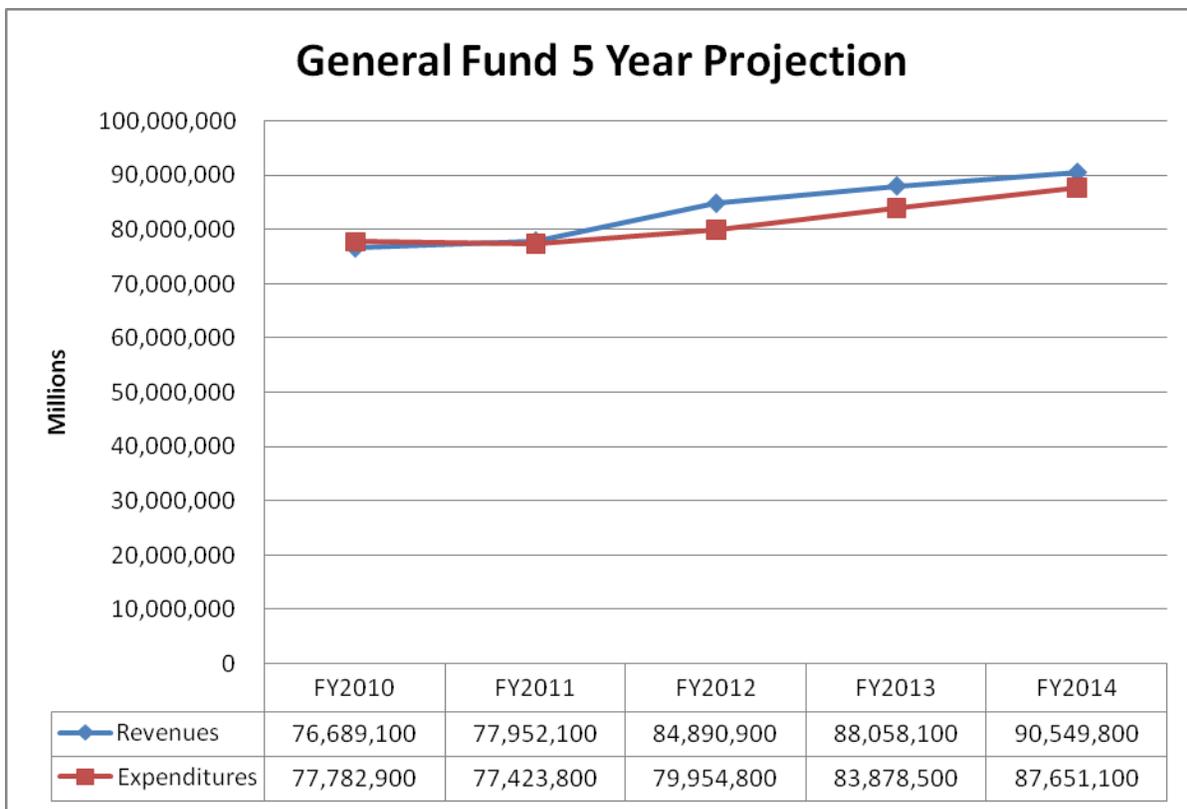
- *Engineering/Transportation* – Implementation of the transportation action plan, including traffic signals. Roadway improvements include the completion of Bell Road and Greenway Road, and design and construction of Litchfield Road and Waddell Road. Completion of the park and ride lot is also planned.
- *Public Works* – annual street maintenance is planned.
- *Water & Sewer Infrastructure* – In addition to the infrastructure that will be installed by developers, the city will continue to invest funds in replenishment efforts.

**Capital & Operational Finances**

In keeping with the city’s policy of sustainability, approved capital projects stress continuation of current service levels. Surprise citizens deserve, and have come to expect the high level of service provided by the city. In order to maintain this high level of service, the city has committed many of its one-time sources of funds to pay for capital and infrastructure needs.

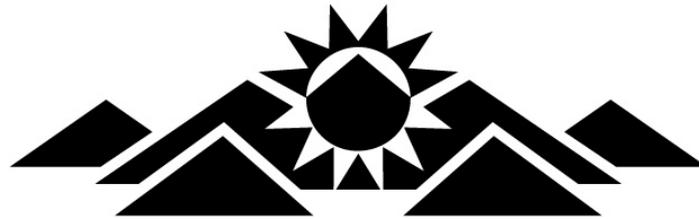
The operational costs associated with the massive amount of capital built by the city of Surprise have been felt over the last couple years. With each new completed project there are staffing, maintenance, supply, and other service costs that must be absorbed on an ongoing basis. The funding of these ongoing operational costs must be determined before a project is approved. By examining operational requirements early in the process, the city is assured that when a public building is completed, there is funding to open and operate the facility without negatively affecting other city services.

The chart below compares general fund operating revenues to operating expenditures as projected over a five year period. The update of the 2010 census used for allocating state shared revenues accounts for the significant increase of revenue in FY2012.



The majority of approved capital projects are directly related to maintaining the current level of service. New residents who move to Surprise next year will be greeted with a high level of service and amenities. The Mayor and City Council and City Manager have pledged to do what is required to ensure this level of service is sustainable.

*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## FY2010 Approved Capital Projects Budget

Note: Carry forwards from prior fiscal years are noted. Budget will be adjusted to reflect FY2009 actual.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Community and Recreation Services</b>							
CRS Park Maint. Asset Replacement Prog.		21111	444	111	39713	20001	272,800
Surprise Farms Park Development	Carry Fwd	21414	444	429	39211	20606	888,000
Lizard Run Enhancements	Carry Fwd	21112	444	431	39211	20902	283,000
<b>Total</b>							<b>1,443,800</b>
<b>Fire-Emergency Services</b>							
800Mhz radio payment to city of Phoenix		21112	342	316	39431	29999	44,800
<b>Total</b>							<b>44,800</b>
<b>General Operations</b>							
Marley Park CFD	Carry Fwd	42211	191	112	39223	20001	20,000,000
<b>Total</b>							<b>20,000,000</b>
<b>Information Services</b>							
IT Digital Signage		21111	144	832	39411	20001	34,000
IT Digital Signage		21215	144	832	39411	20001	43,000
Survey Modernization Project		21111	144	831	39431	29999	44,600
Network and Server Replacements		21111	144	832	39411	29999	97,100
<b>Total</b>							<b>218,700</b>
<b>Police</b>							
Public Safety Building	Carry Fwd	21112	341	111	39411	20219	183,900
Police Communications Upgrade to RWC	Carry Fwd	21413	341	313	39411	20805	286,000
Police Communications Upgrade to RWC		21413	341	313	39311	20805	230,000
Police Communications Upgrade to RWC		21413	341	313	39411	20805	515,800
Special Assignment Unit Vehicle	Carry Fwd	21111	341	311	39421	27045	44,700
JAG		21111	341	312	39431	27076	32,000
<b>Total</b>							<b>1,292,400</b>
<b>PW - Development Engineering</b>							
Dysart Road Improvements @ Grand Ave	Carry Fwd	21418	541	115	39222	20509	2,370,000
Saguaro View Rehabilitation Project	Carry Fwd	21112	541	115	39211	20526	59,700
TMC Connection	Carry Fwd	21112	541	115	39211	20547	100,000
Pave Dirt Road Program (Saguaro Acres)	Carry Fwd	21112	541	115	39211	20612	561,400
Dysart Rd & Thunderbird Intersection Improve.	Carry Fwd	21418	541	115	39211	20632	1,200,000
Dysart Rd & Thunderbird Intersection Improve.	Carry Fwd	21418	541	115	39222	20632	60,000
Greenway Rd (Litchfield Rd to Bullard Ave)	Carry Fwd	21418	541	115	39211	20815	14,100
Bullard Ave (Bell Rd to Paradise Ln)	Carry Fwd	21418	541	115	39211	20816	7,000
Civic Center Parkway (Bell Rd to Paradise Ln)	Carry Fwd	21418	541	115	39211	20817	31,700
Bell Road Landscaping/Lighting	Carry Fwd	21112	541	115	39211	20901	1,154,700
Jerry Street Drainage	Carry Fwd	21112	541	115	39211	20913	560,000
Reems Road (Cactus to Peoria)	Carry Fwd	21418	541	115	39211	20915	1,283,200
IT Infrast. & Lighting SR 303	Carry Fwd	21418	541	115	39211	20916	247,800
<b>Total</b>							<b>7,649,600</b>

### FY2010 Approved Capital Projects Budget

Note: Carry forwards from prior fiscal years are noted. Budget will be adjusted to reflect FY2009 actual.

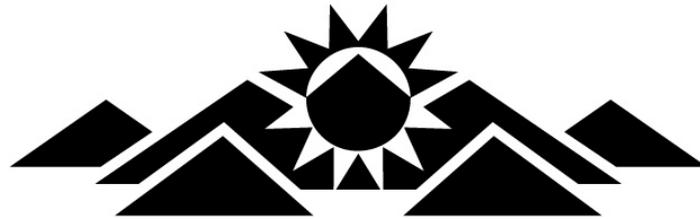
Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>PW-Facilities - Capital</b>							
City Hall	Carry Fwd	21112	543	115	39311	20675	6,087,400
City Hall	Carry Fwd	21112	543	115	39411	20675	3,188,000
Public Works Yard - Deer Valley	Carry Fwd	21415	543	115	39111	20717	1,276,000
Park and Ride	Carry Fwd	21418	543	115	39111	20909	1,492,600
Park and Ride	Carry Fwd	21418	543	115	39311	20909	93,100
Park and Ride		21418	543	115	39211	20909	1,930,000
City Hall Solar		21112	543	115	39211	21001	742,000
City Hall Solar		21112	543	115	39311	21001	10,000
<b>Total</b>							<b>14,819,100</b>
<b>PW-Sanitation - Capital</b>							
PW Sanitation Bio-Solid Hauling		22541	644	112	39421	20001	180,000
PW Sanitation N. Plant Restroom Improve.		22541	644	112	39212	20001	32,000
<b>Total</b>							<b>212,000</b>
<b>PW-Streets - Capital</b>							
Street Preservation and Maintenance Prog.	Carry Fwd	21212	544	112	39222	20001	463,900
<b>Total</b>							<b>463,900</b>
<b>PW-Vehicle Maintenance - Capital</b>							
Equipment Replacements	Carry Fwd	21114	542	112	39431	20001	386,000
Vehicle Replacements	Carry Fwd	21114	542	112	39421	20001	1,451,500
<b>Total</b>							<b>1,837,500</b>
<b>Transportation - Capital</b>							
Traffic Signals	Carry Fwd	21112	545	511	39211	20001	140,000
Traffic Signals	Carry Fwd	21415	545	511	39211	20001	120,400
Bell Road Pavement		21418	545	112	39211	20001	2,883,400
Traffic Management Center (TMC)	Carry Fwd	21415	545	112	39211	20428	612,800
Dysart Rd and Thunderbird Intersect. Improve.		21418	545	112	39211	20632	1,000,000
Union Hills Dr Widen (111th Ave to 115th Ave)		21418	545	112	39211	20716	635,000
Fiber Optics - Greenway (Grand to Cotton)	Carry Fwd	21415	545	112	39211	20718	112,500
Roads of Reg'l Significance Reimb. SPA 2,4,6		21411	545	112	39211	20813	1,723,600
Roads of Reg'l Significance Reimb. SPA 3,5		21419	545	112	39211	20813	521,100
Greenway Rd (Litchfield Road to Bullard Ave)		21418	545	112	39211	20815	1,050,000
Bullard Ave (Bell Rd to Paradise Ln)		21418	545	112	39211	20816	1,005,000
Fiber Optics - Peoria (Litchfield to Jackrabbit)	Carry Fwd	21415	545	112	39211	20905	135,700
<b>Total</b>							<b>11,023,100</b>
<b>Water Services-Replenishment Development - Capital</b>							
Reclaimed Water Line Connect. Sierra Verde		22522	642	112	39311	20001	25,000
SPA1 Install Rechg Wells @ S. Plant	Carry Fwd	22522	642	112	39211	20234	1,132,800
SPA1 Groundwater Savings Facility Project	Carry Fwd	22522	642	112	39223	20415	63,300
SPA1 Groundwater Savings Facility Project	Carry Fwd	22522	642	112	39311	20415	144,300
SPA1 Groundwater Savings Facility Project		22522	642	112	39211	20415	485,000
SPA1 16in Reclaim Ln - Parkview & Greenway	Carry Fwd	22522	642	112	39211	20726	1,500,000
SPA1 Reclaimed Water Turnouts for G-Farms	Carry Fwd	22522	642	112	39211	20810	600,000
Reclaim Water Line Connect. Litchfield Manor	Carry Fwd	22522	642	112	39311	20917	150,000
<b>Total</b>							<b>4,100,400</b>

### FY2010 Approved Capital Projects Budget

Note: Carry forwards from prior fiscal years are noted. Budget will be adjusted to reflect FY2009 actual.

Project Name	Carry Fwd	Fund	Dept	Divn	Object	Project	Budget
<b>Water Services-Sewer - Capital</b>							
Waste Water Treatment Plant Tech Assess.	Carry Fwd	22531	643	112	39224	20001	250,000
Depreciation	Carry Fwd	22531	643	111	39711	20001	5,073,200
Depreciation	Carry Fwd	22531	643	111	39713	20001	196,300
Depreciation - Replenishment	Carry Fwd	22531	643	111	39712	20001	40,400
SPA2 163rd Ave Sanitary Sewer Intercept-ph 1	Carry Fwd	22531	643	601	39211	20616	2,000,000
SPA2 163rd Ave Sanitary Sewer Intercept-ph 1	Carry Fwd	22531	643	601	39223	20616	100,000
SPA2 163rd Ave Sanitary Sewer Intercept-ph 2		22531	643	112	39211	20616	1,000,000
SPA1 Happy Trails Utility Access Improve	Carry Fwd	22531	643	112	39211	20731	133,700
Digester Repairs @ South WRF	Carry Fwd	22531	643	112	39211	20912	450,000
<b>Total</b>							<b>9,243,600</b>
<b>Water Service-Water - Capital</b>							
Water Treatment Plant Tech Assessment	Carry Fwd	22511	641	112	39224	20001	250,000
Depreciation	Carry Fwd	22511	641	111	39711	20001	1,167,900
Depreciation	Carry Fwd	22511	641	111	39713	20001	41,700
Depreciation - Replenishment	Carry Fwd	22511	641	111	39712	20001	40,400
Depreciation - Replenishment	Carry Fwd	22511	641	111	39713	20001	15,000
Water Blue Stake - Transition		22511	641	604	39421	20001	20,000
Water Blue Stake - Transition		22511	641	604	39422	20001	6,000
Water Veramonte Irrigation Reclaim Connect.		22511	641	112	39224	20001	50,000
SPA1 Roseview WSF - Arsenic Treatment	Carry Fwd	22511	641	112	39211	20521	965,700
SCADA - Upgrades/System Expansion	Carry Fwd	22511	641	112	39211	20721	43,300
<b>Total</b>							<b>2,600,000</b>
<b>Water Service-Water Development - Capital</b>							
CAP Allocation		22512	641	112	39311	20001	576,000
Water Development Reimbursement		22512	641	112	39311	20655	1,816,700
SPA1 Ashton Ranch WSF- Expansion	Carry Fwd	22512	641	112	39223	20674	275,000
SCADA - Upgrades/System Expansion	Carry Fwd	22512	641	112	39211	20721	1,500
<b>Total</b>							<b>2,669,200</b>
<b>Water Services-Sewer Development - Capital</b>							
SPA1 16in Reclaim Ln Statler to Bell Rd Lake	Carry Fwd	22532	643	601	39223	20418	206,100
SPA2 WRF Initial Capacity - 2 MGD	Carry Fwd	22533	643	112	39211	20609	19,236,100
SPA2 WRF Initial Capacity - 2 MGD	Carry Fwd	22533	643	112	39311	20609	2,222,200
SPA3 WRF Initial Capacity - 1 MGD	Carry Fwd	22534	643	112	39223	20647	8,857,800
SPA3 WRF Initial Capacity - 1 MGD	Carry Fwd	22534	643	112	39311	20647	1,400,000
Sewer Development Reimbursements		22532	643	112	39311	20656	61,300
<b>Total</b>							<b>31,983,500</b>

*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Capital Improvement Operating Costs

### FY2011-2015

In order to manage and budget ongoing operating costs associated with completed capital projects, operating costs are identified and calculated for each proposed project during the budget process. Categories for personnel, supplies, utilities and all other costs are tallied for a total annual operating cost. As projects are considered, both the cost of the project and the associated ongoing operating costs are evaluated.

In the operating costs summary, projects are listed by fund and division along with the calculated ongoing operating cost per year. As projects are completed, operating costs are shown in the following fiscal year column. These numbers are then used in the next budget process to ensure appropriate operational funding for the various completed projects.

Once a project is complete and the operating costs begin, it is the same dollar amount each year thereafter. For example, the first project listed is the Police Communications Upgrade to RWC (Regional Wireless Cooperative). The \$50,000 operational cost is for annual software and equipment maintenance. The upgrade is to be completed in fiscal year 2010 with ongoing annual operational costs beginning in FY2011. Each following year, an amount of \$50,000 will continue to be budgeted for ongoing maintenance.

Since the Traffic Signals project includes signals at two additional intersections annually, operational costs show an increase each year.

#### PUBLIC SAFETY DEV FEE FUND

<u>Project Name</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<b>Police - Communications</b>					
Police Communications Upgrade to RWC	50,000	50,000	50,000	50,000	50,000
<hr/>					
Total - PUBLIC SAFETY DEV FEE FUND	50,000	50,000	50,000	50,000	50,000
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#### PUBLIC WORKS DEV FEE FUND

<u>Project Name</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<b>Transportation - TE Signals</b>					
Traffic Signals	2,900	5,800	8,700	11,600	14,500
<hr/>					
Total - PUBLIC WORKS DEV FEE FUND	2,900	5,800	8,700	11,600	14,500
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## Capital Improvement Operating Costs

FY2011-2015

### TRANSPORTATION IMPROVEMENT

<u>Project Name</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<b>PW - Project Management</b>					
Park and Ride	-	122,800	122,800	122,800	122,800
<b>Transportation - TE General</b>					
Bell Road Pavement	-	492,400	492,400	492,400	492,400
Bullard Avenue (Bell Road to Paradise Lane)	21,700	21,700	21,700	21,700	21,700
Greenway Road (Litchfield Road to Bullard Avenue)	-	53,300	53,300	53,300	53,300
Litchfield Road (Cactus Road to Desert Cove Road)	-	-	-	-	84,200
Litchfield Road (Sweetwater Road to Cactus Road)	-	-	-	-	100,000
Litchfield Road (Waddell Road to Sweetwater Road)	-	-	25,000	25,000	25,000
Union Hills Widening (111th Avenue to 115th Avenue)	20,300	20,300	20,300	20,300	20,300
Waddell Road (Litchfield Road to Bullard Avenue)	-	-	-	87,000	87,000
<b>Total - TRANSPORTATION IMPROVEMENT</b>	<b>42,000</b>	<b>710,500</b>	<b>735,500</b>	<b>822,500</b>	<b>1,006,700</b>

### WATER OPERATIONS FUND

<u>Project Name</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<b>Water Services - Water Operations</b>					
Arsenic Treatment	28,200	28,200	28,200	28,200	28,200
<b>Total - WATER OPERATIONS FUND</b>	<b>28,200</b>	<b>28,200</b>	<b>28,200</b>	<b>28,200</b>	<b>28,200</b>

### REPLENISHMENT DEV FEE FUND

<u>Project Name</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<b>Water Services - Replenishment</b>					
SPA 1 Groundwater Savings Facility Project	2,100	2,100	2,100	2,100	2,100
<b>Total - REPLENISHMENT DEV FEE FUND</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>

### SEWER OPERATIONS FUND

<u>Project Name</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<b>Water Services - Sewer Operations</b>					
SPA 2 163rd Avenue Sanitary Sewer Interceptor - Phase 1	-	1,900	1,900	1,900	1,900
<b>Total - SEWER OPERATIONS FUND</b>	<b>-</b>	<b>1,900</b>	<b>1,900</b>	<b>1,900</b>	<b>1,900</b>

## ***Appendix***

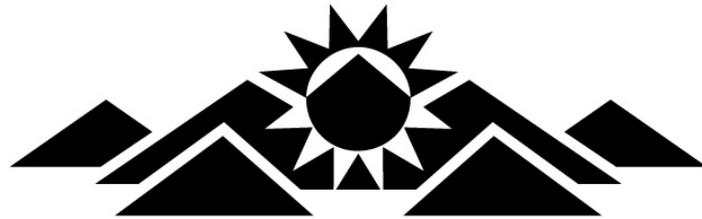
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- Budget Adoption Resolution
- State Forms
- Tax Levy Resolution
- Budget Transfer Policies & Procedures
- Strategic Plan
- Expenditure Summary
- Fund Balance Analysis
- Schedule of Personnel
- Glossary

***Budget Adoption Resolution***

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*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

**RESOLUTION #09-104**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA ADOPTING THE BUDGET FOR FISCAL YEAR 2009-2010.**

WHEREAS, in accordance with the provisions of ARIZ. REV. STAT. §42-17101 et. seq., the Council of the City of Surprise (the "City Council") did, on May 14, 2009, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the City of Surprise, Arizona; and

WHEREAS, publication has been duly made as required by law of said estimates together with a notice that the City Council would meet on May 28, 2009, 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, in accordance with state law and following due public notice, The City Council met on May 28, 2009, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses of tax levies; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in ARIZ. REV. STAT. § 42-17051 (A).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Surprise, Arizona, as follows:

**Section 1.** That the statements and schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the budget of the City of Surprise, Arizona for the fiscal year July 1, 2009 through June 30, 2010.

SIGNATURES ON FOLLOWING PAGE

APPROVED AND ADOPTED this 28<sup>th</sup> day of May, 2009.

  
\_\_\_\_\_  
L.E. Truitt, Mayor

ATTEST:

  
\_\_\_\_\_  
Sherry A. Aguilar, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael D. Bailey, City Attorney

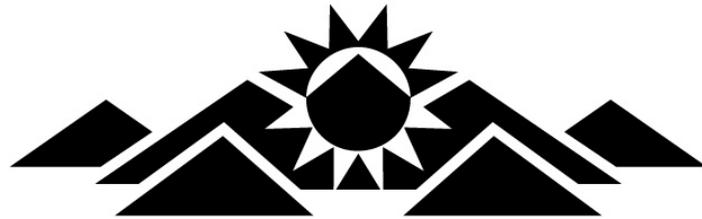
Yeas: Vice Mayor Johnson, Council Members: Longabaugh, Alton, Williams, Villanueva and Hall. (Absent – Mayor Truitt)

Nays: \_\_\_\_\_

***State Forms***

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*City of Surprise, Arizona*



**SURPRISE**  

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**ARIZONA**

*FY2010 Adopted Budget*

**CITY/TOWN OF SURPRISE**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2010**  
**Schedule A**

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2009	ACTUAL EXPENDITURES/ EXPENSES ** 2009	FUND BALANCE/ NET ASSETS*** July 1, 2009**	PROPERTY TAX REVENUES 2010	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2010	OTHER FINANCING 2010		INTERFUND TRANSFERS 2010		TOTAL FINANCIAL RESOURCES AVAILABLE 2010	BUDGETED EXPENDITURES/ EXPENSES 2010
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 77,174,959	\$ 73,989,471	\$ 1,094,900	Primary: \$ 6,858,400	\$ 66,772,100	\$	\$	\$ 3,057,500	\$ 5,543,300	\$ 72,239,600	\$ 72,239,600
2. Special Revenue Funds	55,367,100	24,205,633	\$ 11,338,000	Secondary:	33,974,700	20,050,000	20,050,000	3,841,300		49,154,000	49,154,000
3. Debt Service Funds Available	665,000	987,905			909,400					909,400	909,400
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	665,000	987,905			909,400					909,400	909,400
6. Capital Projects Funds	175,854,341	73,504,600	69,375,300		25,976,500			18,310,400	10,258,700	103,403,500	103,403,500
7. Permanent Funds	96,900		97,100		1,000					98,100	98,100
8. Enterprise Funds Available	40,986,100	27,771,441	28,234,300		31,658,300				9,407,200	50,485,400	50,485,400
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	40,986,100	27,771,441	28,234,300		31,658,300				9,407,200	50,485,400	50,485,400
11. Internal Service Funds	3,145,100	1,569,392	2,016,300		1,510,200					3,526,500	3,526,500
12. TOTAL ALL FUNDS	\$ 353,289,500	\$ 202,028,443	\$ 112,155,900	\$ 6,858,400	\$ 160,802,200	\$ 20,050,000	\$ 20,050,000	\$ 25,209,200	\$ 25,209,200	\$ 279,816,500	\$ 279,816,500

**EXPENDITURE LIMITATION COMPARISON**

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC or voter-approved alternative expenditure limitation

	2009	2010
1. Budgeted expenditures/expenses	\$ 353,289,500	\$ 279,816,500
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	353,289,500	279,816,500
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 353,289,500	\$ 279,816,500
6. EEC or voter-approved alternative expenditure limitation	\$ 353,289,500	\$ 279,816,500

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

\* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

\*\* Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

\*\*\* Amounts in this column represent Fund Balance/Net 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/TOWN OF SURPRISE**  
**Summary of Tax Levy and Tax Rate Information**  
**Fiscal Year 2010**  
**Schedule B**

	<u>2009</u>	<u>2010</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>5,848,300</u>	\$ <u>6,858,400</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u>                    </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>5,848,300</u>	\$ <u>6,858,400</u>
B. Secondary property taxes	<u>1,091,700</u>	
C. Total property tax levy amounts	\$ <u>6,940,000</u>	\$ <u>6,858,400</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ <u>5,848,300</u>	
(2) Prior years' levies	<u>28,300</u>	
(3) Total primary property taxes	\$ <u>5,876,600</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ <u>881,798</u>	
(2) Prior years' levies		
(3) Total secondary property taxes	\$ <u>881,798</u>	
C. Total property taxes collected	\$ <u>6,758,398</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.5939</u>	<u>0.5661</u>
(2) Secondary property tax rate	<u>0.0195</u>	
(3) Total city/town tax rate	<u>0.6134</u>	<u>0.5661</u>

B. Special assessment district tax rates

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating 79 special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

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

**CITY/TOWN OF SURPRISE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**  
**Schedule C**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2009</u>	<u>ACTUAL REVENUES* 2009</u>	<u>ESTIMATED REVENUES 2010</u>
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
City Sales Tax	\$ 32,284,200	\$ 31,813,500	29,435,200
Auto Lieu	3,875,600	3,117,500	3,259,200
<b>Licenses and permits</b>			
Franchise Licenses	3,881,700	3,881,700	4,058,100
Business Licenses	2,702,600	417,300	435,800
<b>Intergovernmental</b>			
State	21,287,900	20,479,900	18,517,400
Grants	463,700	663,600	1,866,000
<b>Charges for services</b>			
Building, Engineering & Landscape Charges	7,097,000	2,498,800	1,510,400
Program Fees	1,619,300	1,734,898	1,765,900
All Other Charges for Services	305,800	205,300	200,800
<b>Fines and forfeits</b>			
Court	1,237,500	1,574,100	1,868,700
<b>Interest on investments</b>			
Investments	530,100	580,400	589,100
<b>In-lieu property taxes</b>			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<b>Contributions</b>			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<b>Miscellaneous</b>			
Miscellaneous	1,877,100	3,252,889	3,265,500
<b>Total General Fund</b>	<b>\$ 77,162,500</b>	<b>\$ 70,219,887</b>	<b>\$ 66,772,100</b>

\* 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/TOWN OF SURPRISE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**  
**Schedule C**

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
<b>SPECIAL REVENUE FUNDS</b>			
<b>Campus Operations</b>			
User Fees	\$ 901,300	\$ 1,267,025	\$ 1,181,500
Other (Rent/Special Events)	644,800	64,000	618,000
<b>Total</b>	<b>\$ 1,546,100</b>	<b>\$ 1,331,025</b>	<b>\$ 1,799,500</b>
<b>Transit (Local Transportation Assistance Fund)</b>			
LTAF (Lottery)	\$ 450,500	\$	\$ 320,700
User Fees	18,000	20,000	20,000
Other (Grants/Interest)	2,600	636,200	4,000
<b>Total</b>	<b>\$ 471,100</b>	<b>\$ 656,200</b>	<b>\$ 344,700</b>
<b>Highway User Revenue Fund</b>			
State Gasoline Tax (HURF)	\$ 6,353,500	\$ 5,650,000	\$ 5,334,200
Other (Grants/Interest)	-	80,100	23,000
<b>Total</b>	<b>\$ 6,353,500</b>	<b>\$ 5,730,100</b>	<b>\$ 5,357,200</b>
<b>10% Set-Aside</b>			
Grants	\$	\$ 37,900	\$
Other (Interest)	-	3,300	-
<b>Total</b>	<b>\$</b>	<b>\$ 41,200</b>	<b>\$</b>
<b>Donations</b>			
Donations	\$ 600,000	\$	\$
<b>Total</b>	<b>\$ 600,000</b>	<b>\$</b>	<b>\$</b>
<b>Municipal Court Enhancement</b>			
Court Fines	\$ 40,000	\$ 78,000	\$ 80,000
<b>Total</b>	<b>\$ 40,000</b>	<b>\$ 78,000</b>	<b>\$ 80,000</b>
<b>Neighborhood Revitalization</b>			
Grants	\$ 808,600	\$ 1,714,483	\$ 2,343,300
<b>Total</b>	<b>\$ 808,600</b>	<b>\$ 1,714,483</b>	<b>\$ 2,343,300</b>
<b>Scholarship</b>			
Other (Interest)	\$ 1,200	\$	\$ 1,200
<b>Total</b>	<b>\$ 1,200</b>	<b>\$</b>	<b>\$ 1,200</b>
<b>Street Light Improvements Districts</b>			
Improvement District Payments	\$ 2,352,300	\$ 2,213,800	\$ 3,998,800
<b>Total</b>	<b>\$ 2,352,300</b>	<b>\$ 2,213,800</b>	<b>\$ 3,998,800</b>
<b>Community Facility Districts</b>			
Other (Bonding/Property Tax)	\$ 20,225,700	\$ 4,990,900	\$ 20,050,000
<b>Total</b>	<b>\$ 20,225,700</b>	<b>\$ 4,990,900</b>	<b>\$ 20,050,000</b>
<b>Total Special Revenue Funds</b>	<b>\$ 32,398,500</b>	<b>\$ 16,755,708</b>	<b>\$ 33,974,700</b>

\* 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/TOWN OF SURPRISE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**  
**Schedule C**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2009</b>	<b>ACTUAL REVENUES* 2009</b>	<b>ESTIMATED REVENUES 2010</b>
<b>DEBT SERVICE FUNDS</b>			
<b>Debt Service</b>			
Marley Park CFD	\$	247,905	\$ 909,400
Investment Earnings	\$	\$	\$
<b>Total</b>	\$	247,905	\$ 909,400
<b>Total Debt Service Funds</b>	\$	247,905	\$ 909,400
<b>CAPITAL PROJECTS FUNDS</b>			
<b>General Capital Projects</b>			
Grants	\$ 9,035,000	\$ 9,035,000	\$ 812,000
Other (Bonding/Unforeseen/Interest)	5,000,000		5,000,000
<b>Total</b>	\$ 14,035,000	\$ 9,035,000	\$ 5,812,000
<b>General Government Development</b>			
Development Fees	\$ 1,146,900	\$ 895,100	\$ 480,400
Other (Grants/Interest)			
<b>Total</b>	\$ 1,146,900	\$ 895,100	\$ 480,400
<b>Police Development</b>			
Development Fees	\$	582,000	\$ 303,000
Other (Grants/Interest)	890,400		348,800
<b>Total</b>	\$ 890,400	\$ 582,000	\$ 651,800
<b>Parks &amp; Recreation Development</b>			
Development Fees	\$ 1,505,500	\$ 730,000	\$ 567,800
Other (Grants/Interest)			
<b>Total</b>	\$ 1,505,500	\$ 730,000	\$ 567,800
<b>Public Works Development</b>			
Development Fees	\$ 1,668,800	\$ 1,148,100	\$ 640,600
Other (Grants/Interest)		600,000	
<b>Total</b>	\$ 1,668,800	\$ 1,748,100	\$ 640,600
<b>Fire &amp; EMS Development</b>			
Development Fees	\$ 1,701,700	\$ 1,062,300	\$ 557,400
Other (Grants/Interest)			
<b>Total</b>	\$ 1,701,700	\$ 1,062,300	\$ 557,400
<b>Library Development</b>			
Development Fees	\$ 332,600	\$ 161,300	\$ 166,300
Other (Grants/Interest)			
<b>Total</b>	\$ 332,600	\$ 161,300	\$ 166,300
<b>Transportation Enhancement</b>			
City Sales Tax	\$ 3,816,600	\$ 4,725,700	\$ 2,340,900
Other (Grants/Interest)	2,148,400	3,723,800	5,585,700
<b>Total</b>	\$ 5,965,000	\$ 8,449,500	\$ 7,926,600

**CITY/TOWN OF SURPRISE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**  
**Schedule C**

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
<b>Roads of Regional Significance</b>			
Development Fees	\$ 2,050,600	\$ 670,500	\$ 521,500
<b>Total</b>	<b>\$ 2,050,600</b>	<b>\$ 670,500</b>	<b>\$ 521,500</b>
<b>Water Development</b>			
Development Fees	\$ 1,411,400	\$ 617,000	\$ 403,900
Other (Grants/Interest)			
<b>Total</b>	<b>\$ 1,411,400</b>	<b>\$ 617,000</b>	<b>\$ 403,900</b>
<b>Replenishment Development</b>			
Development Fees	\$ 589,100	\$ 343,400	\$ 224,300
Other (Grants/Interest)	15,000		
<b>Total</b>	<b>\$ 604,100</b>	<b>\$ 343,400</b>	<b>\$ 224,300</b>
<b>Sewer Development</b>			
Development Fees	\$ 3,923,100	\$ 2,436,700	\$ 1,337,300
Other (Grants/Interest)	40,386,200	37,310,600	
<b>Total</b>	<b>\$ 44,309,300</b>	<b>\$ 39,747,300</b>	<b>\$ 1,337,300</b>
<b>Municipal Property Corporation (MPC)</b>			
Intergovernmental	\$	\$	\$
Other (Rent)	7,148,200	7,148,200	6,686,600
<b>Total</b>	<b>\$ 7,148,200</b>	<b>\$ 7,148,200</b>	<b>\$ 6,686,600</b>
<b>Total Capital Projects Funds</b>	<b>\$ 82,769,500</b>	<b>\$ 71,189,700</b>	<b>\$ 25,976,500</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**PERMANENT FUNDS**

<b>Firefighter's Pension</b>			
Investment Earnings	\$ 1,000	\$	\$ 1,000
<b>Total</b>	<b>\$ 1,000</b>	<b>\$</b>	<b>\$ 1,000</b>
<b>Total Permanent Funds</b>	<b>\$ 1,000</b>	<b>\$</b>	<b>\$ 1,000</b>

**CITY/TOWN OF SURPRISE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2010**  
**Schedule C**

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
<b>ENTERPRISE FUNDS</b>			
<b>Water Operations</b>			
User Fees	\$ 8,634,400	\$ 9,513,100	\$ 10,335,900
Other (Interest)	5,800	940,000	540,000
	<u>\$ 8,640,200</u>	<u>\$ 10,453,100</u>	<u>\$ 10,875,900</u>
<b>Replenishment Operations</b>			
User Fees	\$ 1,432,900	\$ 431,400	\$
Other (Interest)	6,000		
	<u>\$ 1,438,900</u>	<u>\$ 431,400</u>	<u>\$</u>
<b>Sewer Operations</b>			
User Fees	\$ 12,027,200	\$ 12,360,100	\$ 13,690,900
Other (Interest)	160,000	180,000	1,180,000
	<u>\$ 12,187,200</u>	<u>\$ 12,540,100</u>	<u>\$ 14,870,900</u>
<b>Sanitation</b>			
User Fees	\$ 5,387,800	\$ 5,676,500	\$ 5,811,500
Other (Interest)	15,000	45,000	100,000
	<u>\$ 5,402,800</u>	<u>\$ 5,721,500</u>	<u>\$ 5,911,500</u>
<b>Total Enterprise Funds</b>	<u>\$ 27,669,100</u>	<u>\$ 29,146,100</u>	<u>\$ 31,658,300</u>
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			
<b>INTERNAL SERVICE FUNDS</b>			
<b>Risk Management</b>			
Insurance Premiums	\$ 1,510,200	\$ 1,510,200	\$ 1,510,200
Other (Interest)		133,000	
	<u>\$ 1,510,200</u>	<u>\$ 1,643,200</u>	<u>\$ 1,510,200</u>
<b>Total Internal Service Funds</b>	<u>\$ 1,510,200</u>	<u>\$ 1,643,200</u>	<u>\$ 1,510,200</u>
<b>TOTAL ALL FUNDS</b>	<u>\$ 221,510,800</u>	<u>\$ 189,202,500</u>	<u>\$ 160,802,200</u>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**CITY/TOWN OF SURPRISE**  
**Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2010**  
**Schedule D**

FUND	OTHER FINANCING 2010		INTERFUND TRANSFERS 2010	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
10% Set-Aside Fund	\$	\$	\$	\$
Indirect Cost Recovery			3,057,500	
General Capital				2,575,000
Campus Operations				1,547,300
Highway Users Revenue Fund (HURF)				1,421,000
Transit				
Land/Economic Development				
Vehicle Replacement				
<b>Total General Fund</b>	\$	\$	\$ 3,057,500	\$ 5,543,300
<b>SPECIAL REVENUE FUNDS</b>				
10% Set-Aside	\$	\$	\$	\$
Campus Operations			1,547,300	
Highway Users Revenue Fund (HURF)			1,421,000	
Transit				
Vehicle Replacement			873,000	
Community Facilities Districts	20,050,000	20,050,000		
<b>Total Special Revenue Funds</b>	\$ 20,050,000	\$ 20,050,000	\$ 3,841,300	\$
<b>DEBT SERVICE FUNDS</b>				
	\$	\$	\$	\$
<b>Total Debt Service Funds</b>	\$	\$	\$	\$
<b>CAPITAL PROJECTS FUNDS</b>				
General Capital	\$	\$	\$ 5,480,100	\$ 3,499,300
Public Arts				
Police Development			558,800	
Fire & EMS Development			3,854,300	
Parks & Recreation Development			2,940,500	
Public Works Development				
General Government Development				486,800
Library Development				3,854,300
Transportation Improvement				2,418,300
Water Development				
Replenishment Development				
Sewer Development			5,476,700	
Surprise Muni Prop Corp				
<b>Total Capital Projects Funds</b>	\$	\$	\$ 18,310,400	\$ 10,258,700
<b>PERMANENT FUNDS</b>				
	\$	\$	\$	\$
<b>Total Permanent Funds</b>	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>				
Sewer Operations	\$	\$	\$	\$ 6,924,200
Replenishment Operations				
Water Operations				1,134,800
Sanitation				1,348,200
<b>Total Enterprise Funds</b>	\$	\$	\$	\$ 9,407,200
<b>INTERNAL SERVICE FUNDS</b>				
Surprise Muni Prop Corp	\$	\$	\$	\$
<b>Total Internal Service Funds</b>	\$	\$	\$	\$
<b>TOTAL ALL FUNDS</b>	\$ 20,050,000	\$ 20,050,000	\$ 25,209,200	\$ 25,209,200

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses Within Each Fund Type**  
**Fiscal Year 2010**  
**Schedule E**

<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2009</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2010</b>
<b>GENERAL FUND</b>				
Mayor & Council	\$ 615,500	\$ (30,800)	\$ 361,070	\$ 549,900
City Manager	1,307,000	(46,900)	1,111,359	713,300
Government Relations	489,300	(81,300)	335,801	381,900
Legal	1,784,700	(17,000)	1,670,828	1,759,600
City Clerk	604,600	(30,000)	510,830	729,100
Finance	2,452,500	(2,558,100)	2,109,064	2,386,600
Human Resources	1,486,900	(65,200)	1,391,167	1,234,900
Information Services	4,872,600	(55,500)	4,897,347	4,228,600
Communications	1,143,900	(41,500)	1,027,039	1,063,000
Management & Budget	1,905,100	(336,100)	1,587,222	513,200
General Operations	3,358,600	1,428,600	1,806,378	2,492,700
Community Development	5,767,800	(817,500)	5,004,426	5,727,200
City Court	2,458,100	(71,300)	2,307,188	2,033,500
Police	19,129,300	(468,300)	17,854,002	18,038,000
Fire-Emergency Services	15,057,100	(291,241)	14,465,555	13,731,000
Community Initiatives	1,436,100			\$
Community and Recreation Services	9,634,800	(509,500)	10,537,605	9,966,600
Public Works	5,432,900	(809,500)	6,921,574	6,595,200
Engineering	2,934,100			\$
Water Services-Stormwater	105,200		91,017	95,300
<b>Total General Fund</b>	<b>\$ 81,976,100</b>	<b>\$ (4,801,141)</b>	<b>\$ 73,989,471</b>	<b>\$ 72,239,600</b>
<b>SPECIAL REVENUE FUNDS</b>				
Campus Operations	\$ 4,414,600	\$ (157,500)	\$ 3,851,393	\$ 3,669,600
Vehicle Replacement	10,175,000	22,000	1,786,000	10,547,500
Transit	1,299,200	(105,300)	854,722	1,066,100
Highway User Revenue Fund (HURF)	10,930,300	(246,200)	9,973,276	6,923,900
10% Set-Aside	1,276,100	313,900	23,600	\$
Donations	859,100	(32,300)	156,759	302,600
Public Arts	640,000	29,400	567,900	\$
Municipal Court Enhancement	158,600		37,000	371,900
Neighborhood Revitalization	669,200	3,057,900	364,983	3,583,200
Scholarship	13,100		4,800	10,700
Street Light Improvements Districts	2,000,000		2,211,800	2,628,500
Community Facilities District	20,050,000		4,373,400	20,050,000
<b>Total Special Revenue Funds</b>	<b>\$ 52,485,200</b>	<b>\$ 2,881,900</b>	<b>\$ 24,205,633</b>	<b>\$ 49,154,000</b>
<b>DEBT SERVICE FUNDS</b>				
Debt Service	\$ 665,000	\$	\$ 987,905	\$ 909,400
<b>Total Debt Service Funds</b>	<b>\$ 665,000</b>	<b>\$</b>	<b>\$ 987,905</b>	<b>\$ 909,400</b>

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses Within Each Fund Type**  
**Fiscal Year 2010**  
**Schedule E**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009	ACTUAL EXPENDITURES/ EXPENSES* 2009	BUDGETED EXPENDITURES/ EXPENSES 2010
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Projects	\$ 56,133,400	\$ 11,242,841	\$ 26,508,200	\$ 19,375,000
General Government Development	184,000	(141,000)	24,400	\$
Police Development	787,900	286,000	623,700	\$ 1,496,600
Parks & Recreation Development	8,875,600	(1,161,300)	6,781,500	\$ 2,810,500
Public Works Development	8,145,800	(1,010,700)	1,788,700	\$ 3,474,600
Fire & EMS Development	4,009,100	(2,151,900)	1,407,300	\$ 244,800
Library Development	3,718,000	\$	\$	\$ 251,400
Transportation Improvement	25,061,300	(3,186,700)	13,137,700	\$ 17,769,400
Roads of Regional Significance	3,147,200	\$	\$	\$ 2,244,700
Water Development	7,230,100	(2,538,600)	4,193,600	\$ 2,762,600
Replenishment Development	7,681,400	(36,800)	2,459,800	\$ 5,202,300
Sewer Development	47,699,900	(5,329,400)	9,371,500	\$ 41,085,000
Municipal Property Corporation (MPC)	7,397,300	(189,100)	7,208,200	\$ 6,686,600
<b>Total Capital Projects Funds</b>	<b>\$ 180,071,000</b>	<b>\$ (4,216,659)</b>	<b>\$ 73,504,600</b>	<b>\$ 103,403,500</b>
<b>PERMANENT FUNDS</b>				
Firefighter's Pension	\$ 96,900	\$	\$	\$ 98,100
<b>Total Permanent Funds</b>	<b>\$ 96,900</b>	<b>\$</b>	<b>\$</b>	<b>\$ 98,100</b>
<b>ENTERPRISE FUNDS</b>				
Water Operations	\$ 11,580,500	\$ 164,400	\$ 10,145,200	\$ 11,395,700
Replenishment Operations	1,649,100	64,300	2,118,600	\$ 75,000
Sewer Operations	20,909,700	235,000	11,303,254	\$ 32,217,200
Sanitation	6,383,100	\$	4,204,387	\$ 6,797,500
<b>Total Enterprise Funds</b>	<b>\$ 40,522,400</b>	<b>\$ 463,700</b>	<b>\$ 27,771,441</b>	<b>\$ 50,485,400</b>
<b>INTERNAL SERVICE FUNDS</b>				
Risk Management	\$ 3,145,100	\$	\$ 1,569,392	\$ 3,526,500
<b>Total Internal Service Funds</b>	<b>\$ 3,145,100</b>	<b>\$</b>	<b>\$ 1,569,392</b>	<b>\$ 3,526,500</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 358,961,700</b>	<b>\$ (5,672,200)</b>	<b>\$ 202,028,443</b>	<b>\$ 279,816,500</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2010**  
**Schedule F**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2009</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2010</b>
<b>Mayor &amp; Council</b>				
General	\$ 615,500	\$ (30,800)	\$ 361,070	\$ 549,900
10% Set-Aside				
<b>Department Total</b>	<u>\$ 615,500</u>	<u>\$ (30,800)</u>	<u>\$ 361,070</u>	<u>\$ 549,900</u>
<b>City Manager</b>				
General	\$ 1,307,000	\$ (46,900)	\$ 1,111,359	\$ 713,300
<b>Department Total</b>	<u>\$ 1,307,000</u>	<u>\$ (46,900)</u>	<u>\$ 1,111,359</u>	<u>\$ 713,300</u>
<b>Government Relations</b>				
General	\$ 489,300	\$ (81,300)	\$ 335,801	\$ 381,900
<b>Department Total</b>	<u>\$ 489,300</u>	<u>\$ (81,300)</u>	<u>\$ 335,801</u>	<u>\$ 381,900</u>
<b>Legal</b>				
General	\$ 1,784,700	\$ (17,000)	\$ 1,670,828	\$ 1,759,600
<b>Department Total</b>	<u>\$ 1,784,700</u>	<u>\$ (17,000)</u>	<u>\$ 1,670,828</u>	<u>\$ 1,759,600</u>
<b>City Clerk</b>				
General	\$ 604,600	\$ (30,000)	\$ 510,830	\$ 729,100
<b>Department Total</b>	<u>\$ 604,600</u>	<u>\$ (30,000)</u>	<u>\$ 510,830</u>	<u>\$ 729,100</u>
<b>Finance</b>				
General	\$ 2,452,500	\$ (2,558,100)	\$ 2,109,064	\$ 2,386,600
General Government Development	12,200			
Police Development	12,500			
Parks & Recreation Development	12,500			
Public Works Development	12,500			
Fire & EMS Development	12,500			
Library Development	12,500			
Transportation Improvement				
Roads of Regional Significance	12,600			
Water Development	20,000			18,400
Replenishment Development	12,500			12,500
Sewer Operations				
Sewer Development	12,500			12,500
<b>Department Total</b>	<u>\$ 2,584,800</u>	<u>\$ (2,558,100)</u>	<u>\$ 2,109,064</u>	<u>\$ 2,430,000</u>
<b>Human Resources</b>				
General	\$ 1,486,900	\$ (65,200)	\$ 1,391,167	\$ 1,234,900
<b>Department Total</b>	<u>\$ 1,486,900</u>	<u>\$ (65,200)</u>	<u>\$ 1,391,167</u>	<u>\$ 1,234,900</u>
<b>Information Services</b>				
General	\$ 4,872,600	\$ (55,500)	\$ 4,897,347	\$ 4,228,600
General Capital	294,300	(201,300)	66,300	
Municipal Court Enhancement				43,000
General Government Development				
<b>Department Total</b>	<u>\$ 5,166,900</u>	<u>\$ (256,800)</u>	<u>\$ 4,963,647</u>	<u>\$ 4,271,600</u>
<b>Communications</b>				
General	\$ 1,143,900	\$ (41,500)	\$ 1,027,039	\$ 1,063,000
General Capital				
General Government Development	171,800	(141,000)	24,400	
<b>Department Total</b>	<u>\$ 1,315,700</u>	<u>\$ (182,500)</u>	<u>\$ 1,051,439</u>	<u>\$ 1,063,000</u>

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2010**  
**Schedule F**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2009</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2010</b>
Management & Budget				
General	\$ 1,905,100	\$ (336,100)	\$ 1,587,222	\$ 513,200
Risk Management	3,145,100		1,569,392	3,526,500
<b>Department Total</b>	<b>\$ 5,050,200</b>	<b>\$ (336,100)</b>	<b>\$ 3,156,614</b>	<b>\$ 4,039,700</b>
General Operations				
General	\$ 3,358,600	\$ 1,428,600	\$ 1,806,378	\$ 2,492,700
General Capital	6,104,300	21,941,141	458,200	5,694,200
Vehicle Replacement				
Transit	328,400	(55,800)		183,700
Highway User Revenue Fund (HURF)				
10% Set-Aside	1,146,000	(296,000)	23,600	
Donations	646,800			
Debt Service	665,000		987,905	909,400
Police Development	186,700	(35,000)		
Library Development	3,705,500			251,400
Transportation Improvement				
Water Operations				
Water Development				
Replenishment Operations	18,300			
Replenishment Development	271,400			888,800
Sewer Operations	6,651,000			13,864,100
Sewer Development	4,300			2,700
Sanitation	1,870,700			2,085,800
Employee Dependent Scholarship	13,100		4,800	10,700
Firefighters' Pension	96,900			98,100
Municipal Property Corporation	7,208,200		7,208,200	6,686,600
Kingswood Parke Slid	22,400		18,300	18,800
DW Sun City Grand Slid	257,500		294,500	295,000
West Point Towne Ctr Slid	51,300		57,400	57,900
Continental @ Kingswd Slid	9,800		10,000	10,500
Mountain Vista Ranch Slid	12,200		14,300	14,800
Sun City Grand II Slid	242,000		317,600	318,100
Sun City Grand III Slid	33,800		38,400	38,900
Bell West Ranch Slid	7,600		6,400	6,900
Canyon Ridge West Slid	7,700		10,200	10,700
Ashton Ranch Slid Unit 1	9,100		10,600	11,100
Ashton Ranch Slid Unit 2	10,300		12,000	12,500
Mountain Vista Ranch II	14,600		9,800	17,200
Mountain Vista Ranch III	12,500		14,600	15,100
Budget Authority Super Slid	173,000			500,000
Legacy Parc Slid	15,100		20,300	20,800
Greenway Parc Slid	13,200		15,600	16,100
Roseview Slid	25,600		30,000	30,500
Countryside Slid	22,500		26,500	27,000
Park ROW Slid	2,300		2,500	3,000
NW Ranch #2 Slid	15,400		20,600	21,100
Bell West Ranch 1B Slid	5,300		6,100	6,600
Ashton Ranch Slid Unit III	11,500		13,500	14,000
Ashton Ranch Slid Unit IV	8,400		9,800	10,300
Legacy Parc GHI Slid	10,300		12,100	12,600
Rancho Gabriela Phase I	19,900		23,300	23,800
NW Ranch #1 Slid	6,200		7,100	7,600
Sun City Grand 4 Slid	114,300		134,300	134,800
Rancho Gabriela 2,3 4 A-B	39,100		47,500	48,000
Greenway Parc II Slid	11,200		13,100	13,600
Greenway Parc III Slid	4,300		4,800	5,300
Bell West Ranch 1A Slid	7,700		8,900	9,400
Tash/Western Meadows Slid	9,000		11,000	11,000

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2010**  
**Schedule F**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2009</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2010</b>
Roseview 5, 5A 7 & 8	13,700		16,000	16,500
Orchards 1,2,3,4,5 Slid	20,800		24,400	24,900
Surprise Farms 1A Slid	25,100		33,900	34,400
Legacy Parc Parcels E,F,J	7,400		8,600	9,100
Sierra Montana 1A Slid	46,500		54,500	55,000
Bell West Ranch 2 Slid	8,100		8,300	8,800
Royal Ranch Unit 1	15,000		17,100	17,600
Surprise Farms 1B Slid	42,400		50,900	51,400
Desert Oasis No. 1	13,900		15,900	18,800
Sierra Montana Ph 2 Slid	126,300		31,900	72,400
Litchfield Manor	32,300		43,400	43,900
Cotton Gin	10,700		12,500	13,000
Summerfield @ Litchfield	3,700		4,300	4,800
Marley Park 1	19,900		6,100	23,800
Greer Ranch South	30,500		35,500	36,000
Bell West Ranch III Slid	7,100		21,500	8,800
Sierra Montana Parcel 12	6,700		6,900	7,400
Sierra Verde Phase I	30,500		32,500	31,300
Surprise Farms II	31,500		36,400	36,900
Royal Ranch Unit II				
Kenly Farms	13,400		18,400	10,100
Veramonte	17,800		25,300	21,400
Bell Pointe I	21,700		34,100	19,000
Rancho Gabriella Ph 2, Parcel 11	2,700		5,300	3,500
Royal Ranch Unit II - 5, 6 & 9	14,000		29,100	16,800
Sierra Verde Parcel 4	3,700		2,900	3,400
Marley Park Ph 1, Parcel 7 & 8	6,800		20,700	10,500
Surprise Farms III	26,000		77,800	31,000
Greer Ranch North Ph 1	18,000		41,800	21,500
Royal Ranch Unit 2 Parcel 8	4,100			5,200
Royal Ranch Unit 2 Parcel 7	4,300		7,100	6,100
Greer Ranch North Ph 2	4,200		10,700	6,300
Marley Park Ph 2	9,600		23,100	14,500
Sycamore Estates Parcel 13	29,800		20,600	21,100
Sierra Montana Parcel 7	5,300		3,100	3,600
Surprise Farms Ph 4 Parcel 1-6	23,000		51,700	26,500
Desert Oasis Lancer	33,600		29,400	26,900
Sarah Ann Ranch	42,400		49,000	49,500
Rancho Gabriella Ph 3 Parcel 17	2,700		5,500	3,200
City Surprise Ph 1	7,600		12,300	7,400
Marley Park Ph 1 Parcel 5 & 6	12,100		14,100	14,600
Surprise Asante 2008-74			47,000	47,500
Johnson Townhomes			1,100	1,100
Marley Park CFD	20,050,000		231,200	20,050,000
Prasada CFD				
Asante CFD			75,000	
<b>Department Total</b>	<b>\$ 54,325,200</b>	<b>\$ 22,982,941</b>	<b>\$ 13,007,083</b>	<b>\$ 55,846,700</b>
<b>Community Development</b>				
General	\$ 5,767,800	\$ (957,500)	\$ 5,004,426	\$ 5,727,200
General Capital				
10% Set-Aside	100,000	140,000		
Neighborhood Revitalization		2,197,800		1,385,400
<b>Department Total</b>	<b>\$ 5,867,800</b>	<b>\$ 1,380,300</b>	<b>\$ 5,004,426</b>	<b>\$ 7,112,600</b>

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2010**  
**Schedule F**

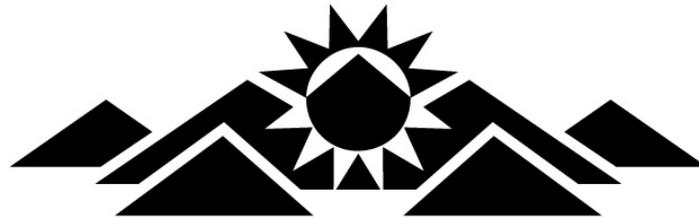
<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2009</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2009</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2009</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2010</b>
<b>City Court</b>				
General	\$ 2,458,100	\$ (71,300)	\$ 2,307,188	\$ 2,033,500
General Capital				
Municipal Court Enhancement	158,600		37,000	328,900
<b>Department Total</b>	<b>\$ 2,616,700</b>	<b>\$ (71,300)</b>	<b>\$ 2,344,188</b>	<b>\$ 2,362,400</b>
<b>Police</b>				
General	\$ 19,129,300	\$ (468,300)	\$ 17,854,002	\$ 18,038,000
General Capital	978,000	(678,000)	116,100	183,900
Vehicle Replacement				
Highway User Revenue Fund (HURF)		(12,300)		
Donations	212,300	(20,000)	140,365	302,600
Police Development	588,700	321,000	623,700	1,496,600
Municipal Property Corporation	148,200	(148,200)		
<b>Department Total</b>	<b>\$ 21,056,500</b>	<b>\$ (1,005,800)</b>	<b>\$ 18,734,167</b>	<b>\$ 20,021,100</b>
<b>Fire-Emergency Services</b>				
General	\$ 15,057,100	\$ (291,241)	\$ 14,465,555	\$ 13,731,000
General Capital	43,600		43,600	44,800
Donations			2,623	
Fire & EMS Development	3,996,600	(2,151,900)	1,407,300	244,800
<b>Department Total</b>	<b>\$ 19,097,300</b>	<b>\$ (2,443,141)</b>	<b>\$ 15,919,078</b>	<b>\$ 14,020,600</b>
<b>Community Initiatives</b>				
General	\$ 1,436,100			
10% Set-Aside				
Transit	970,800			
Neighborhood Revitalization	669,200			
<b>Department Total</b>	<b>\$ 3,076,100</b>			
<b>Community and Recreation</b>				
General	\$ 9,634,800	\$ (509,500)	\$ 10,537,605	\$ 9,966,600
General Capital	545,300	(262,300)		283,000
Campus Operations	4,414,600	(157,500)	3,851,393	3,669,600
Vehicle Replacement				
Transit		(64,300)	854,722	
Highway User Revenue Fund (HURF)	562,900	(25,700)	534,380	
10% Set-Aside	30,100	(30,100)		
Donations			13,771	
Neighborhood Revitalization		860,100	364,983	2,197,800
Parks & Recreation Development	8,863,100	(1,161,300)	6,781,500	2,810,500
Library Development				
<b>Department Total</b>	<b>\$ 24,050,800</b>	<b>\$ (1,350,600)</b>	<b>\$ 22,938,354</b>	<b>\$ 18,927,500</b>
<b>Arts Commission</b>				
Donations	\$ 640,000	\$ 29,400	\$ 567,900	
<b>Department Total</b>	<b>\$ 640,000</b>	<b>\$ 29,400</b>	<b>\$ 567,900</b>	
<b>Engineering</b>				
General	\$ 2,934,100			
General Capital	5,735,400			
Vehicle Replacement				
Highway User Revenue Fund (HURF)	2,011,800			
10% Set-Aside				
Public Works Development	5,740,300			
Transportation Improvement	23,212,900			
Roads of Regional Significance	3,134,600			
<b>Department Total</b>	<b>\$ 42,769,100</b>			

**CITY/TOWN OF SURPRISE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2010**  
**Schedule F**

DEPARTMENT/FUND	ADOPTED	EXPENDITURE/	ACTUAL	BUDGETED
	BUDGETED	EXPENSE	EXPENDITURES/	EXPENDITURES/
	EXPENDITURES/	ADJUSTMENTS	EXPENSES *	EXPENSES
	EXPENSES	APPROVED		
	2009	2009	2009	2010
Public Works				
General Fund	\$ 5,432,900	\$ (809,500)	\$ 6,921,574	\$ 6,595,200
General Capital	42,432,500	(8,927,500)	25,072,300	13,029,100
Vehicle Replacement	10,175,000	22,000	1,786,000	10,547,500
Highway User Revenue Fund (HURF)	8,355,600	(641,400)	7,461,196	4,756,600
10% Set-Aside		640,000		
Public Works Development	2,393,000		99,600	1,325,600
Transportation Improvement	1,848,400	(2,172,400)	13,044,000	11,146,000
Roads of Regional Significance				
Sanitation	4,512,400		4,204,387	4,711,700
Marley Park CFD			4,067,200	
<b>Department Total</b>	<b>\$ 75,149,800</b>	<b>\$ (11,888,800)</b>	<b>\$ 62,656,257</b>	<b>\$ 52,111,700</b>
Transportation				
General	\$	\$	\$	\$
General Capital		(265,400)	751,700	140,000
Vehicle Replacement				
Transit		14,800		882,400
Highway User Revenue Fund (HURF)		57,100	1,977,700	2,167,300
10% Set-Aside				
Public Works Development		(1,010,700)	1,689,100	2,149,000
Transportation Improvement		(1,014,300)	93,700	6,623,400
Roads of Regional Significance				2,244,700
<b>Department Total</b>	<b>\$</b>	<b>\$ (2,218,500)</b>	<b>\$ 4,512,200</b>	<b>\$ 14,206,800</b>
Water Services				
General	\$ 105,200	\$	\$ 91,017	\$ 95,300
General Capital				
Water Operations	11,580,500	164,400	10,145,200	11,395,700
Water Development	7,210,100	(2,538,600)	4,193,600	2,744,200
Replenishment Operations	1,630,800	64,300	2,118,600	75,000
Replenishment Development	7,397,500	(36,800)	2,459,800	4,301,000
Sewer Operations	14,258,700	235,000	11,303,254	18,353,100
Sewer Development	47,683,100	(5,329,400)	9,371,500	41,069,800
Municipal Property Corporation	40,900	(40,900)		
<b>Department Total</b>	<b>\$ 89,906,800</b>	<b>\$ (7,482,000)</b>	<b>\$ 39,682,971</b>	<b>\$ 78,034,100</b>
	<b>358,961,700</b>	<b>\$ (5,672,200)</b>	<b>\$ 202,028,443</b>	<b>\$ 279,816,500</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

*City of Surprise, Arizona*



**SURPRISE**  

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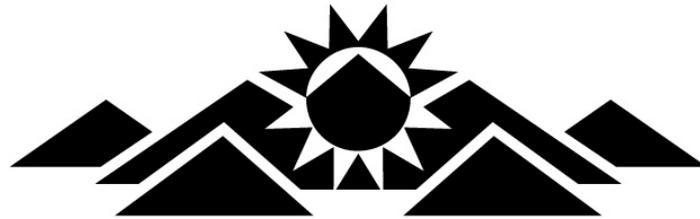
**ARIZONA**

*FY2010 Adopted Budget*

***Tax Levy Resolution***

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*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

**RESOLUTION # 09-105**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF PROPERTY WITHIN THE CITY A CERTAIN SUM OF MONEY FOR FISCAL YEAR 2009/2010 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 2009/2010 beginning July 1, 2009 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 May 28, 2009, at least fourteen days prior to the hearing date for this Resolution #09-105, and;

**WHEREAS**, the City has computed tax rates per One Hundred Dollars (\$100.00) of valuation to be levied and collected, at \$000.5661 per primary taxes, \$000.0000 for secondary taxes and secondary tax rates for Street Lighting Improvement Districts up to the maximum rate of \$1.20 of valuation, as set forth on Exhibit A attached hereto;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Surprise, Arizona, as follows.

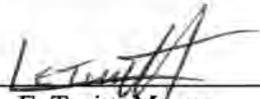
**Section 1.** That there is hereby levied on each One Hundred Dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise the sum of \$6,858,400, the maximum levy allowed by law for the fiscal year ending on June 30, 2010.

**Section 2.** That, in addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City, except such property as may be by law exempt from taxation, a secondary property tax rate sufficient to raise the sum of \$0 for the purpose of providing bond interest and redemption funds for General Obligation Bond debt service for the fiscal year.

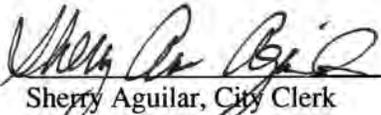
**Section 3.** That in addition to the rates set forth in Sections 1 and 2 above, there is hereby levied such secondary tax levy amounts at the rate of up to \$1.20 per One Hundred Dollars (\$100.00) of valuation for Street Lighting Improvement Districts as set forth on Exhibit A attached hereto, to be collected as provided by law for the purpose provided by law.

**Section 4.** 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.

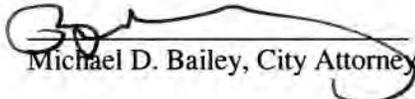
**APPROVED AND ADOPTED** this 11<sup>th</sup> day of June, 2009.

  
\_\_\_\_\_  
L. E. Truitt, Mayor

Attest:

  
\_\_\_\_\_  
Sherry Aguilar, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Michael D. Bailey, City Attorney

Yeas: Mayor Truitt, Vice Mayor Johnson, Council Members: Longabaugh, Alton, Williams, Villanueva and Hall.

Nays: \_\_\_\_\_

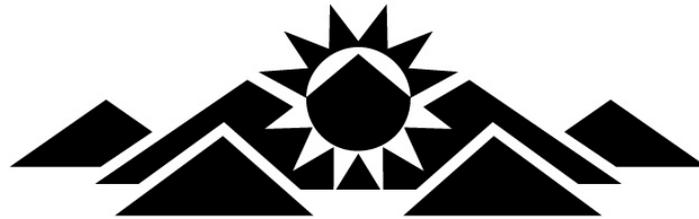
**City of Surprise - Lighting Districts  
Property Tax Levy - Fiscal Year 2010**

<u>District Name</u>	<u>Assessed Value</u>	<u>Estimate Tax Rate</u>	<u>Levy Amount</u>	<u>District Name</u>	<u>Assessed Value</u>	<u>Estimate Tax Rate</u>	<u>Levy Amount</u>
KINGSWOOD PARKE	16,050,858	0.1165	18,700	DESERT OASIS SLID #1	10,007,180	0.2408	24,100
SUN CITY GRAND #1	46,049,967	0.8925	411,000	SIERRA MONTANA PH 2	16,539,062	-	-
WESTPOINT TOWNE CENTER	26,171,578	0.2671	69,900	LITCHFIELD MANOR SLID	21,973,306	0.2840	62,400
CONTINENTAL AT KINGSWOOD	7,075,090	0.1541	10,900	COTTON GIN SLID	17,051,155	0.0686	11,700
MTN VISTA RANCH I	5,899,494	0.5950	35,100	SUMMERFIELD @LITCHFLD	2,181,786	0.3117	6,800
SUN CITY GRAND #2	122,615,992	0.3764	461,500	MARLEY PARK PH 1	9,260,770	0.3466	32,100
SUN CITY GRAND #3	5,853,232	0.8269	48,400	GREER RANCH SOUTH	15,905,188	0.2050	32,600
BELL WEST RANCH	3,008,390	0.3956	11,900	BELL WST RNCH PCL 3	3,819,386	0.1990	7,600
CANYON RIDGE WEST	14,050,442	0.1117	15,700	SIERRA MONTANA PCL 12	2,178,300	0.3948	8,600
ASHTON RANCH #1	4,383,720	0.3239	14,200	SIERRA VERDE PH 1	12,853,800	0.3050	39,200
ASHTON RANCH #2	4,997,682	0.3141	15,700	SURPRISE FARMS PH 2	15,726,910	0.2849	44,800
MOUNTAIN VISTA RANCH 2	11,031,084	0.2194	24,200	KENLY FARMS	4,469,190	0.1007	4,500
MTN VISTA RANCH #3	7,971,750	0.2271	18,100	VERAMONTE	6,614,086	0.4067	26,900
LEGACY PARC	11,297,036	0.2744	31,000	BELL POINTE 1	7,153,986	0.5675	40,600
GREENWAY PARC 1	5,069,370	0.4162	21,100	RANCHO GBRELA 2, P 11	1,553,072	0.3219	5,000
ROSEVIEW UNITS 1-6	13,694,252	0.2833	38,800	ROYAL RANCH UN 2 P 5, 6, 9	8,782,340	0.3507	30,800
COUNTRYSIDE SLID	12,733,506	0.2694	34,300	SIERRA VISTA PARCEL 4	2,305,590	0.1084	2,500
PARKE ROW	1,276,746	0.2976	3,800	MARLEY PK PH 1, 7&8	3,239,509	0.7131	23,100
NORTHWEST RANCH UNIT2	8,046,542	0.3877	31,200	SURPRISE FARMS PH 3	8,786,478	0.3551	31,200
BELL W RANCH PCL 1B	2,425,020	0.3423	8,300	GREER RANCH N PH 1	4,942,214	1.0825	53,500
ASHTON RANCH #3	4,518,930	0.4028	18,200	ROYAL RNCH UN2, PCL8	1,758,440	0.3469	6,100
ASHTON RANCH #4	4,491,300	0.3006	13,500	ROYAL RNCH 2 PCL 7	2,316,440	0.4878	11,300
LEGACY PARC G,H &I	4,100,940	0.3828	15,700	GREER RANCH N PH 2	3,657,960	0.2570	9,400
RANCHO GABRIELA #1	12,721,438	0.2374	30,200	MARLEY PARK PH 2	2,969,056	0.7713	22,900
NORTHWEST RANCH #1	6,446,262	0.1505	9,700	SYCAMORE ESTS PCS 13	3,526,536	1.2000	49,800
SUN CITY GRAND #4	242,796,141	0.2222	179,800	SIERRA MONTANA P 7	1,242,450	0.8934	11,100
RNCH GABRIELA2,3,4A&B	27,054,840	0.2203	59,600	SRPRS FRM PH4 P1-6	8,357,854	0.7215	60,300
GREENWAY PARC #2	4,621,890	0.3743	17,300	DESRT OASIS LANCER	4,106,070	1.2000	70,500
GREENWAY PARC #3	1,222,790	0.5725	7,000	SARAH ANN RANCH	14,194,970	0.7439	105,600
BELL W RANCH PCL 1A	3,726,266	0.3274	12,200	RNCHO GBRLA PH3-17	1,602,807	0.3307	5,300
TASH/WESTERN MEADOWS	4,608,940	0.3081	14,200	CITY @ SRPRSE PH 1	4,104,643	0.0804	3,300
ROSEVIEW UNITS 5A, 7&8	10,098,522	0.2109	21,300	MARLEY PARK PH 1 5/6	5,377,143	0.7736	41,600
ORCHARDS PARCELS 1*5	11,321,306	0.2800	31,700	SIERRA MONTANA PARCEL 14	-	1.2000	700
SURPRISE FARMS PH 1A	18,946,492	0.2723	51,600	SURPRISE SLID ASANTE 2008-74	3,002,820	1.2000	94,500
LEGACY PARC E,F, & J	4,736,960	0.2618	12,400	SURPRISE POINTE SUBDIVISION	-	1.2000	-
<b>SIERRA MONTANA PHASE 1A*</b>	78,250,854	101.1700	147,000	JOHNSON TOWNHOMES	-	1.2000	2,200
BELL W RANCH PCL 2	4,235,492	0.2361	10,000	SURPRISE VALLEY STATION	-	1.2000	-
<b>ROYAL RANCH UN 1*</b>	27,804,840	61.5385	33,600	SURPRISE FARMS PH5 2008-198	2,311,600	1.2000	-
SURPRISE FARMS PH 1B	20,570,488	0.3218	66,200				

*\*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.**

*City of Surprise, Arizona*



**SURPRISE**  

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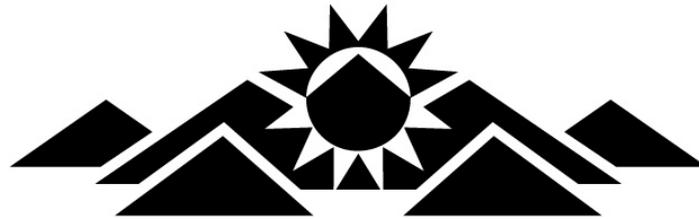
**ARIZONA**

*FY2010 Adopted Budget*

***Budget Transfer Policies & Procedures***

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*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*



## ADMINISTRATIVE POLICY

### CITY OF SURPRISE ADMINISTRATIVE STANDARDS

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**SUBJECT:** Budget Amendments & Transfers

**NUMBER:** 070804-1

**REPLACES:** Transfer policy  
adopted on 1/24/02

**AUTHORITY:** City Council

**ISSUED:** July 8, 2004

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**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.

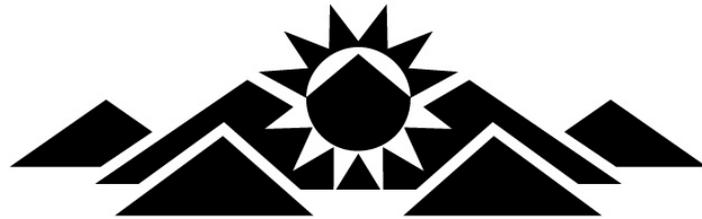
Table A: Budget Amendment Authorization Levels

<b>- No transfers are to be made from internal charge accounts (depreciation, transfers, insurance, etc...)</b> <b>- Any increase in Total Authorized positions must be approved by council</b>			
Type of Transfer	Category	Authorization	Comments
Intra-Department (as listed in Schedule E of state budget forms)	<b>Personnel:</b>		
	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)
	<b>Supplies &amp; Services:</b>		
	Intra-Category	Department Director	Between divisions
	Inter-Category	Department Director	Within a division or between divisions
	<b>Capital:</b>		
	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

## ***Strategic Plan***

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*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

## Strategic Plan

### I. OVERVIEW

In September 2008, the City of Surprise hired Partners for Strategic Action, Inc. to work with the City Council and management staff to develop a Council Strategic Plan. PSA facilitated a two-day planning retreat in 2008 and then returned in February 2009 to facilitate a retreat to review and update the Plan. In the six months since the first retreat, the economy has changed dramatically. Though the City continues to move forward and has taken steps to ensure financial stability, new development has come to a halt. As a result of the economic downturn, setting priorities and solidifying the strategic direction is even more critical. The purpose of the **2009 Strategic Plan** developed by the City Council is to provide guidance and direction for the upcoming year and budget cycle. The strategic planning process included:

#### September 2008 Retreat

1. PSA conducted interviews of all council members to discuss short-and long-term goals as well as workshop expectations.
2. City council met on September 13 and 14 to identify priority goals and potential action steps.
3. PSA developed a Workshop Summary Report.

#### February 2009 Update

1. Staff provided City Council an update on all key initiatives from the September 2008 retreat.
2. PSA facilitated a retreat to review and update the Surprise Strategic Plan.

The City Council evaluated the process to date. They felt the strategic planning effort was working well. Relationships have improved between the City Council, staff and the residents. Everyone is working well as a group with a higher level of respect for one another. The City organization has improved its perception as a result of staffs' professionalism and management. Areas identified that still need improvement include continuing to improve communications externally with other city officials and Dysart School District. The Chamber of Commerce needs to play a critical role in the Surprise's economic development effort and the organization may need to expand its role and become more active.

## II. SURPRISE CONCEPTS FOR VISION

Council should focus and build a vision for the future in additional workshops. A Vision describes the city's dream for the future. It provides the overall framework for the city's future. It captures the dream of what we want the city to be in the future. An effective vision must define the values important to the community and reflect what makes Surprise unique. The vision should define what will make Surprise special and give the community a competitive edge. The key concepts identified that could describe the community's vision include the following:

Strong, diverse and sustainable economy

- Knowledge-based workers attracted to the community
- Plenty of economic opportunities
- Educational excellence

Well planned community with excellent quality of life for people of all ages and abilities

- Compassionate Surprise
- Community that celebrates its history while being forward-thinking and visionary Compatibility of development
- Safe, beautiful and vibrant community
- Multi-cultural, multi-generational, and multi-recreational opportunities
- Live-Work-Play-Retire

Environmentally sustainable

- Build green ethic
- Model environmental leadership
- Focused on actions that leave the world a better place

### III. SURPRISE ANALYSIS

The Surprise Analysis examined the City's strengths, weaknesses, opportunities and threats. Strengths and weaknesses represent things that the City of Surprise has direct control over and can address. However, the opportunities and threats are things that the City does not have direct control over but can impact the community either positively or negatively.

Strengths	Weaknesses	Opportunities	Threats
Financially sound*	Lack of infrastructure*	Close proximity to California	World/state economy*
Attractive to business opportunities	No major transportation corridors*	Land availability around City Hall; ability to grow *	Real estate market
Rail through the city	Chamber image & function*	Higher education availability *	Impact of border with Mexico
Strong West Valley labor force	Lack of trauma center	Weather*	Luke AFB potential closure*
Great recreational facilities & attractions*	Communication with Dysart School District	Surrounding demographics; high incomes	Lack of control over land around City Hall
Chamber of Commerce established	Council to Council Relationships improving	Proximity to the White Tanks Mountains	Quality of education*
Safe community – great public safety*	Cohesive message about City*	Luke AFB	Legislative impacts (state/federal)*
Neighborhood services	Involvement	Access to great hospitals	
Abundant volunteers with expertise			
Relationships improved			
Strong leadership & staff			
Ability to create an identity			
Community of opportunities			
Channel 11			
Creative involvement & communication			
General Plan			

\* Highest priorities

#### **IV. STRATEGIC PRIORITIES 2009**

##### **FOCUS AREA: TRANSPORTATION**

##### **Discussion:**

Improving local and regional transportation was identified as a major priority of the City of Surprise. Transportation plays a major role in economic development as well as improving the community's quality of life. There are critical regional projects such as the completion of SR 303, developing more east/west connections, and local street improvements such as Bell Road. Funding for the 303 was identified in Proposition 400 and MAG has the funding committed to ensure completion. The City of Surprise was successful in reversing the SR 303 construction sequencing. The city is working to secure the right-of-way in the Surprise segment and discussing aesthetics. The first possible construction of the Surprise segment is 2011 with interchange work to begin earlier.

The following steps that need to occur regarding SR 303 were identified.

1. Insure the order for 303 construction projects stays North to South
2. Assist ADOT in Negotiating with landowners to acquire right-of-way
3. Define the city's 303 desired aesthetic treatments
4. Identify funding if needed

Within the Surprise Transportation Plan, roadway improvements were identified as well as transit development needed. The City of Surprise has developed parkway standards and parkway locations have been identified throughout the community. These roadways provide an alternative to freeways but are capable of moving a tremendous amount of traffic. The City has impact fees that are intended to fund needed roadway improvements. The plan also identifies more east-west connections that need to be developed.

**Transportation Goal - Implement comprehensive transportation improvements**

<b>Strategy</b>	<b>Status</b>	<b>Responsibility</b>	<b>Timeframe</b>
Monitor SR 303 construction sequence.	Underway	Hoffman	December 2010
Identify SR 303 aesthetic enhancements to	Take to Transportation Commission	Rice	May 2009
Consider GO Bond package.	Bond Committee is considering potential projects & will present recommendations to Council.	Sandstrom	June 2009
Finalize development of park & ride lot.	Currently in negotiations	Rice	April 2009
Explore transit within City of Surprise	Develop plan & dedicated revenue source.	Rice	5 years
Conduct a City Council workshop on east-west connections regarding MCDOT Projects (low water crossing vs. bridge crossing and possible locations).	Take to Transportation Commission and set priorities	Hoffman	July 2009
Road improvements – Grand Avenue, Waddell, Greenway, Cactus, scalloped roads.	Bond Committee is considering potential projects & will present recommendations to Council.	Rice	June 2009
Distribute Wickenburg bus schedules.	Distributed to Wickenburg, Rose Garden, Coyote Lakes, Quilceda, Sun Village and Sun City Grand	Rice	March 2009
Integrate bus pullouts & transit amenities in future developments.	Current policy; implemented at the development review stage.	Rice	June 2009
Evaluate potential cooperative efforts regarding Dial-A-Ride.	Staff is working on a regional dial-a-ride program (exploring costs and options).	Rice	September 2009
Continue discussions about commuter rail.	Currently working on Commuter Rail location	Rice	Ongoing
Become more golf cart friendly.	Identify designated roads, develop a map & explore multimodal trails.	Rice	July 2009
Explore traffic calming in neighborhoods.	City Council workshop set. Photo Radar and Roundabouts	Rice	April 2009
Sun City Grand	Pavement Management plan	Rice	May 2009
Bell Road construction	Currently considered as part of stimulus package	Rice	May 2009

## **FOCUS AREA: ECONOMIC DEVELOPMENT**

### **Discussion:**

Surprise is committed to ensuring long term sustainability through expansion of the local economy. The City's world-class recreational opportunities are an asset that can be built upon. Additionally, there is an opportunity to expand the healthcare as well as medical research.

**Economic Development Defined:** An intentional effort to improve the Surprise economy through activities that generate revenues, enhance social structure and benefit residents of all ages and at every level of social and economic level.

The economic development effort should address:

- Quality job creation
- Transportation to support economic expansion
- Health science opportunities
- Recreation and entertainment
- International development
- Environmentally-focused businesses
- Improving quality educational opportunities to ensure a good work force
- Expansion of culture and art to attract people to the area
- Improving the overall quality of life

Keys to economic development include:

- Transportation
- Workforce (total number and quality)
- Utilities and spec infrastructure
- Financing
- Land availability and affordability
- City attitude and acceptability
- Collaboration
- Quality education
- Quality of life and overall community safety
- Incentives

**Economic Development Goal: Strengthen and expand the Surprise economy by building upon the community's assets and implementing a proactive strategy that is compatible with the community's vision and quality of life.**

Strategy	Status	Responsibility	Timeframe
Create an arts/entertainment venue in the downtown area to include movie theaters, family entertainment and restaurants.	Continue to work with private owner to develop	City Manager Developer	5 years +
Maximize the economic development potential of Surprise's proximity to the White Tanks Mountains. Identify new access points.	Work with Maricopa County Parks regarding hiking access, the Heard regarding petro glyphs and explore a potential botanical gardens west.	Sandstrom	2-3 years
Explore the "Innovation Center" concept and present the pros/cons of developing the center at an existing city-owned facility or building at a designated site.	In negotiations	City Manager	June 2009
Continue to explore and support higher educational opportunities in Surprise.	Rio Salado College has been moving forward with the Communiversiy approach.	Rio Salado	May 2009 Rio Salado announcement
Develop better event signage for downtown Surprise and give a sense of arrival at the Recreation Campus	Develop a plan	Rice	September 2009
Build upon potential alternative energy opportunities.	Continuing to lobby for state and federal legislation.	Rice	June 2009
Establish a strong city identity.	City has hired a consultant to conduct a marketing project. Working on developing a plan that will be presented to Council for approval and then the city will decide how to move forward with implementation.	City Manager Marketing Consultant	June 2009
Development of Tourism Strategic Plan.	Tourism Committee will be appointed to develop the strategic plan utilizing marketing firm.	Tourism Commission	October 2009
Strengthen the city's partnership with the school district and strengthen the linkage between quality education and economic vitality.		Sandstrom	Ongoing

## **FOCUS AREA: ACTIVITY CENTER DEVELOPMENT**

### **Discussion:**

The City of Surprise has been working diligently over the past ten years to attract multi-use activity centers that create a synergy and vitality as a result of multiple activities such as entertainment, commercial and civic uses locating in close proximity to one another. There are several private sector projects that have been approved including the Surprise Center and Prasada. The Stadium Village also provides an opportunity to develop additional multiple uses that can generate revenues and provide a destination for visitors.

### **Current challenges:**

- State of the economy
- Lack of city control over the projects moving forward
- Little control over the land
- At times it appears that the developer wants to take the project in one direction that may be different to where the city wants the project to go
- Developers have complained about the cost of impact fees
- Surprise lacks a “sense of arrival or place”
- Lack of a unified focus regarding what the city desires

**Goal: Promote the development of mixed use activity centers in appropriate locations within the city.**

<b>Strategy</b>	<b>Status</b>	<b>Responsibility</b>	<b>Timeframe</b>
Explore alternatives and develop a strategy for potential land for economic development purposes	Preparing approach and potential land purchase	Hoffman	September 2009

## FOCUS AREA: RECREATION DEVELOPMENT

### Discussion:

A key component of the community's quality of life is Surprise's world-class recreational facilities and services. These facilities are also an important asset to economic development. The City of Surprise has taken bold steps to ensure that residents have access to recreational facilities and services.

### **Goal: Continue to expand recreational opportunities throughout the city.**

Strategy	Status	Responsibility	Timeframe
Identify potential recreational projects for the community. Projects could include a care facility and other community oriented facilities. Land available in City Hall site	Bond Committee is considering potential projects & will present recommendations to Council	Sandstrom	November 2009
Continue to work with the YMCA as they work through their location planning process.	The YMCA is considering developing a feasibility study for 163rd Avenue. The city offered the Villanueva site in the interim.	Sandstrom	18 -24 months
Continue to pursue alternative non-city funding for a neighborhood park south of Grand Avenue that has been identified as a need. Operation and maintenance dollars should also be identified.	Revitalization Board rejected the park proposal Parks & Recreation Commission voted against because it did not meet the size standard.	Sandstrom	2 – 3 years
Develop a long-term strategy to attract a family-oriented theme park.	One party is evaluating for potential in City of Surprise	City Manager	1-2 years
Explore the expansion of the tennis center permanent facility (more seats, retractable shade structure, restroom facilities).	Bond Committee is considering potential projects & will present recommendations to Council	Sandstrom	June 2009
Explore naming rights at all major recreational facilities.	Could generate additional city revenues.	City Manager City Attorney	September 2009
Develop procedures for new annual event with new partners	Present approach to Council to establish and adopt criteria	Sandstrom	May 2009

## **FOCUS AREA: ENVIRONMENTAL SUSTAINABILITY**

### **Discussion:**

The City of Surprise is committed to environmental sustainability and desires to become a model for other cities. Sustainability is a “top of mind” issue with Surprise residents. The planning area has tremendous land assets that could be used to develop solar fields that could establish Surprise as a leader in solar development. The City of Surprise has a water conservation education program in place today and is expanding educational opportunities.

### **Goal: Become a leader and role model for environmental sustainability.**

<b>Strategy</b>	<b>Status</b>	<b>Responsibility</b>	<b>Timeframe</b>
Establish Surprise as a leader in sustainability	Staff environmental committee is responsible for developing strategies and a program to ensure that Surprise becomes a model in environmental sustainability. Focus on getting grants for City buildings to showcase sustainability.	Rice	Regular updates to City Council

## **FOCUS AREA: COMPASSIONATE SURPRISE**

### **Discussion:**

The City of Surprise has been committed to serving as a model for other communities to support people with all abilities and address the needs of people at all socio-economic levels. The city has established a commission and approved a strategic plan to ensure implementation of strategies to address this focus area. The city has made over \$1 million on ADA improvements and provided support such as smoke detectors to assist residents. The community is home to many non-profit social service groups and the city has provided financial support to these organizations to achieve their missions. The City needs to continue to find ways to maximize compassion opportunities through increased efficiency and creative collaborations without increasing the overall cost to the city.

### **Goal: Promote Compassionate Surprise as part of the city's overall image.**

<b>Strategy</b>	<b>Status</b>	<b>Responsibility</b>	<b>Timeframe</b>
Effectively communicate the Compassionate Surprise story.	City has accomplished a tremendous amount of activities related to this focus area. Enhance the connection between Compassionate Surprise and economic development.	Sandstrom	October 2009
Explore opportunity to partner around Lizard Run Park to create synergy.	The State just swept Heritage funds. Seek funding opportunities for improvements to Lizard Run and walking areas.	Sandstrom	June 2010

## FOCUS AREA: COMMUNITY LAND USE ISSUES

### Community Revitalization

#### Discussion:

As the city of Surprise is continuing to grow and expand, older areas of the community will continue to get older and will require on-going revitalization for them to remain viable. The Original Townsite is an important part of the community that requires continued reinvestment. There are community development issues within this area such as flooding and housing rehabilitation that require diligent attention. The city council has made area investments that have had a tremendous impact. However, there is a concern that as the community grows and council redistricting occurs, the commitment to the Original Townsite might diminish.

Additionally the city council identified areas along Grand Avenue in need of revitalization. This is an important entry into the community and should reflect a positive image.

**Goal: Ensure that all areas of the City of Surprise remain economically viable, safe, and residents' quality of life is good.**

Strategy	Status	Responsibility	Timeframe
Evaluate funding alternatives to implement strategies to revitalize areas along Grand Avenue.	The City has completed a Grand Avenue Revitalization Plan concept. Develop funding methodology.	Rice	October 2010
As Grand Avenue is expanded, develop enhancement plan to include evaluation of walls vs. landscaping.	Staff will present Council with cost comparisons.	Rice	June 2009
Continue to track BNSF issues including the property annexation and land use plan.		Rice	Ongoing

### Protection of Luke Air Force Base

#### Discussion:

The City of Surprise is committed to protecting Luke Air Force Base's mission and its position within the West Valley. The base is a major economic driver to the regional economy. The city has taken steps to ensure land use compatibility within the area. However, Maricopa County has taken actions that have jeopardized land use compatibility and Luke's continued mission. The county has been sued by the State of Arizona as a result of Board of Supervisors' decisions. This issue will be addressed by the courts. The county claims that it is a private property rights issue and they had no choice but to approve projects in the area.

**Goal: City of Surprise will continue to support and take action to protect the continuation of the Luke Air Force Base.**

Strategy	Status	Responsibility	Timeframe
Continue to support efforts to protect Luke Air Force Base.		City Manager	Ongoing

## Development Impact Fees

### Discussion:

The City of Surprise has a development impact fee ordinance. The intent is to ensure that growth pays for itself and new growth has minimal impact on existing residents. The fees fund needed infrastructure to support the project. Additionally, the city has adopted a Roads of Regional Significance Impact Fee to fund road improvements as a result of development. Concerned has been raised regarding the fees due to the economic downturn.

**Goal: New growth pays for infrastructure to support the development without burden to existing residents.**

Strategy	Status	Responsibility	Timeframe
Confirmed "Growth Pays For Itself" policy.	Mayor and Council reaffirmed policy	Hoffman	Ongoing

**FOCUS AREA: ORGANIZATIONAL ISSUES**

**Discussion:**

The City of Surprise is committed to organizational effectiveness. The City has had to recently lay off staff but many of them have been called back to fill other positions. The staff is very committed to ensuring organizational excellence.

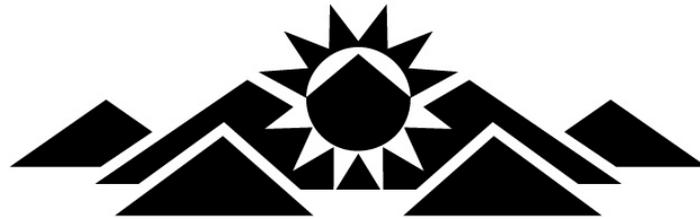
**Goal: Achieve organizational excellence.**

Strategy	Status	Responsibility	Timeframe
Notification of enhanced Council involvement in meetings.	Expand Council member involvement with the Party Trailer and HOA meetings. Develop a calendar of upcoming events that Council members are attending.	City Manager	June 2009
Council members Longabaugh and Hall, Ms. Aguilar, Mr. Bailey and Ms. Rice to review all commissions and boards' bylaws, appointments and terms and recommend changes to the City Council.	Staff is working with all commissions on strategic plans.	City Manager	August 2009
Public education regarding the City's fire protection approach (Council presentation and website information).	Develop an educational presentation on how fire protection is implemented.	Sandstrom	April 2009
Consider 2009 GO Bond election.	A G.O. Bond Committee was appointed to review, prioritize and make recommendations on potential capital projects for a potential 2009 GO Bond package.	Sandstrom	June 2009
Formalize City Council operating procedures.	The Mayor will ask at each meeting if members have issues to be addressed. Any one Council Member may add for issues update. Two council members must request for workshops or regular agenda. The Mayor establishes the workshop agenda and timing.	City Manager to present procedure for Mayor to implement	May 2009
Conduct City Council Retreat to work through draft budget.	April 24th and 25th. Budget books due 10th .	City Manager and City Council	April 2009

***Expenditure Summary***

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*City of Surprise, Arizona*



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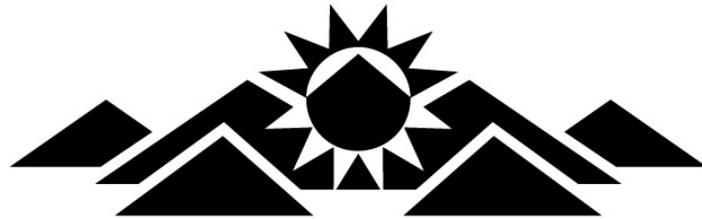
A R I Z O N A

*FY2010 Adopted Budget*

**FY2010 Adopted Budget Expenditures  
Category Summary by Department**

Department	Personnel	Supplies & Services	Capital & Depreciation	Debt Service	Contingency	Total	Transfers	Total w/ Transfers
<b>General Fund</b>								
Mayor & Council	353,900	196,000	0	0	0	549,900	0	549,900
City Manager	561,100	152,200	0	0	0	713,300	0	713,300
Government Relations	231,600	150,300	0	0	0	381,900	0	381,900
City Attorney	1,549,400	210,200	0	0	0	1,759,600	0	1,759,600
City Clerk	427,000	302,100	0	0	0	729,100	0	729,100
Finance	2,036,900	349,700	0	0	0	2,386,600	0	2,386,600
Human Resources	880,300	354,600	0	0	0	1,234,900	0	1,234,900
Information Services	2,265,300	1,787,600	175,700	0	0	4,228,600	0	4,228,600
Communications	740,100	322,900	0	0	0	1,063,000	0	1,063,000
Management & Budget	495,800	17,400	0	0	0	513,200	0	513,200
General Operations	0	1,996,400	0	0	496,300	2,492,700	5,543,300	8,036,000
Community Development	2,815,400	2,177,900	0	0	0	4,993,300	0	4,993,300
Economic Development	546,100	187,800	0	0	0	733,900	0	733,900
City Court	1,844,300	189,200	0	0	0	2,033,500	0	2,033,500
Police	16,662,600	1,298,700	76,700	0	0	18,038,000	0	18,038,000
Fire-Emergency Services	11,990,600	1,740,400	0	0	0	13,731,000	0	13,731,000
Community Initiatives	0	0	0	0	0	0	0	0
Community & Recreation Services	4,934,000	4,759,800	272,800	0	0	9,966,600	0	9,966,600
Public Works	3,759,600	2,835,600	0	0	0	6,595,200	0	6,595,200
Water Services-Stormwater	81,200	14,100	0	0	0	95,300	0	95,300
<b>Total General Fund</b>	<b>52,175,200</b>	<b>19,042,900</b>	<b>525,200</b>	<b>0</b>	<b>496,300</b>	<b>72,239,600</b>	<b>5,543,300</b>	<b>77,782,900</b>
<b>Internal Service Funds</b>								
Risk Management Fund	215,000	1,687,700	0	0	1,623,800	3,526,500	0	3,526,500
<b>Total Internal Service Funds</b>	<b>215,000</b>	<b>1,687,700</b>	<b>0</b>	<b>0</b>	<b>1,623,800</b>	<b>3,526,500</b>	<b>0</b>	<b>3,526,500</b>
<b>Debt Service Fund</b>								
Debt Service Fund	0	0	0	909,400	0	909,400	0	909,400
<b>Total Debt Service Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>909,400</b>	<b>0</b>	<b>909,400</b>	<b>0</b>	<b>909,400</b>
<b>Special Revenue Funds</b>								
Donations Fund	0	302,600	0	0	0	302,600	0	302,600
Transit	530,700	351,700	0	0	183,700	1,066,100	0	1,066,100
Campus Operations	1,501,300	2,168,300	0	0	0	3,669,600	0	3,669,600
Vehicle Replacement Fund	0	0	1,837,500	0	8,710,000	10,547,500	0	10,547,500
Highway User Revenue Fund	3,394,700	3,065,300	463,900	0	0	6,923,900	0	6,923,900
Set-A-Side 10% Fund	0	0	0	0	0	0	0	0
Municipal Court Enhancement	0	150,000	43,000	0	178,900	371,900	0	371,900
Neighborhood Revitalization	145,500	3,437,700	0	0	0	3,583,200	0	3,583,200
Special Districts	0	2,678,500	20,000,000	0	0	22,678,500	0	22,678,500
Employee Dep Scholarship	0	10,700	0	0	0	10,700	0	10,700
<b>Total Special Revenue Funds</b>	<b>5,572,200</b>	<b>12,164,800</b>	<b>22,344,400</b>	<b>0</b>	<b>9,072,600</b>	<b>49,154,000</b>	<b>0</b>	<b>49,154,000</b>
<b>Permanent Funds</b>								
Firefighters Pension Fund	0	98,100	0	0	0	98,100	0	98,100
<b>Total Permanent Funds</b>	<b>0</b>	<b>98,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>98,100</b>	<b>0</b>	<b>98,100</b>
<b>Enterprise Funds</b>								
Water Operations Fund	2,387,300	6,408,400	2,600,000	0	0	11,395,700	1,134,800	12,530,500
Sewer Operations Fund	3,029,400	6,080,100	9,243,600	0	13,864,100	32,217,200	6,924,200	39,141,400
Replenishment Operations Fund	0	75,000	0	0	0	75,000	0	75,000
Sanitation Operations Fund	2,092,200	2,407,500	212,000	0	2,085,800	6,797,500	1,348,200	8,145,700
<b>Total Enterprise Funds</b>	<b>7,508,900</b>	<b>14,971,000</b>	<b>12,055,600</b>	<b>0</b>	<b>15,949,900</b>	<b>50,485,400</b>	<b>9,407,200</b>	<b>59,892,600</b>
<b>Capital Funds</b>								
General Capital Fund	0	6,260,100	13,114,900	0	0	19,375,000	3,499,300	22,874,300
Parks & Recreation Development	0	1,922,500	888,000	0	0	2,810,500	0	2,810,500
Library Development	0	0	0	0	251,400	251,400	3,854,300	4,105,700
General Government Development	0	0	0	0	0	0	486,800	486,800
Police Development	0	464,800	1,031,800	0	0	1,496,600	0	1,496,600
Fire & EMS Development	0	244,800	0	0	0	244,800	0	244,800
Transportation Improvement	0	456,500	15,302,900	0	2,010,000	17,769,400	0	17,769,400
MPC	0	0	0	6,686,600	0	6,686,600	0	6,686,600
Water Systems Development	0	12,500	2,669,200	0	80,900	2,762,600	0	2,762,600
Sewer System Development	0	7,985,000	31,983,500	0	1,116,500	41,085,000	0	41,085,000
Replenishment Development	0	138,100	4,100,400	0	963,800	5,202,300	0	5,202,300
Public Works Development	0	133,600	3,341,000	0	0	3,474,600	2,418,300	5,892,900
Roads of Regional Significance	0	0	2,244,700	0	0	2,244,700	0	2,244,700
<b>Total Capital Funds</b>	<b>0</b>	<b>17,617,900</b>	<b>74,676,400</b>	<b>6,686,600</b>	<b>4,422,600</b>	<b>103,403,500</b>	<b>10,258,700</b>	<b>113,662,200</b>
<b>Total Budget</b>	<b>65,471,300</b>	<b>65,582,400</b>	<b>109,601,600</b>	<b>7,596,000</b>	<b>31,565,200</b>	<b>279,816,500</b>	<b>25,209,200</b>	<b>305,025,700</b>

*City of Surprise, Arizona*



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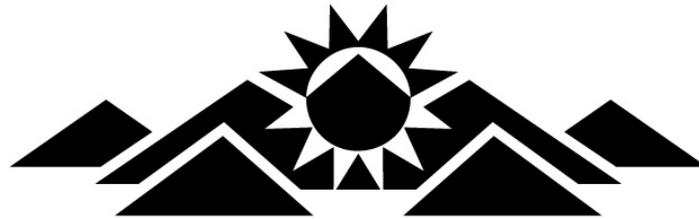
A R I Z O N A

*FY2010 Adopted Budget*

***Fund Balance Analysis***

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*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*

**Fund Balance  
Capital Improvement Plan  
FY2010 - FY2014**

	FY2010	FY2011	FY2012	FY2013	FY2014
<b><u>21112 - GENERAL CAPITAL</u></b>					
Beginning Balance	11,582,200	-	-	-	-
Revenues	2,575,000	2,613,600	3,031,500	3,461,300	3,513,200
Intergovernmental Contributions	812,000	-	-	-	-
Transfers In	2,905,100	567,000	674,800	759,500	858,500
Expenditures	(13,928,700)	(46,000)	(47,300)	-	-
Transfers Out	(3,499,300)	(2,688,100)	(3,212,100)	(3,771,400)	(3,925,600)
Debt Service	(446,300)	(446,500)	(446,900)	(449,400)	(446,100)
Ending Balance	-	-	-	-	-
<b><u>21412 - GENERAL GOVERNMENT DEV</u></b>					
Beginning Balance	6,400	-	-	-	-
Revenues	480,400	579,500	674,800	770,100	770,100
Expenditures	-	(12,500)	-	(12,500)	-
Transfers Out	(486,800)	(567,000)	(674,800)	(757,600)	(770,100)
Ending Balance	-	-	-	-	-
<b><u>21413 - POLICE DEV</u></b>					
Beginning Balance	286,000	-	-	-	-
Revenues	303,000	358,800	420,500	482,300	482,300
Intergovernmental Contributions	198,800	-	-	-	-
Transfers In	708,800	118,600	44,900	-	-
Expenditures	(1,031,800)	(12,500)	-	(12,500)	-
Transfers Out	-	-	-	(1,900)	(17,800)
Debt Service	(464,800)	(464,900)	(465,400)	(467,900)	(464,500)
Ending Balance	-	-	-	-	-
<b><u>21414 - PARKS &amp; RECREATION DEV</u></b>					
Beginning Balance	(697,800)	-	-	-	-
Revenues	567,800	811,100	892,200	973,300	973,300
Transfers In	2,940,500	1,074,500	982,800	924,600	898,100
Expenditures	(938,000)	(12,500)	-	(12,500)	-
Debt Service	(1,872,500)	(1,873,100)	(1,875,000)	(1,885,400)	(1,871,400)
Ending Balance	-	-	-	-	-
<b><u>21415 - PUBLIC WORKS DEV</u></b>					
Beginning Balance	5,252,300	-	77,800	290,800	614,000
Revenues	640,600	790,300	913,000	1,035,700	1,035,700
Expenditures	(3,474,600)	(712,500)	(700,000)	(712,500)	(700,000)
Transfers Out	(2,418,300)	-	-	-	-
Ending Balance	-	77,800	290,800	614,000	949,700
<b><u>21416 - FIRE &amp; EMS DEV</u></b>					
Beginning Balance	(4,166,900)	-	455,900	1,036,900	1,717,200
Revenues	557,400	663,300	776,100	889,000	889,000
Transfers In	3,854,300	-	-	-	1,392,800
Expenditures	(50,000)	(12,500)	-	(12,500)	-
Debt Service	(194,800)	(194,900)	(195,100)	(196,200)	(194,700)
Ending Balance	-	455,900	1,036,900	1,717,200	3,804,300

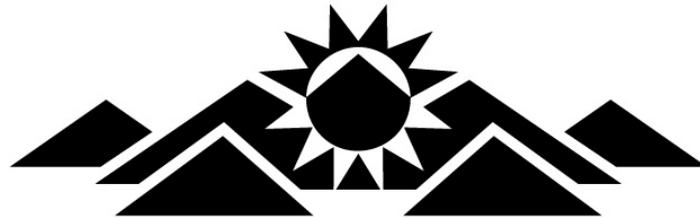
**Fund Balance  
Capital Improvement Plan  
FY2010 - FY2014**

	FY2010	FY2011	FY2012	FY2013	FY2014
<b><u>21417- LIBRARY DEV</u></b>					
Beginning Balance	3,939,400	251,400	476,500	737,800	1,010,400
Revenues	166,300	237,600	261,300	285,100	285,100
Expenditures	-	(12,500)	-	(12,500)	-
Transfers Out	(3,854,300)	-	-	-	-
Ending Balance	251,400	476,500	737,800	1,010,400	1,295,500
<b><u>21418 - TRANSPORTATION IMPROVEMENT TAX</u></b>					
Beginning Balance	9,842,800	2,010,000	357,100	1,678,000	107,700
Revenues	2,340,900	2,376,000	2,755,900	3,146,700	3,193,800
Intergovernmental Contributions	5,585,700	-	-	-	-
Expenditures	(15,759,400)	(4,028,900)	(1,435,000)	(4,717,000)	(2,824,000)
Ending Balance	2,010,000	357,100	1,678,000	107,700	477,500
<b><u>21411 - ROADS OF REGIONAL SIGNIFICANCE DEV SPA 2, 4, 6</u></b>					
Beginning Balance	1,423,500	-	-	-	-
Revenues	300,100	428,700	471,500	514,400	514,400
Expenditures	(1,723,600)	(428,700)	(471,500)	(514,400)	(514,400)
Ending Balance	-	-	-	-	-
<b><u>21419 - ROADS OF REGIONAL SIGNIFICANCE DEV SPA 3 &amp; 5</u></b>					
Beginning Balance	299,700	-	-	-	-
Revenues	221,400	316,300	348,000	379,600	379,600
Expenditures	(521,100)	(316,300)	(348,000)	(379,600)	(379,600)
Ending Balance	-	-	-	-	-
<b><u>22512 - WATER SYSTEM DEV</u></b>					
Beginning Balance	2,277,800	-	-	-	131,700
Revenues	403,900	558,200	620,600	683,000	683,000
Expenditures	(2,681,700)	(558,200)	(620,600)	(551,300)	(315,500)
Ending Balance	-	-	-	131,700	499,200
<b><u>22522 - WATER REPLENISHMENT DEV</u></b>					
Beginning Balance	4,694,000	679,800	990,000	722,200	501,600
Revenues	224,300	310,200	344,700	379,400	379,400
Expenditures	(4,238,500)	-	(612,500)	(600,000)	(412,500)
Ending Balance	679,800	990,000	722,200	501,600	468,500
<b><u>22532 - SEWER SYSTEM DEV - SPA 1</u></b>					
Beginning Balance	(2,379,600)	-	-	-	-
Revenues	1,337,300	1,780,100	2,003,700	2,227,300	2,227,300
Transfers In	5,476,700	2,436,200	2,241,400	2,015,100	5,490,600
Expenditures	(279,900)	(61,300)	(88,300)	(75,800)	(88,300)
Debt Service	(4,154,500)	(4,155,000)	(4,156,800)	(4,166,600)	(7,629,600)
Ending Balance	-	-	-	-	-
<b><u>31111 - MUNICIPAL PROPERTY CORPORATION</u></b>					
Beginning Balance	8,523,200	8,523,200	8,523,200	8,523,200	8,523,200
Revenues	6,686,600	6,687,900	6,692,300	6,716,100	10,160,200
Debt Service	(6,686,600)	(6,687,900)	(6,692,300)	(6,716,100)	(10,160,200)
Ending Balance	8,523,200	8,523,200	8,523,200	8,523,200	8,523,200

***Schedule of Personnel***

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*City of Surprise, Arizona*



**SURPRISE**

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ARIZONA

*FY2010 Adopted Budget*

## FY2010 Personnel Summary

### Mayor and Council - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
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
Executive Administrative Specialist	0.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>7.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>

### City Manager - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
City Manager	1.0	1.0	1.0	1.0	0.0
Assistant City Manager	2.0	2.0	2.0	1.0	(1.0)
Deputy City Manager	1.0	1.0	1.0	0.0	(1.0)
Assistant to City Manager	1.0	1.0	0.0	0.0	0.0
Executive Administrative Specialist	2.0	2.0	2.0	2.0	0.0
<b>Total</b>	<b>7.0</b>	<b>7.0</b>	<b>6.0</b>	<b>4.0</b>	<b>(2.0)</b>

### City Attorney - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
City Attorney	1.0	1.0	1.0	1.0	0.0
Department Director	1.0	1.0	1.0	1.0	0.0
Deputy City Attorney	1.0	1.0	1.0	1.0	0.0
Assistant City Attorney I & II	3.0	3.0	3.0	3.0	0.0
Assistant City Attorney III	1.0	1.0	1.0	1.0	0.0
Analyst	0.0	0.0	0.0	1.0	1.0
Assistant Analyst	2.0	2.0	1.0	1.0	0.0
Executive Administrative Specialist	0.0	0.0	1.0	1.0	0.0
Administrative Technician	1.0	1.0	0.0	0.0	0.0
Program Coordinator	1.0	1.0	0.0	0.0	0.0
Administrative Specialist	3.0	4.0	5.0	5.0	0.0
<b>Total</b>	<b>14.0</b>	<b>15.0</b>	<b>14.0</b>	<b>15.0</b>	<b>1.0</b>

### City Clerk - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
City Clerk	1.0	1.0	1.0	1.0	0.0
Administrative Support Supervisor	2.0	2.0	2.0	2.0	0.0
Administrative Technician	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>

### Intergovernmental Relations - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Manager	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>

## FY2010 Personnel Summary

### Finance - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Division Manager	2.0	2.0	1.0	1.0	0.0
Senior Accountant/Tax Auditor	2.0	2.0	3.0	3.0	0.0
Accounting Supervisor	2.0	3.0	3.0	4.0	1.0
Senior Buyer/Contract Officer	0.0	0.0	0.0	1.0	1.0
Program Supervisor	0.0	0.0	0.0	0.0	0.0
Buyer	0.0	0.0	0.0	1.0	1.0
Purchasing Technician	0.0	0.0	0.0	1.0	1.0
Accountant/Tax Auditor	3.0	3.0	4.0	4.0	0.0
Fiscal Support Specialist	5.2	5.2	4.0	5.0	1.0
Fiscal Support Assistant	1.5	2.0	3.0	2.0	(1.0)
Cashier	1.0	1.0	1.0	1.0	0.0
Part Time	0.0	0.0	0.2	0.2	0.0
<b>Total</b>	<b>18.7</b>	<b>20.2</b>	<b>21.2</b>	<b>25.2</b>	<b>4.0</b>

### Risk Management - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	1.0	1.0	1.0	1.0	0.0
Program Supervisor	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>

### Human Resources - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	2.0	2.0	1.0	1.0	0.0
Senior Human Resources Consultant	1.0	1.0	2.0	1.0	(1.0)
Human Resources Consultant	3.0	3.0	3.0	3.0	0.0
Human Resources Specialist	4.0	4.0	3.0	3.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>12.0</b>	<b>12.0</b>	<b>11.0</b>	<b>10.0</b>	<b>(1.0)</b>

### Information Technology - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
IT Administrator	5.0	6.0	5.0	5.0	0.0
IT Supervisor	0.0	0.0	1.0	1.0	0.0
Senior IT Administrator	2.0	2.0	2.0	2.0	0.0
Manager	2.0	2.0	2.0	2.0	0.0
Senior IT Technician	3.0	5.0	6.0	6.0	0.0
IT Technician	2.0	2.0	1.0	1.0	0.0
Division Manager	1.0	1.0	1.0	1.0	0.0
Program Manager	1.0	1.0	1.0	1.0	0.0
Program Coordinator	1.0	1.0	1.0	1.0	0.0
Chief Land Surveyor	1.0	1.0	1.0	1.0	0.0
Survey Specialist	1.0	1.0	1.0	0.0	(1.0)
Survey Technician	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>22.0</b>	<b>25.0</b>	<b>25.0</b>	<b>24.0</b>	<b>(1.0)</b>

## FY2010 Personnel Summary

### Office of Management and Budget - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	0.0	(1.0)
Division Manager	3.0	3.0	3.0	1.0	(2.0)
Senior Buyer/Contract Officer	1.0	1.0	1.0	0.0	(1.0)
Program Supervisor	2.0	2.0	1.0	0.0	(1.0)
Senior Analyst	3.0	3.0	3.0	2.0	(1.0)
Analyst	3.0	3.0	3.0	2.0	(1.0)
Buyer	2.0	2.0	1.0	0.0	(1.0)
Purchasing Technician	2.0	2.0	1.0	0.0	(1.0)
Administrative Specialist	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>17.0</b>	<b>17.0</b>	<b>14.0</b>	<b>5.0</b>	<b>(9.0)</b>

### Communications - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Senior Communications Specialist	4.0	4.0	4.0	4.0	0.0
Communications Specialist	1.0	2.0	2.0	2.0	0.0
Assistant Analyst	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>7.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>

### Economic Development - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Program Manager	1.0	1.0	1.0	1.0	0.0
Economic Development Coordinator	2.0	2.0	2.0	2.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Part Time	0.5	0.5	0.7	0.7	0.0
<b>Total</b>	<b>5.0</b>	<b>5.5</b>	<b>5.7</b>	<b>5.7</b>	<b>0.0</b>

### Community Development - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Senior Analyst	1.0	1.0	0.0	0.0	0.0
Senior Planner	3.0	3.0	2.0	2.0	0.0
Division Manager	2.0	2.0	1.0	1.0	0.0
Planner	8.0	8.0	5.0	5.0	0.0
Assistant Planner	1.0	1.0	0.0	0.0	0.0
Senior Plans Examiner	1.0	1.0	1.0	0.0	(1.0)
Plans Examiner	5.0	5.0	2.0	2.0	0.0
Manager	0.0	0.0	1.0	1.0	0.0
Code Compliance Supervisor	2.0	2.0	0.0	0.0	0.0
Senior Inspector	4.0	4.0	4.0	4.0	0.0
Inspector	10.0	13.0	6.0	6.0	0.0
Administrative Specialist	3.0	2.0	2.0	2.0	0.0
Administrative Support Supervisor	1.0	1.0	1.0	1.0	0.0
Fiscal Support Specialist	4.0	3.0	3.0	3.0	0.0
Fiscal Support Assistant	5.0	4.0	3.0	2.0	(1.0)
Administrative Assistant	2.0	3.0	2.0	2.0	0.0
Program Coordinator	0.0	0.0	2.0	2.0	0.0
Program Supervisor	0.0	0.0	1.0	1.0	0.0
Part Time Neighborhood Services	0.0	0.0	0.5	0.5	0.0
<b>Total</b>	<b>53.0</b>	<b>54.0</b>	<b>37.5</b>	<b>35.5</b>	<b>(2.0)</b>

## FY2010 Personnel Summary

### Fire - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Assistant Department Director	2.0	2.0	2.0	2.0	0.0
Division Manager	1.0	1.0	1.0	1.0	0.0
Battalion Chief	3.0	3.0	4.0	4.0	0.0
Fire Captain	22.0	25.0	25.0	25.0	0.0
Inspector	4.0	4.0	3.0	2.0	(1.0)
Fire Engineer	19.0	22.0	24.0	24.0	0.0
Firefighter	47.0	56.0	54.0	54.0	0.0
Program Specialist	1.0	1.0	1.0	1.0	0.0
Program Supervisor	1.0	1.0	1.0	1.0	0.0
Administrative Technician	2.0	2.0	2.0	2.0	0.0
Plans Examiner	1.0	1.0	1.0	1.0	0.0
Fiscal Support Specialist	1.0	1.0	1.0	1.0	0.0
Analyst	0.0	1.0	0.0	0.0	0.0
Senior Analyst	0.0	0.0	1.0	1.0	0.0
Administrative Support Supervisor	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Service Worker/Groundskeeper	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Technician	0.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>108.0</b>	<b>125.0</b>	<b>125.0</b>	<b>124.0</b>	<b>(1.0)</b>

### Police - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Assistant Department Director	3.0	3.0	3.0	3.0	0.0
Division Manager	3.0	3.0	5.0	5.0	0.0
Police Sergeant	16.0	16.0	16.0	16.0	0.0
Police Officer	96.0	104.0	109.0	109.0	0.0
Community Service Officer	6.0	7.0	6.0	6.0	0.0
IT Administrator	1.0	1.0	1.0	1.0	0.0
Manager	1.0	1.0	1.0	1.0	0.0
Senior Analyst	1.0	1.0	2.0	2.0	0.0
Training Coordinator	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	2.0	1.0
Administrative Technician	6.0	7.0	6.0	6.0	0.0
Transportation Officer	2.0	2.0	2.0	2.0	0.0
Communications Supervisor	4.0	4.0	5.0	5.0	0.0
Administrative Support Supervisor	1.0	1.0	1.0	1.0	0.0
Forensic Technician	1.0	1.0	1.0	1.0	0.0
Analyst	1.0	1.0	1.0	1.0	0.0
Communications Officer	12.0	20.0	19.0	19.0	0.0
Animal Control Officer	3.0	3.0	3.0	3.0	0.0
Program Coordinator	1.0	1.0	1.0	1.0	0.0
Information Technology Technician	1.0	1.0	1.0	1.0	0.0
Senior IT Administrator	0.0	0.0	1.0	1.0	0.0
<b>Total</b>	<b>162.0</b>	<b>180.0</b>	<b>187.0</b>	<b>188.0</b>	<b>1.0</b>

## FY2010 Personnel Summary

### Court - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Presiding Judge	1.0	1.0	1.0	1.0	0.0
Associate Judge	1.0	1.0	1.0	1.0	0.0
Division Manager	1.0	1.0	1.0	1.0	0.0
Accountant/Tax Auditor	0.0	1.0	1.0	1.0	0.0
Analyst	1.0	1.0	0.0	0.0	0.0
Program Manager	0.0	0.0	1.0	1.0	0.0
Administrative Support Supervisor	2.0	2.0	2.0	2.0	0.0
Assistant Analyst	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	7.0	8.0	8.0	8.0	0.0
Executive Administrative Specialist	0.0	0.0	1.0	1.0	0.0
Administrative Technician	7.0	7.0	6.0	5.0	(1.0)
<b>Total</b>	<b>21.0</b>	<b>23.0</b>	<b>23.0</b>	<b>22.0</b>	<b>(1.0)</b>

### Community Initiatives Department

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	0.0	0.0	0.0
Division Manager	1.0	1.0	0.0	0.0	0.0
Recreation Aide	0.8	0.8	0.0	0.0	0.0
Program Coordinator	2.0	2.0	0.0	0.0	0.0
Program Supervisor	4.0	4.0	0.0	0.0	0.0
Administrative Specialist	1.0	1.0	0.0	0.0	0.0
Program Assistant	12.8	12.8	0.0	0.0	0.0
Administrative Technician	0.5	0.5	0.0	0.0	0.0
Service Worker/Groundskeeper	0.5	0.5	0.0	0.0	0.0
<b>Total</b>	<b>23.5</b>	<b>23.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Community and Recreation Services - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	4.0	4.0	3.0	3.0	0.0
Manager	0.0	0.0	2.0	1.0	(1.0)
Fiscal Support Supervisor	1.0	1.0	1.0	1.0	0.0
Recreation Supervisor	4.0	5.0	6.0	6.0	0.0
Recreation Coordinator	6.0	8.0	7.0	7.0	0.0
Recreation Specialist	0.0	1.0	1.0	1.0	0.0
Recreation Aide	1.0	1.0	1.8	1.8	0.0
Administrative Technician	2.0	2.0	2.5	2.5	0.0
Analyst	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	2.0	2.0	3.0	3.0	0.0
Program Supervisor	0.0	0.0	3.0	2.0	(1.0)
PT Seasonal Positions	40.4	48.9	49.6	49.6	0.0
<b>Total</b>	<b>62.4</b>	<b>74.9</b>	<b>81.9</b>	<b>79.9</b>	<b>(2.0)</b>

### Campus Operations - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	3.0	3.0	3.0	3.0	0.0
Maintenance & Operations Supervisor	4.0	4.0	3.0	3.0	0.0
Senior Maintenance & Operations Tech	12.0	12.0	13.0	12.0	(1.0)
Maintenance & Operations Technician	14.8	15.0	14.0	14.0	0.0
Service Worker/Groundskeeper	8.0	8.0	8.5	8.5	0.0
<b>Total</b>	<b>41.8</b>	<b>42.0</b>	<b>41.5</b>	<b>40.5</b>	<b>(1.0)</b>

## FY2010 Personnel Summary

### Transportation - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	1.0	1.0	2.0	1.0	(1.0)
Senior Planner	0.0	0.0	1.0	1.0	0.0
Senior Civil Engineer	0.0	0.0	1.0	0.0	(1.0)
Civil Engineer	0.0	0.0	1.0	0.0	(1.0)
Associate Engineer	2.0	2.0	2.0	2.0	0.0
Program Coordinator	0.0	0.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Specialist	2.0	2.0	2.0	2.0	0.0
Sr Maintenance & Operations Tech	2.0	2.0	3.0	2.0	(1.0)
Maintenance & Operations Tech	4.0	4.0	2.0	2.0	0.0
Service Worker/Groundskeeper	2.0	2.0	2.0	0.0	(2.0)
Administrative Specialist	1.0	1.0	2.0	2.0	0.0
<b>Total</b>	<b>15.0</b>	<b>16.0</b>	<b>21.0</b>	<b>15.0</b>	<b>(6.0)</b>

### Transit - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Program Supervisor	0.0	0.0	1.0	1.0	0.0
Program Assistants	0.0	0.0	8.0	8.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>9.0</b>	<b>9.0</b>	<b>0.0</b>

### Public Works General Fund - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Department Director	1.0	1.0	1.0	1.0	0.0
Division Manager	7.0	5.0	5.0	5.0	0.0
Administrative Specialist	4.0	3.0	3.0	3.0	0.0
Analyst	3.0	1.0	2.0	2.0	0.0
Information Technology Administrator	6.0	0.0	1.0	1.0	0.0
Associate Engineer	3.0	4.0	1.0	1.0	0.0
Project Manager	5.0	7.0	3.0	2.0	(1.0)
Senior Civil Engineer	0.0	0.0	0.0	1.0	1.0
Civil Engineer	0.0	0.0	1.0	1.5	0.5
Maintenance & Operations Supervisor	3.0	3.0	3.0	3.0	0.0
Senior Maintenance & Operations Tech	8.0	8.0	8.0	8.0	0.0
Maintenance & Operations Specialist	9.0	10.0	10.0	10.0	0.0
Maintenance & Operations Technician	0.0	1.0	1.0	1.0	0.0
Manager	0.0	0.0	1.0	0.0	(1.0)
Civil Engineering Supervisor	2.0	2.0	1.0	1.0	0.0
Senior Inspectors	0.0	0.0	2.0	2.0	0.0
Inspector	6.0	6.0	2.0	2.0	0.0
Service Worker/Groundskeeper	5.0	6.0	6.0	6.0	0.0
Project Associate	2.0	2.0	1.0	0.0	(1.0)
Administrative Technician	1.0	1.0	0.0	0.0	0.0
Fiscal Support Specialist	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>66.0</b>	<b>61.0</b>	<b>53.0</b>	<b>51.5</b>	<b>(1.5)</b>

## FY2010 Personnel Summary

### Public Works Streets - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	2.0	2.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	2.0	2.0	3.0	3.0	0.0
Program Coordinator	1.0	1.0	1.0	1.0	0.0
Sr Maintenance & Operations Technician	6.0	6.0	6.0	6.0	0.0
Maintenance & Operations Technician	13.0	13.0	14.0	13.0	(1.0)
Service Worker/Groundskeeper	7.0	7.0	6.0	6.0	0.0
Administrative Specialist	2.0	2.0	1.0	1.0	0.0
<b>Total</b>	<b>33.0</b>	<b>33.0</b>	<b>32.0</b>	<b>31.0</b>	<b>(1.0)</b>

### Public Works Sanitation - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	1.0	1.0	2.0	2.0	0.0
Sr Maintenance & Operations Technician	2.0	2.0	3.0	3.0	0.0
Recycling Inspector	1.0	1.0	1.0	1.0	0.0
Service Worker/Groundskeeper	5.0	5.0	4.0	4.0	0.0
Equipment Operator	2.0	2.0	2.0	2.0	0.0
Maintenance & Operations Technician	18.0	18.0	17.0	17.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Administrative Technician	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>0.0</b>

### Public Works Water Replenishment - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Water Resources Specialist	1.8	1.8	0.0	0.0	0.0
Water Services Technician	0.6	0.6	0.0	0.0	0.0
Analyst	0.3	0.3	0.0	0.0	0.0
<b>Total</b>	<b>2.6</b>	<b>2.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Public Works Water - Position Summary

	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
<b>Personnel</b>					
Division Manager	2.0	2.0	2.0	2.0	0.0
Maintenance & Operations Supervisor	0.0	0.0	1.0	1.0	0.0
Maintenance & Operations Specialist	0.0	0.0	1.0	1.0	0.0
Water Operations Superintendent	0.0	1.0	1.0	1.0	0.0
Senior Utilities Technician	0.0	0.0	3.0	3.0	0.0
Inspector	0.0	0.0	1.0	1.0	0.0
Sr. Maintenance & Operations Technician	0.0	0.0	3.0	3.0	0.0
Maintenance & Operations Technician	0.0	0.0	3.0	3.0	0.0
Utilities Supervisor	0.0	0.0	2.0	2.0	0.0
Lead Utility Technician	0.0	0.0	1.0	1.0	0.0
Utilities Technician	0.0	0.0	3.0	3.0	0.0
Administrative Technician	0.0	0.0	1.0	1.0	0.0
Project Manager	1.5	1.5	1.5	1.5	0.0
Information Technology Specialist	0.5	0.5	0.0	0.0	0.0
Water Resources Specialist	0.8	0.8	2.5	2.5	0.0
Water Services Technician	0.9	0.9	1.5	1.5	0.0
Analyst	0.4	0.4	2.0	2.0	0.0
<b>Total</b>	<b>6.1</b>	<b>7.1</b>	<b>29.5</b>	<b>29.5</b>	<b>0.0</b>

## FY2010 Personnel Summary

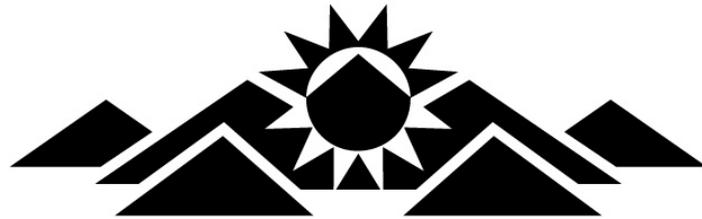
### Public Works Sewer - Position Summary

Personnel	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Budget	Change
Department Director	1.0	1.0	0.0	0.0	0.0
Assistant Director	0.0	0.0	1.0	1.0	0.0
Division Manager	2.0	2.0	2.0	2.0	0.0
Senior Project Manager	0.0	0.0	0.0	1.0	1.0
Project Manager	2.5	2.5	2.5	1.5	(1.0)
Information Technology Specialist	0.5	0.5	0.0	0.0	0.0
Wastewater Operations Manager	1.0	1.0	1.0	1.0	0.0
Maintenance & Operations Supervisor	2.0	2.0	2.0	2.0	0.0
Wastewater Operations Foreman	3.0	3.0	3.0	3.0	0.0
Wastewater Operations Technician II	6.0	6.0	6.0	6.0	0.0
Wastewater Operations Technician I	5.0	5.0	5.0	5.0	0.0
Lead Utilities Technician	0.0	1.0	1.0	1.0	0.0
Maintenance & Operations Specialist	0.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Administrative Technician	3.0	3.0	3.0	3.0	0.0
Utilities Analyst	1.0	1.0	1.0	1.0	0.0
Laborer	2.0	2.0	2.0	2.0	0.0
Analyst	0.7	0.7	0.0	0.0	0.0
Water Services Technician	0.5	0.5	0.5	0.5	0.0
Water Resources Specialist	1.9	1.9	1.9	1.9	0.0
Wastewater Mechanic	2.0	2.0	2.0	2.0	0.0
Maintenance & Operations Technician	0.0	0.0	1.0	1.0	0.0
Electrician	1.0	1.0	1.0	1.0	0.0
<b>Total</b>	<b>36.1</b>	<b>38.1</b>	<b>37.9</b>	<b>37.9</b>	<b>0.0</b>
<b>TOTALS</b>	<b>781.9</b>	<b>838.9</b>	<b>832.2</b>	<b>809.7</b>	<b>-22.5</b>

## ***Glossary***

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*City of Surprise, Arizona*



**S U R P R I S E**

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A R I Z O N A

*FY2010 Adopted Budget*



## Glossary

<b>Accrual Basis</b>	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
<b>Adoption</b>	Formal action by the Mayor and Council that sets the spending limits for the fiscal year.
<b>Appropriation</b>	Specific amount of monies authorized by the Mayor and Council for the purposes of incurring obligations and acquiring goods and services.
<b>Assessed Valuation</b>	A value set upon real property by the County Assessor for the purpose of levying property taxes.
<b>Base Budget</b>	The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the Mayor and Council.
<b>Bonds</b>	A certificate of debt guaranteeing a payment of a specified amount of money by a specified future date.
<b>Budget</b>	Financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving Mayor and Council goals and objectives.
<b>Capital Items</b>	Any item with a purchase price exceeding \$2,500.
<b>Capital Projects Budget</b>	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.
<b>Cash Basis</b>	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
<b>CFD</b>	Community Facility District – A special assessment district established by the Mayor and Council to levy taxes to pay for new infrastructure improvements associated with growth.
<b>CIP</b>	Capital Improvement Plan
<b>Contingency</b>	Monies which have not been allocated to any specific purpose and may only be utilized after receiving Mayor and Council approval.
<b>Capital Project Funds</b>	These funds accounts for resources providing for the acquisition or construction of all capital facilities and items.
<b>Debt Service</b>	Principal and interest payments on borrowed funds such as bonds.
<b>Debt Service Funds</b>	Used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, and interest.
<b>Encumbrance</b>	Accounting concept that recognizes a commitment to expend resources in the future.

<b>Enterprise Fund</b>	Used to account for the business-like 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.
<b>Estimated Revenue</b>	The amount of projected revenue to be collected during the fiscal year.
<b>Expenditure</b>	Represents a decrease in fund resources for the acquisition of goods or services.
<b>Expenditure Limitation</b>	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.
<b>FTE</b>	Full Time Equivalent – 2080 hours worked equates to 1.0 full time equivalent position.
<b>Fiscal Year</b>	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.
<b>Fund</b>	A set of self-balancing accounts that record revenues and expenditures associated with specific activities.
<b>Fund Balance</b>	Carry over funds due to actual revenues exceeding actual expenditures.
<b>GAAP</b>	Generally Accepted Accounting Principles - A collection of rules and procedures and conventions that define accepted accounting practice; includes broad guidelines as well as detailed procedures.
<b>General Fund</b>	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.
<b>GFOA</b>	Government Finance Officer's Association
<b>G.O. Bond</b>	General Obligation Bond - A bond on which the issuer guarantees the repayment of principal and interest. It is a pledge of unlimited taxing power.
<b>Goal</b>	A statement of broad direction, purpose, or intent on the needs of the community. A goal is general and timeless.
<b>Grant</b>	A contribution by the state or federal government or other organization to support a particular function.
<b>HURF</b>	Highway User Revenue Fund - This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purpose.

<b>ICMA CPM</b>	International City/County Management Association, Center for Performance Measurement - A results-oriented system that allows local governments to: 1) set appropriate targets and assess whether they are being met, 2) distinguish success from failure, 3) highlight accomplishments, and 4) demonstrate results to win support.
<b>Infrastructure</b>	The large scale public systems, services, and facilities that are necessary for economic activity, including power and water supplies, public transportation, telecommunication, and roads.
<b>Intergovernmental Revenue (Shared)</b>	Revenue received from other governmental agencies (e.g., state sales tax, state income tax, gasoline tax, motor vehicle license)
<b>Internal Service Funds</b>	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.
<b>Long Term Debt</b>	Debt with a maturity of more than one year after the date of issuance.
<b>LTAF</b>	Local Transportation Assistance Fund—State lottery funds shared with cities for the purposes of transportation and transit. Also included in this funding source is LTAF II which are grants distributed to cities when and if all other funding requirements of state lottery funds are met.
<b>M&amp;O</b>	Maintenance and Operation - 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.
<b>Management Indicators</b>	A measurable means of evaluating impact of budget on achieving stated objects.
<b>MGD</b>	Millions of Gallons per Day
<b>MPC</b>	Municipal Property Corporation - A non-profit corporation established for the purpose of issuing debt to purchase municipal facilities and equipment that it leases to the city.
<b>Objectives</b>	A desired outcome that is measurable and that can be achieved within a specific time frame.
<b>Operating Budget</b>	A budget for the delivery of ongoing city services, to include expenditures such as personal services, contractual services, commodities, and operating capital items.
<b>Operating Comparison</b>	All Expenditures/Revenues except for Capital and Debt Service.
<b>Performance Indicators</b>	Statistical information which denotes the demands for services within a department/division.
<b>Primary Property Tax</b>	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.
<b>Property Tax Rate</b>	The amount of tax levied for each \$100 of assessed valuation.

<b>Reserves</b>	Money that has been set aside in the event of revenue shortfalls.
<b>Resources</b>	Total monies available for appropriation purposes to include revenues, fund balances, transfers, and other financing services (i.e. bond proceeds).
<b>Revenue Bond</b>	Bonds that are backed by revenues from a specific system (i.e. Water and Sewer Revenue Bonds are payable from water and sewer revenues).
<b>Revenue</b>	Resources achieved from taxes, user charges/fees, and other levels of government.
<b>ROW</b>	Right of Way
<b>RPTA</b>	Regional Public Transportation Authority
<b>SPA</b>	Special Planning Area - Designated areas within the city of Surprise's 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.
<b>Secondary Property Tax</b>	Voter approved tax levy which can only be used to retire general bonded debt obligations.
<b>Special Revenue Funds</b>	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.
<b>SLID</b>	Street Light Improvement District - Special taxing district established to pay the costs of electricity associated with street lights within a specific subdivision. Tax rate is limited to a maximum of \$1.20 per \$100 of assessed value.
<b>SPM</b>	Street Preservation and Maintenance Program - Road preservation for all city streets including repair, crack sealing, fog seal with seal master, mill and overlay, and reconstruction.
<b>Tax Levy</b>	The total amount to be raised by general property taxes for purposes specified in the Tax Levy ordinance.
<b>Transfer</b>	An inter-fund transaction where one fund contributes resources to another fund where the resources are expended.
<b>Trust Fund</b>	Used to account for resources held by the city as a trustee for a private party such as volunteer firemen's pension boards.
<b>Turn key</b>	Supplied, installed, or purchased in a condition ready for immediate use, occupation, or operation.



City of Surprise  
**2010**  
ANNUAL BUDGET



[www.surpriseaz.com](http://www.surpriseaz.com)

OFFICE OF  
MANAGEMENT  
AND BUDGET

12425 W. Bell Rd.  
Suite D-100  
Surprise, AZ 85374  
623.222.3641  
TTY: 623.222.1002