



FISCAL YEAR 2011 ANNUAL BUDGET



**City of Surprise
Adopted Budget
Fiscal Year 2011**

Adopted June 2010

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

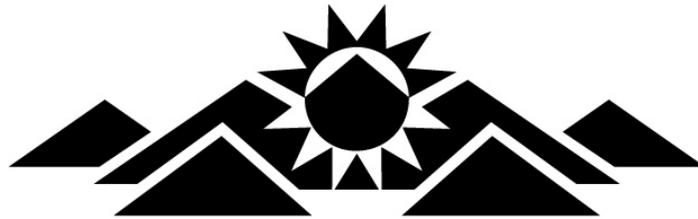


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Finance Department
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City of Surprise, Arizona



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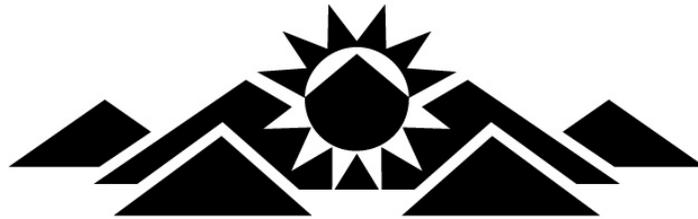
For the Fiscal Year Beginning

July 1, 2009

President

Executive Director

City of Surprise, Arizona



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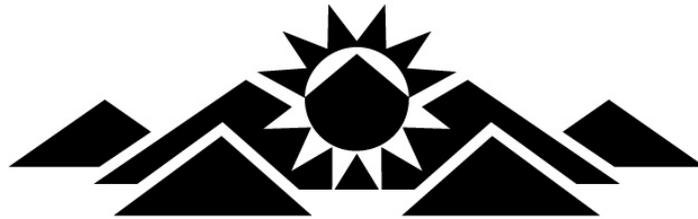
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City Manager's Budget Message

City of Surprise, Arizona



SURPRISE

ARIZONA

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June 10, 2010

The Honorable Lyn Truitt, Mayor
Members of the City Council

Dear Mayor Truitt and Members of the City Council:

I am pleased to present the adopted fiscal year 2011 budget for the city of Surprise. Despite limited resources in challenging times, the FY2011 budget continues our commitment to service. It is designed to create a safer community, build stronger neighborhoods, maintain infrastructure, and plan for the future.

This year's budget represents a new beginning. The state of Arizona has suffered a horrific economic downturn adversely affecting government budgets, including ours. This has forced local government to more precisely define what value they bring to their citizens.

Public sector analysts are calling today's economic climate the "New Normal" defined by shrinking revenues that challenge our ability to deliver services effectively and efficiently. Surprise is part of this new reality and we are looking for new efficient ways to deliver services to our residents and give them the results they want.

This budget begins a new process in Surprise called "Budgeting for Outcomes" or BFO. BFO defines community desires as the outcomes government seeks to achieve, and the budget as the price for achieving those outcomes. Full implementation of this process requires three to five years to be successful. In my opinion, based on the city's revenue trends and economic indicators, current economic conditions have reached the bottom. Now is an ideal time to begin the process of prioritizing and strategically determining community-based outcomes, while allocating resources to achieve and measure meaningful results. The cornerstone of this budget is the 'Guiding Principles' that determine how revenues are allocated toward achieving outcomes. It guides us in considering how appropriations add value to the services we seek to provide.

Guiding Principles

1. Provide existing city service levels within the existing tax structure.
2. No new programs are added without offsetting expenditure reductions and/or new revenue.
3. Avoid reductions in force (RIF) and maintain current wage and benefit levels.
4. Maintain operating fund balance reserve policy of 60 days.
5. No use of one time revenues to fund operating budget appropriations unless expenditures are one time only.

BUDGET HIGHLIGHTS

The city of Surprise FY2011 budget totals \$256.5 million, including amounts carried forward from the prior year's budget. This represents an 8% reduction from the FY2010 adopted budget.

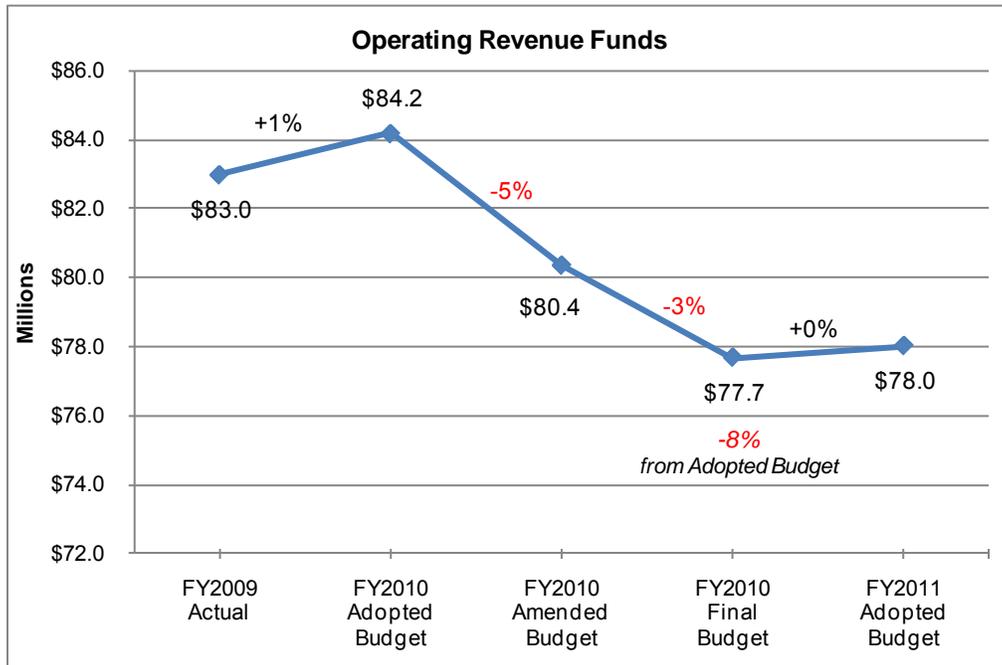
Our approach in this budget is based on several key premises:

- **Council Goals and Outcomes** – aligning and targeting services to address the Mayor and Council's goals and desired outcomes;
- **Key Services** – providing key services to the citizens of Surprise that are efficient and effective;
- **Financial Stability** – establishing an affordable and predictable foundation for the city's long term fiscal health by (1) using 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 expenses; (4) adjusting staffing to meet the needs of our citizens, work load demands, and changing financial conditions; and
- **Financial Accountability** – provide the connection between financial reporting and budget forecasting to ensure that revenues and expenditures are allocated to maximize value.

The budget endeavors to maintain existing levels of service and to program public funds in a focused and effective manner based upon desired outcomes identified by the Mayor and City Council and the community.

OPERATING REVENUES

Operating revenues will increase by \$0.3 million in FY2011, which is relatively unchanged from the prior year. Our projected revenue collections are highly influenced by the economy. The city will receive \$2.6 million less in state shared revenues, mainly caused by a decrease in income tax collections. We expect a slow, yet steady, economic recovery, which will result in increased consumer spending and sales tax revenues. However, new construction activity and the real estate market, both residential and commercial, will remain at historically low levels.



The budget includes two new revenues: a storm water utility and payments in lieu of property taxes (PILOT) paid by the water, wastewater, and sanitation enterprise funds. The objective of a storm water utility is to create a fee that supports the costs of diverting the flow of water and reducing the risk of flooding. These costs are currently paid out of the city’s general operating funds. The storm water utility will be created and implemented with the adoption of the updated water, wastewater, and sanitation fees planned for January 2011. The objective of the PILOT is to “equalize” the costs to all service providers operating within the city as all other providers pay property taxes on their infrastructure. Under the FY2011 budget, the city’s water, wastewater, and sanitation utilities will pay a PILOT.

PROPERTY TAXES

The FY2011 budget does not include a property tax increase. State law allows the city to increase property taxes annually by 2%. This budget does not include this 2% increase given the significant decrease in property value caused by the recession.

CONSTRUCTION SALES TAX

An increase in the amount of construction sales tax that remains in the operating funds is included to protect existing service levels. Previously, 25% of construction sales tax revenues remained in the operating funds. This policy was established by the Mayor and City Council. The portion of sales tax allocated to the operating funds has decreased \$2 million annually since FY2007. This led to a change in policy to offset the loss in operating revenue. The change in policy moves away from a percent based calculation to a “minimum” dollar amount that remains in the operating funds. For FY2011, of the estimated \$2.5 million of total construction sales tax revenues received from the 2.2% sales tax rate, a minimum of \$1.25 million will remain in the operating funds and any excess (\$1.25 million in the FY2011 budget) will be used to fund the general government Capital Improvement Plan.

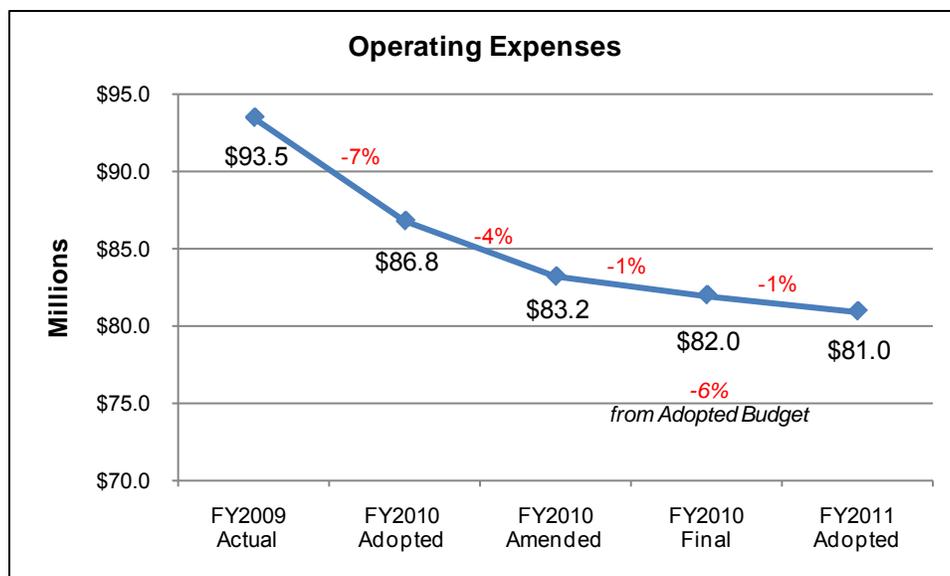
STATE SHARED REVENUES

In 2010, the state legislature eliminated the distribution of lottery funds to Arizona cities and counties. These funds, local transportation assistance funds (LTAF), were \$320,700 annually and were used to subsidize the operation of the Dial-a-Ride program. With the loss of this funding source, additional general fund revenues will be directed to continue the operation of Dial-a-Ride.

In the case of other state shared revenues, after careful review and analysis using our projections and historical trends, we agree with the state's projections and have incorporated them herein. Their analysis agrees that the decline in the economy has bottomed out and that a very slow growth over the next year is anticipated.

OPERATING EXPENSES

Over the last several years, the city has reduced operating expenses significantly, including a 12% reduction in staffing levels, service level reductions, and line item reductions to historical spending levels. For FY2011, the leveling out of revenues has allowed some services to be partially restored with supplemental sponsorship funding, such as increased pool and recreation center hours. Some of the more significant expenditure changes are outlined in the following sections.



UNPLANNED SAVINGS

In every organization that follows a budget, under normal circumstances, there are unplanned savings. For example, organizations do not plan for attrition due to employee turnover. In many cases, unplanned savings amounts to between 3% and 7% of the operating budget. As a new concept to budgeting in the city of Surprise, we are introducing unplanned savings. Based on our review of the budget and activities proposed, it is obvious that there are hidden efficiencies that we cannot investigate nor dedicate the time to research at present. In addition, with employee turnover and work force utilization plans, savings can be anticipated. The amount of \$1,000,000, or less than 2% of total expenses, has been budgeted as the minimum savings expected. It is a part of the new culture of continuous improvement, as it will act as an incentive to make decisions, resulting in a minimum savings of this amount.

CONTINGENCY

The contingency in the operating funds has been increased from \$500,000 to \$750,000 in FY2011. A contingency account allows the city flexibility during the course of the year to take advantage of opportunities that are unknown at the time of budget adoption.

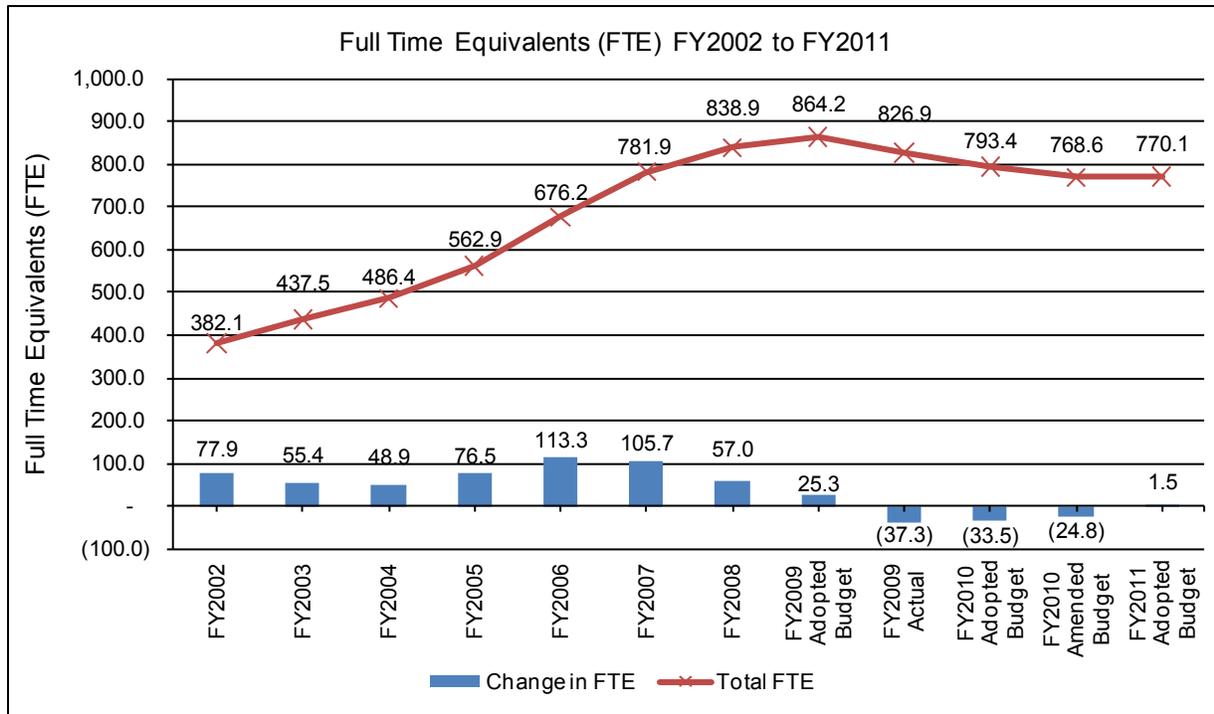
PERSONNEL

Over the past few fiscal years, the city has taken several steps to reduce staffing levels. To date, staffing levels have been reduced by 12%. For FY2011, the adopted budget includes a net increase of 1.5 full time equivalent (FTE) positions. The increase includes the addition of a strategic transportation planner, a grants writer, and a wastewater maintenance and operations technician. A public education specialist was restored to the Fire Department after being eliminated during FY2010. A reorganization that merged the Community

and Economic Development Department resulted in a net decrease of 3.7 FTE. The elimination of the Associate Judge position was offset in part by additional funding for Pro-Tem Judges resulting in a net reduction of 0.7 FTE.

Additionally, the amount employees pay for healthcare costs will increase and the city is committed to implementing a comprehensive wellness program as the best way to reduce healthcare costs for both the city and the employees.

With the exception of these increases to employee shared benefit costs, this budget does not contain further reductions or impacts on employee take home pay or benefits. Such measures would not be cost effective and would have an adverse impact on employee morale.



OTHER OPERATING EXPENSES AND OTHER CONSIDERATIONS

Cost increases to maintain other existing levels of service are included in this budget. These cost increases include computer software maintenance agreements, fire dispatching costs, healthcare premiums, and retirement contributions.

The severe financial impact experienced over the past three years has caused the city to prioritize how services are provided and focus on achieving measurable outcomes. Some repair, maintenance, and replacement costs have been deferred as a result, but the city remains committed to reinstating this funding as the economy improves. We would expect that continuous improvement activities will become a normal way of operating and delivering services with a goal of reducing costs where appropriate and improving efficiencies in operations.

STREET LIGHT IMPROVEMENT DISTRICTS (SLID)

Consistent with Mayor and City Council direction and policy, city funding of SLIDs has been eliminated for all districts except two residential areas: Original Town Site and Martin Acres/Section 10. The cost has been reallocated to other operating fund sources. In the future, new residential and commercial streetlights will be funded solely from SLIDs.

CAPITAL IMPROVEMENTS PLAN

The Capital Improvement Plan (CIP) is a five-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 and development of new facilities. It allows the city to anticipate and plan for future projects, long before the projects are necessary.

The CIP is reviewed and updated annually. It is evaluated to ensure the city has the ability to fund all recommended projects through completion. The CIP is mostly funded with construction sales taxes, which have decreased significantly over the last several years. Staff looks forward to working with the Mayor and City Council to develop a CIP funding strategic plan. As such, there are a limited number of projects in the CIP.

In addition to \$1.0 million in street preservation funding, the major projects for FY2011 include: asset replacement, Bell Road Sidewalks, Dove Valley Parkway, Paving Settlement West of 219th Avenue, Martin Acres Flood Control, fiber optics and traffic signals, Park and Ride, El Mirage Road (Northern Avenue to Bell Road), Site and Security Improvements, Special Planning Area (SPA) 1 Mountain Vista Well #2, Water Quality EPA Grant, Sewer Relocations at the Loop 303 – ADOT, SPA 1 Recharge Wells @ South Plant, and Disinfection Byproduct Reduction.

WATER, WASTEWATER, AND SANITATION

The annual rate study that is used to establish the user rates as of January 1, 2011 is not yet complete and, as such, the amounts included in the budget are only preliminary results. Upon completion of the studies, the information will be distributed to the Mayor and City Council and presented by staff at a workshop in the fall. In addition, we will discuss the creation and implementation of the storm water utility at that time.

CONCLUSION AND ACKNOWLEDGEMENTS

The wide range of services, coupled with our infrastructure investment, enables Surprise to improve its position in the continuing competition for population, economic growth, job creation, and culture. The annual budget priorities reflect the goals and outcomes of the Mayor and City Council and the result of team oriented planning. I believe this budget is prudent and conservative in its approach yet maximizes the opportunities for achieving maximum results.

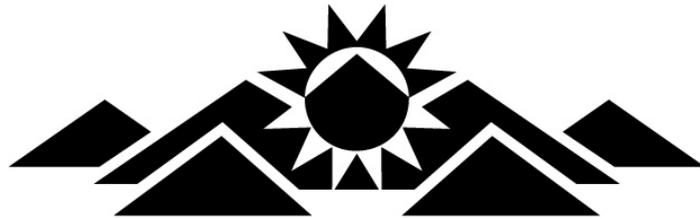
I would like to thank the Mayor and City Council for their leadership and service to this community. I would like to take this opportunity to personally thank all the departments for their efforts and hard work in achieving a balanced budget under difficult circumstances.

Sincerely,



Mark Coronado
Interim City Manager

City of Surprise, Arizona



SURPRISE

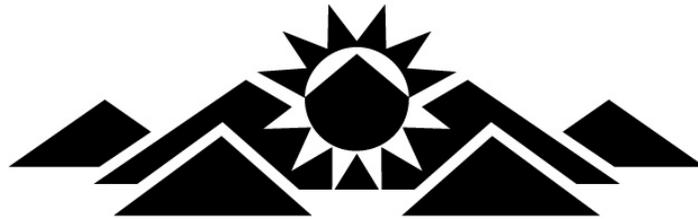
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General Information

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

City of Surprise, Arizona



SURPRISE

ARIZONA

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MAYOR LYN TRUITT – Mayor@surpriseaz.gov



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. His innovative live evening broadcast of the first Surprise State of the City speech was a unique community outreach event that garnered the Mayor a national "Telly" award for commentary.

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 Quality of Life Commission, a new Personnel Appeals Board, a new Board of Adjustment Committee, and an ad hoc Committee on Foreclosure, as well as an ad hoc Citizen Committee on General Obligation Bonds that produced a recommendation for a bond election in Surprise in November, 2009, plus creating a committee on Tourism to benefit Surprise.

Mayor Truitt acts on his belief that innovative community partnerships enhance quality of life. His leadership helped create a unique Surprise partnership with the city, Interfaith Community Care, and Rio Salado Lifelong Learning Center. The partnership unites educational opportunities for all ages with a multi generational care center and a historic city park, creating an open, inviting environment where generations come together in the heart of Surprise. The partnership was nationally recognized in 2009 with a nomination for the National League of Cities "Municipal Excellence Award."

He is also deeply involved in regional issues, serving as a member of the Maricopa Association of Governments Regional Council and the Transportation Policy Committee.

Mayor Truitt has seen many important transportation developments since taking office: Grand Avenue will be expanded through Surprise beginning in the fall of 2009, expansion work on SR303 is underway, the reconstruction of Bell Road is scheduled to be finished this fiscal year, the city has purchased land for a Park and Ride facility, and Surprise is actively engaged in long range regional transportation planning that includes commuter rail service.

Innovative education partnerships such as the "Communiversy" 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 former Surprise City Hall campus are examples of the Mayor's leadership on these vital issues.

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 (CIPS). 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.

VICE MAYOR RICHARD ALTON – Richard.Alton@surpriseaz.gov



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

Richard 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 six children (all grown) and seven grandchildren.

Alton's term expires in December 2011.

SKIP HALL – Skip.Hall@surpriseaz.gov



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

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

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

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

He has worked with Junior Achievement, 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.

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

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

Hall's term expires in December 2013.



ROY VILLANUEVA – Roy.Villanueva@surpriseaz.gov

As he rejoins the city council as the council member from District 4 (Mulberry), 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 Point Towne Center, and bringing major league baseball and Surprise stadium to the community.

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

- Work with all council members to 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.

JOHN WILLIAMS – John.Williams@surpriseaz.gov



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

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

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 two 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 eight years after they took him into their home in 1999.

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

William's term expires in December 2011.

SHARON WOLCOTT – Sharon.Wolcott@surpriseaz.gov



City Councilmember Sharon Wolcott represents District 1 (Acacia). District 1 encompasses the northwest portion of Surprise, including Sun City Grand, Happy Trails, and Arizona Traditions.

Sharon and her husband Jim discovered Surprise in 2003. Sharon received her B.A. in Communications and Education from Indiana University. She became active in community issues while living in Minnesota, and in 1991 was elected to the Newport, Minnesota, City Council, and later served as Deputy Mayor.

Sharon later represented District 57 in the Minnesota state House and Senate. Her legislative work ranged from oversight of a biennial budget of more than \$33 billion to policy decisions on energy, transportation, health, and education. Sharon found individual constituency work to be the most rewarding part of the job.

Sharon advocated successfully for a new Interstate bridge across the Mississippi River, a complex transportation issue that had plagued the region for over 40 years. This experience in building coalitions will help Sharon address the challenges facing Surprise.

In 2008, she was appointed to the Surprise Transportation Commission, serving as Vice Chair, and becoming a strong advocate for a comprehensive multi-modal transportation system.

Sharon will focus on quality of life issues such as traffic congestion, public transportation, land use, and air and water quality. She is excited about the future and the promise of Surprise, and is committed to working hard for District 1 and the entire city of Surprise.

Wolcott's term expires in December 2013.

MIKE WOODARD – Mike.Woodard@surpriseaz.gov



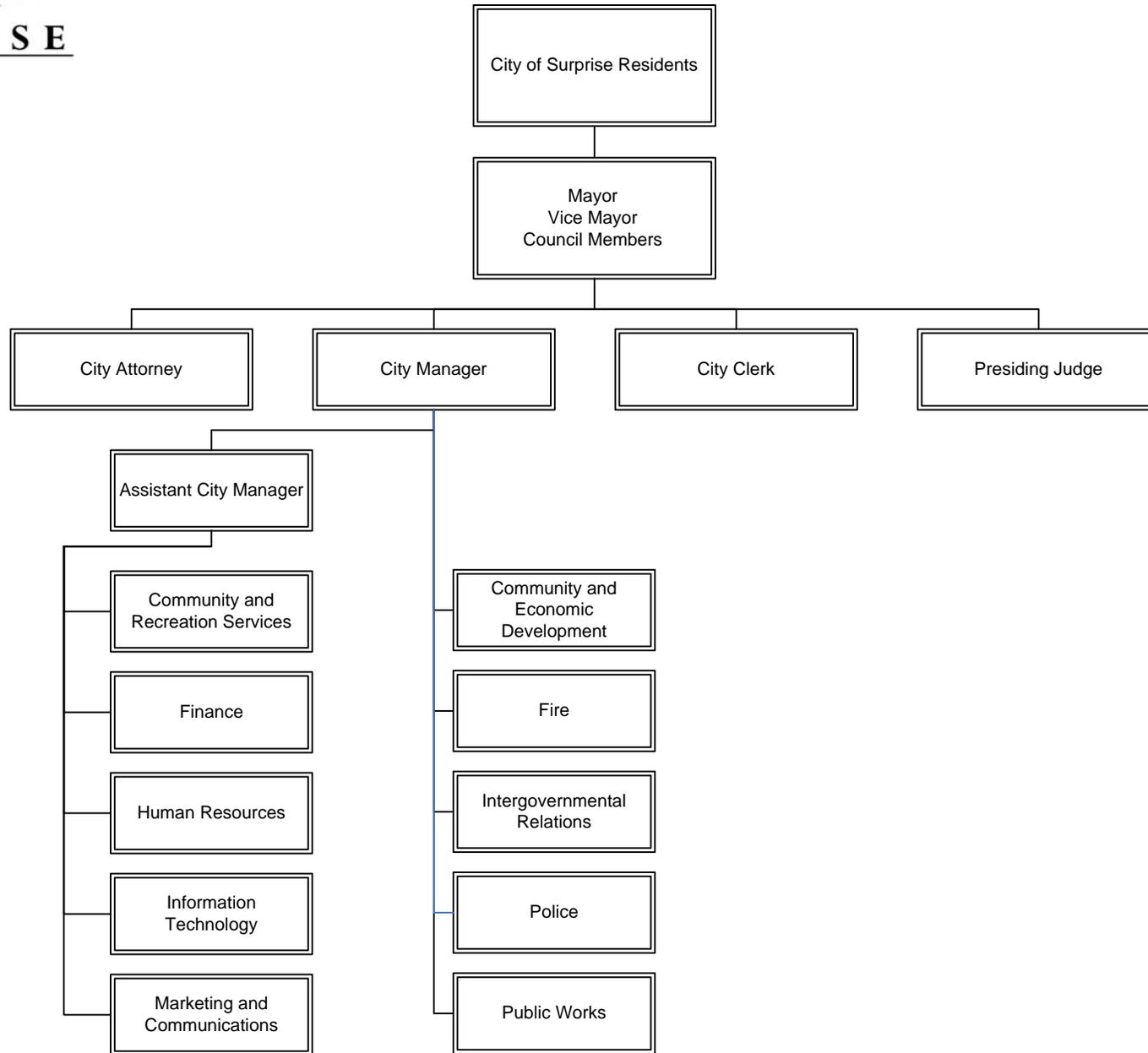
City Council member Mike Woodard represents District 5 (Palm). District 5 includes the northern half of West Point, Kingswood Parke, The Orchards, Sierra Verde, a portion of the Original Town Site, the Stadium Village complex, and the Civic Center/Recreational campuses.

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

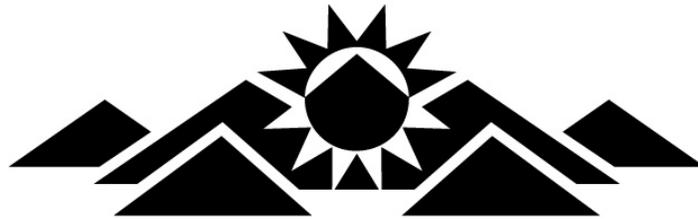
His involvement in the city combined with over 40 years of accounting and managerial experience in a broad range of industries will be valuable in the city's budgeting and planning processes. He is committed to bringing commuter rail and improving transportation corridors, major factors impacting the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

Mike has helped raise four children, numerous foster children, and is grandfather to six.

Woodard's term expires in December 2013.



City of Surprise, Arizona



S U R P R I S E

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History of Surprise

Surprise, located just 45 minutes west of downtown Phoenix along U.S. Route 60/State Highway 93, was founded on May 17, 1938 by Flora Mae Statler who purchased and subdivided the original townsite. The former small farming village now encompasses 107.5 square miles, including urban and commercial developments, ranches, industrial, and business parks. Surprise strives to achieve a balance between the needs of residential communities and the growth of business and industrial areas. Industrial growth zones are selected to operate competitively, but harmoniously, with the residential community.

Over the past 49 years, Surprise has grown from 500 residents to a city of over 111,000 people in 2010, evolving from a small town government to a regional governmental entity. The city offers a broad range of living styles, from small family subdivisions to a number of secluded ranches. Surprise also offers a number of retirement communities that address the needs and lifestyles of active adults.

Year	End of the Year Population	Percentage Change
2001	38,400	N/A
2002	45,125	17%
2003	51,885	14%
2004	64,210	23%
2005	88,265	37%
2006	96,425	9%
2007	98,140	1%
2008	104,895	6%
2009	108,040	6%
2010	111,280	3%

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

Health and education are top priorities. You will find medical services at nearby Banner Hospitals and several urgent care centers. Kindergarten through twelfth grade schools are run by the rapidly growing Dysart Unified School District. Rio Salado Community College and the Communiversity at Surprise offer collegiate classes in the city. According to the U.S. Census Bureau, 2006-2008 American Community Survey:

- 89% of people 25 years and over had at least graduated from high school and 26% had a bachelor's degree or higher.
- Total school enrollment in Surprise was 26,000
 - Nursery school and kindergarten enrollment was 3,300
 - Elementary or high school enrollment was 17,000 children
 - College or graduate school enrollment was 6,100

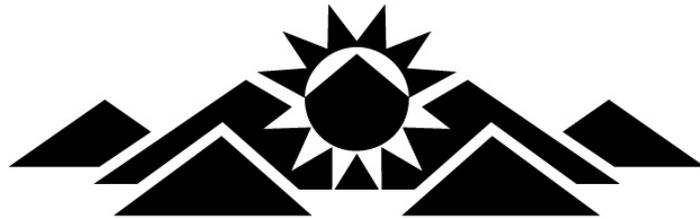
Surprise residents are employed in a variety of occupations including management, professional, and related occupations 31%; sales and office occupations 28%; service occupations 20%, construction, extraction, maintenance, and repair occupations 11.4%; and production transportation, and material moving occupations 10% (U.S. Census Bureau, 2006-2008 American Community Survey).

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

Vision

Surprise [ser-prahyz]: a distinctive community; quality, sustained.

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 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%

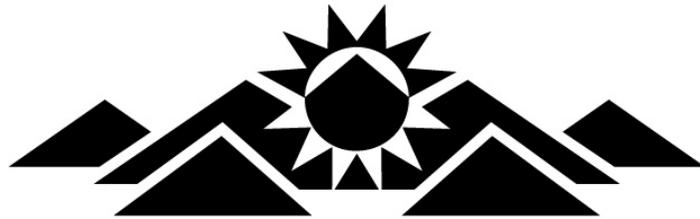
Source: U.S. Census Bureau

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
2010	107.5

Source: City of Surprise

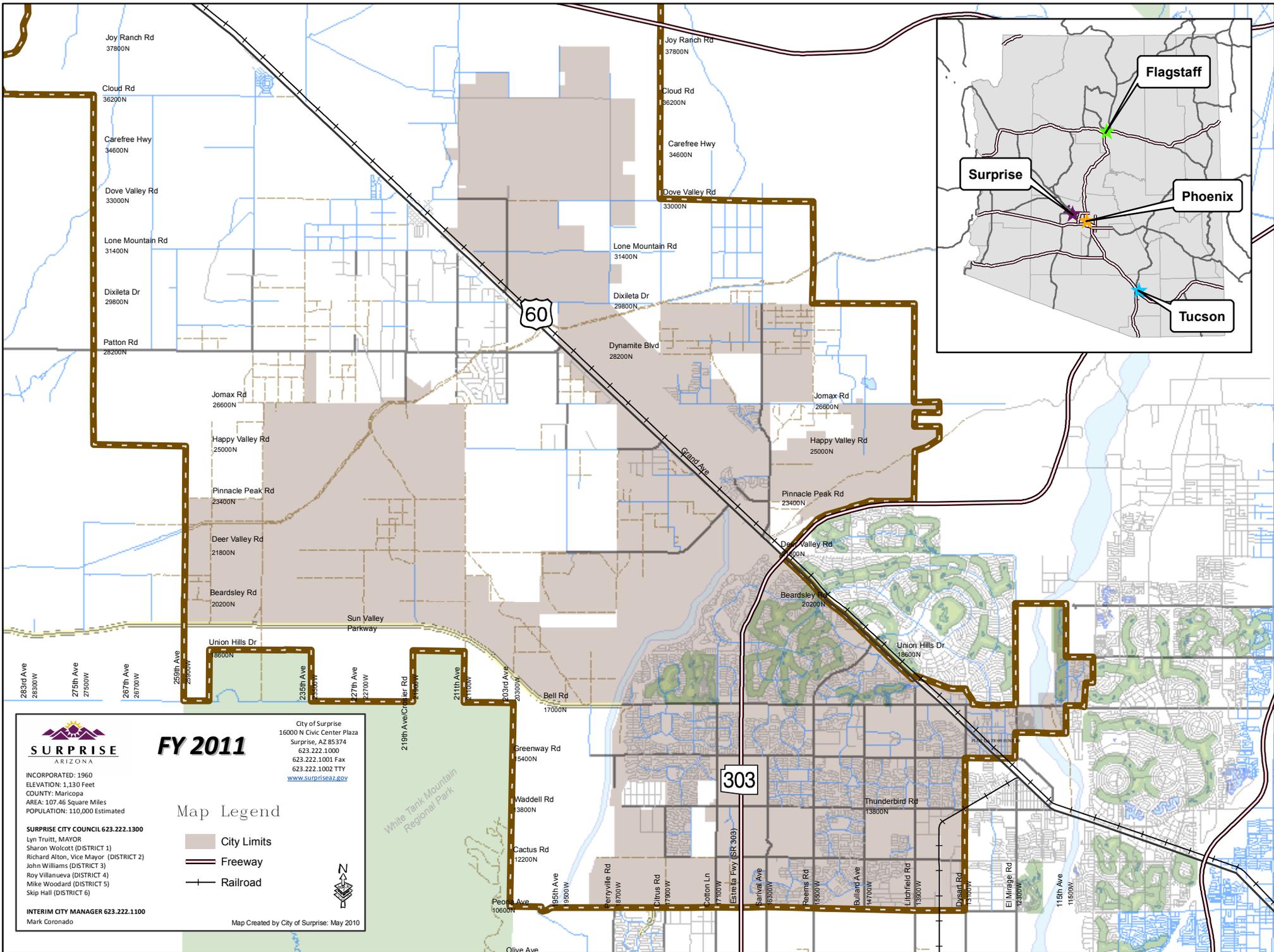
City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget



FY 2011

INCORPORATED: 1960
 ELEVATION: 1,130 Feet
 COUNTY: Maricopa
 AREA: 107.46 Square Miles
 POPULATION: 110,000 Estimated

SURPRISE CITY COUNCIL 623.222.1300
 Lyn Truitt, MAYOR
 Sharon Wolcott (DISTRICT 1)
 Richard Alton, Vice Mayor (DISTRICT 2)
 John Williams (DISTRICT 3)
 Roy Villanueva (DISTRICT 4)
 Mike Woodard (DISTRICT 5)
 Skip Hall (DISTRICT 6)

INTERIM CITY MANAGER 623.222.1100
 Mark Coronado

City of Surprise
 16000 N Civic Center Plaza
 Surprise, AZ 85374
 623.222.1000
 623.222.1001 Fax
 623.222.1002 TTY
www.surpriseaz.gov

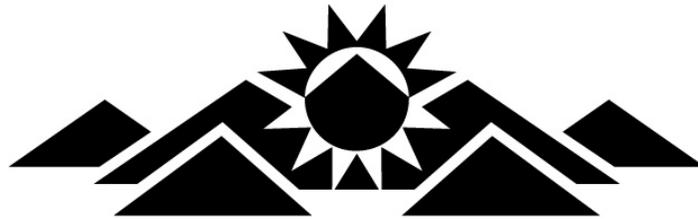
Map Legend

- City Limits
- Freeway
- Railroad



Map Created by City of Surprise: May 2010

City of Surprise, Arizona



S U R P R I S E

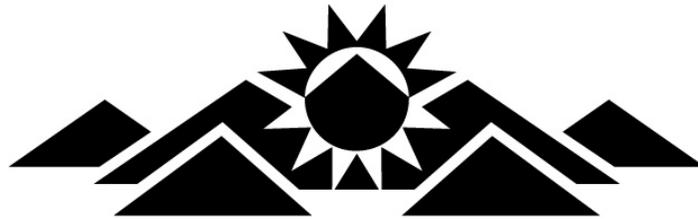
A R I Z O N A

FY2011 Adopted Budget

Budget Summary

- Budget Summary
- Budget Calendar
- Fund Hierarchy

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

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 FY2011 adopted expenditure limitation budget is \$256,454,900, 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 City 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 Finance Department 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 operating funds (e.g. the general fund and the 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 expenses, while revenues are budgeted only when they are measurable and available.

The enterprise funds of water, sewer, and sanitation also budget encumbrances as expenses 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. For FY2011 the funds of tourism, healthcare self insurance, grants contingency, and storm water were added. The campus operations fund was combined with the general fund. The vehicle replacement fund was returned to each of the funds that operate the vehicles to allow for a more

accurate presentation within the operating funds. 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	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Funds	Enterprise Funds	Internal Service Funds	Total
Revenue								
Sales Tax	\$ 27,850.0	\$ 219.2	\$ -	\$ 1,704.5	\$ -	\$ -	\$ -	\$ 29,773.7
State Shared	18,278.5	5,194.3	-	-	-	-	-	23,472.8
Charges for Services/Other	14,416.7	28,987.5	7,363.5	14,951.4	-	48,613.4	9,816.3	124,148.8
Property Tax	7,224.1	2,991.5	849.8	-	-	-	-	11,065.4
Franchise Fees	4,499.3	-	-	-	-	-	-	4,499.3
Sub-Total Revenue	72,268.6	37,392.5	8,213.3	16,655.9	-	48,613.4	9,816.3	192,960.0
Transfer In	1,126.8	1,703.9	-	1,250.0	-	-	-	4,080.7
Total Revenue	73,395.4	39,096.4	8,213.3	17,905.9	-	48,613.4	9,816.3	197,040.7
Expenditures								
Current								
Community and Recreation	12,473.8	349.3	-	1,963.3	-	-	-	14,786.4
Community Development	3,616.3	4,096.5	-	-	-	-	-	7,712.8
General Government	13,103.0	133.2	-	447.7	-	88.1	10,026.7	23,798.7
Non-Departmental	(1,000.0)	24,745.5	-	468.0	97.9	-	-	24,311.4
Public Safety	35,801.7	445.6	-	691.6	-	-	-	36,938.9
Public Works	5,887.3	9,834.1	-	1,245.8	-	250.0	-	17,217.2
Utilities	-	-	-	16.5	-	33,195.3	-	33,211.8
Capital and Depreciation	1,308.8	471.4	-	15,485.4	-	16,373.6	-	33,639.2
Debt Service	-	-	8,033.6	-	-	11,860.8	-	19,894.4
Contingency	4,704.4	2,128.8	777.4	7,985.5	-	27,916.5	1,431.5	44,944.1
Sub-Total Expenditures	75,895.3	42,204.4	8,811.0	28,303.8	97.9	89,684.3	11,458.2	256,454.9
Transfer Out	2,953.9	87.0	-	-	-	1,039.8	-	4,080.7
Total Expenditures	78,849.2	42,291.4	8,811.0	28,303.8	97.9	90,724.1	11,458.2	260,535.6
Rev over/(under) Exp	(5,453.8)	(3,195.0)	(597.7)	(10,397.9)	(97.9)	(42,110.7)	(1,641.9)	(63,494.9)
Operating Reserves	(11,861.2)	(1,910.4)	-	-	-	(4,582.0)	-	(18,353.6)
Fund Balance								
Beginning of year	17,315.0	5,105.4	597.7	10,397.9	97.9	46,692.7	1,641.9	81,848.5
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- **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.
 - *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 fund* – 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. Activity in this fund has been suspended by action of the Mayor and City Council with the intention of resuming after economic conditions rebound.
 - *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.
- *Tourism* – This fund is used to track all revenues and expenditures associated with the city’s 2.52% bed tax. The funds are used to support tourism within the city. City policy and state statute restrict the use of these funds. This is a new fund for FY2011.
- *Grants contingency* – This fund is used to track grant activity and houses excess budget authority to allow for unforeseen grants that may be received throughout the year.
- *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)* – Eighty-four 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* – This fund has been established to provide a location to process operating expenditures and for the collection of the related portion of the property taxes from properties located in the district. These proceeds are legally restricted to the payment of operations 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.
 - *Municipal Property Corporation* – The Municipal Property Corporation (MPC) 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.
 - *Community facilities district* – This fund has been established to provide a location to process debt service payments and for the collection of the related portion of the property taxes from properties located in the district. These proceeds are legally restricted to the payment of debt service within the district.
- 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.
 - *Transportation improvement fund* – This fund has been established to track the proceeds of the dedicated 1.5% construction transaction privilege 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.
- Fiduciary 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.

- *Healthcare self insurance* – This fund provides a mechanism whereby health insurance related expenses are monitored and health insurance reserves are established. City policy restricts the use of these funds. This is a new fund for FY2011 with the potential for expansion to include vision, dental, and other healthcare expenditures in the future.
- *Enterprise funds* – These funds are used to account for the business-type activities of a government. These are activities which are financed and operated in a manner where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. For FY2011 the Storm Water enterprise fund has been added with the expectation of the new fund being implemented on January 1, 2011.

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 local sales tax, state shared revenue, charges for service/other, property taxes, franchise fees, and development fees. The city is projecting \$197.0 million in revenues from all funds in FY2011. 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 \$81.8 million. The large available fund balance is due exclusively to the investment in infrastructure. The FY2011 budget includes approximately \$27.0 million carried forward from FY2010.

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 FY2011.

Legal General Obligation Bond Capacity

Secondary Assessed Valuation		\$ 1,129,041,072	\$ 1,129,041,072
Limitation	X	6%	20%
G.O. Bond Limit	=	67,742,464	225,808,214
Less Outstanding G.O. Debt	-	0	0
Available Debt Capacity	=	\$ 67,742,464	\$ 225,808,214

There is no additional borrowing anticipated for FY2011. The growth occurring over the last few 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 FY2011 personnel is budgeted at \$64.5 million or 25% 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 36% of the FY2011 budget at \$94.5 million.

Capital is budgeted in the third category at \$33.6 million, 13% of the FY2011 budget. Vehicle purchases, building and structure purchases, land purchases and street improvements are all included under capital.

The fourth category includes **debt service**. Debt service is budgeted at \$19.9 million, 8% of the FY2011 budget, and includes both principal and interest. The City currently has three funds with FY2011 debt service payments, the Water Resources Development Fee, Municipal Property Corporation and Marley Park

Community Facilities District funds. The total outstanding principal amount is \$101.6 million with payments scheduled through FY2033.

Unallocated expenditures are set aside under the final category, **contingency**, and are set aside for future fiscal years or unforeseen uses. Transfers out of contingency and into another expenditure category require Mayor and City Council approval pursuant to the budget transfer policy. Contingencies of \$43.9 million, 17% of fund uses, are reserved for FY2011.

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 FY2011 inter-fund transfers have been programmed at \$4.1 million and are detailed in the appendix of this document as part of the required state budget forms.

Reserves

Operating **reserves** of \$18.4 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.

Financial Policies

Each year the Mayor and City 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 City Council will be met within the financial constraints of the city. These policies are the foundation of the budget process each year.

- The budget is balanced with revenues and sources of funds equal to expenses.
- 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 City 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 City 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 City 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 the Finance Department and approved by the City Manager, prior to requesting Mayor and City 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.
- The operating budget is adopted at the department level. The Capital Improvement Plan is adopted at a project level. Any transfers between departments, funds, or projects and out of contingency require Mayor and City Council approval. All requests for adjustment require written justification explaining the fiscal impact, which is reviewed by the Finance Department and approved by the City Manager, prior to requesting Mayor and City 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.

FY2011 Budget Process

The budget is monitored year-round; however, the formal budget process begins with an initial meeting in October between Finance Department staff and the senior staff made up of the City Manager, Assistant City Manager and the director of each department. During this meeting the budget calendar was discussed, accompanied by a discussion of changes made to the budget process from the prior year. The largest change involved the creation of activity plans for FY2011.

The initial budget meeting with senior staff is followed by a meeting with all budget points of contacts for each department to discuss the mechanics of the revised process and the format for each activity plan. The deadlines for submission and the rest of the budget calendar are discussed at that time as well. The budget database is also opened to allow for input of activity plans, FY2010 expenditure estimates, update of existing capital projects, and input of new capital projects. Throughout November and December, meetings with individual departments are held as necessary to provide additional clarification and direction.

Initial FY2010 expenditure estimates are due in early December to allow for preliminary fund balance analysis. All other items were due by February 2nd, at which time the budget database is closed. Finance Department staff review requests and solicit additional information or data as needed from February 3rd through February 27th.

Throughout the month of March, the City Manager’s Office reviews the activity plans, capital projects, and available resources with the Finance department staff and the individual departments. The City Manager delivered the recommended budget to the Mayor and City Council on April 9th. Three Budget Open Houses were held on April 13th, 14th, and 19th to get public input for the citizens of Surprise.

The City Manager’s recommended budget was presented to the Mayor and City Council for review and discussion at a two day budget retreat held on April 23rd and 24th. During the retreat, city staff presents the recommended budget and is available to address questions from the Mayor and City Council.

As a result of the two day budget retreat, revisions were made to the recommended budget, and the tentative budget is presented to the Mayor and City Council for adoption at a regular City Council meeting on May 27th. Following adoption, the tentative budget was published for two consecutive weeks in the local paper. A public hearing was then held on the budget, after which the Mayor and City Council vote on the final budget adoption on June 10th. Budget adoption adheres to all statutory hearings, publications, and requirements. The property tax was levied on June 24th, fourteen days after the final budget.

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. (PSA) to work with the Mayor and City Council and management staff to develop a Mayor and City 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 City 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 FY2011. It also gives the reader a summary of major revenue changes. It also provides a brief discussion, of expenditures including personnel changes, operational changes, and capital projects. Other considerations of note are also included.

The **general information** section contains Mayor and City Council profiles. 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 budget calendar, and a fund structure chart.

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

The next six sections including **general government, community development, public safety, community and recreation services, public works, and utilities** 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, FY2010 budget and estimate, and FY2011 Budget. Department operating pages include accomplishments, goals, objectives, and performance measures.

The **capital** section contains the FY2011-FY2015 Capital Improvements Plan (CIP), capital fund pages, the vehicle replacement fund, the MPC fund, and CFD funds.

The final section, the **appendix**, contains the budget adoption resolution, the state budget forms, the tax levy resolution, and the Mayor and City Council adopted budget transfer policies and procedures. It also contains a revenue and expenditure summary, debt service schedules, and personnel schedules. The Mayor and City

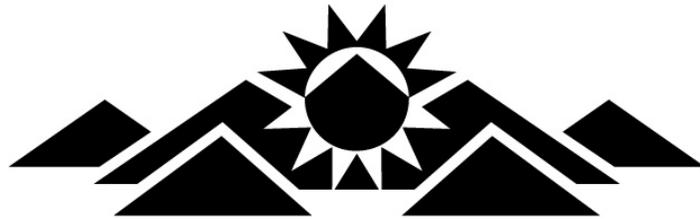
Council district map and the special planning area map are also included. A glossary and a CIP acronym table define terms and acronyms used frequently in this book.

This document serves as a guide to the FY2011 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

<u>Start Date</u>	<u>Activity</u>
10/30/2009	Senior staff meeting (budget process overview)
11/9/2009	Database opened for department input
11/10/2009	Initial meeting with budget contacts (budget process overview, identifying activities, performance measures)
2/2/2010	Database closed
2/3-4/8/2010	Information assembled for City Manager's Office, follow up with departments as necessary
4/9/2010	City Manager's Recommended Budget delivered to Mayor and City Council
4/13, 4/14, 4/19/2010	Budget Open Houses
4/23 & 4/24/2010	Mayor and Council budget retreat
5/27/2010	Tentative budget adoption – City of Surprise
6/10/2010	Property tax hearing – City of Surprise
6/10/2010	Final budget – City of Surprise
6/10/2010	Tentative budget – Marley Park Community Facilities District
6/24/2010	Final budget – Marley Park Community Facilities District
6/24/2010	Property tax levy adoption City of Surprise Marley Park Community Facilities District

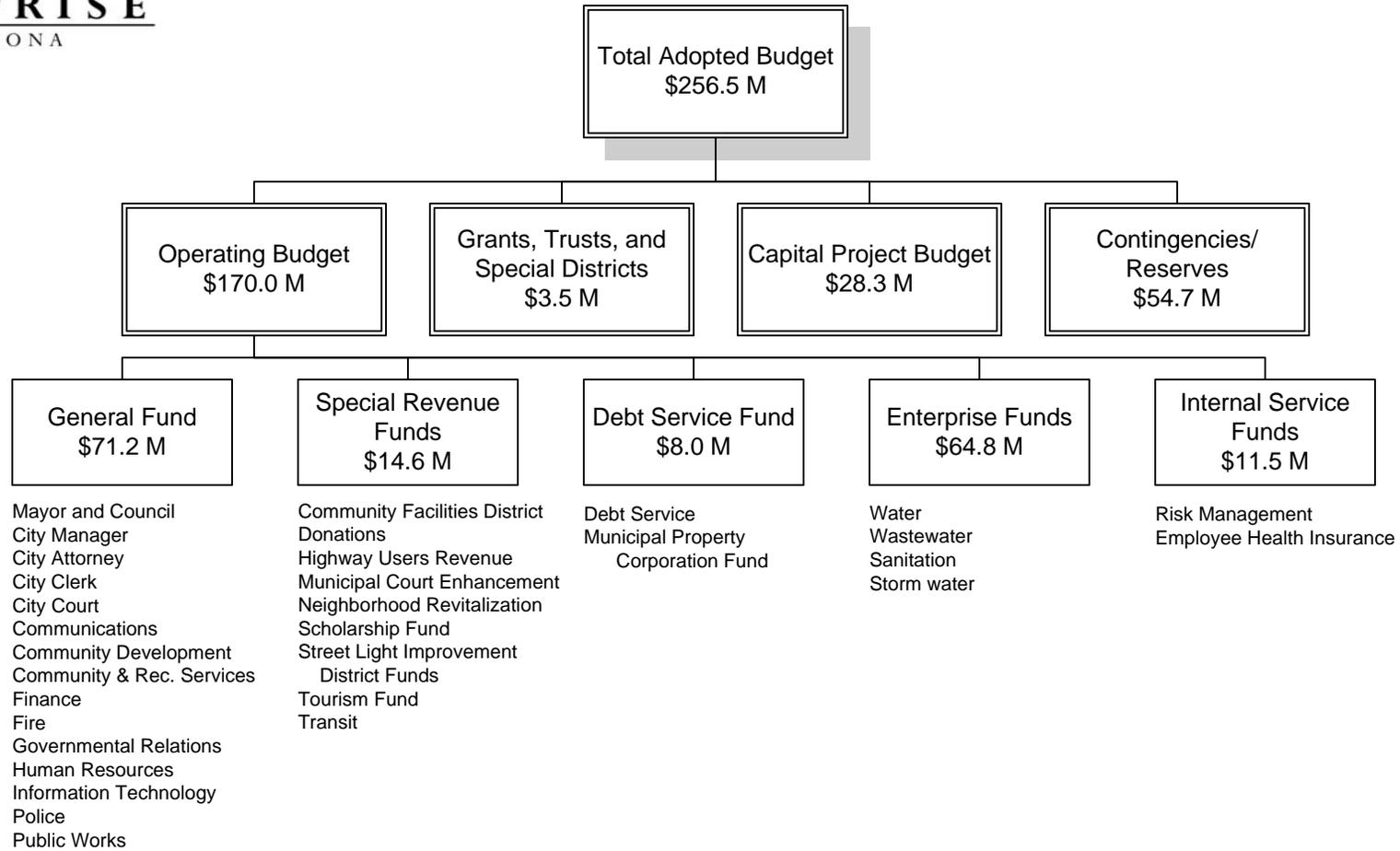
City of Surprise, Arizona



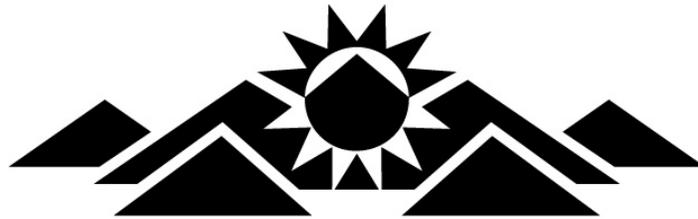
SURPRISE

ARIZONA

FY2011 Adopted Budget



City of Surprise, Arizona



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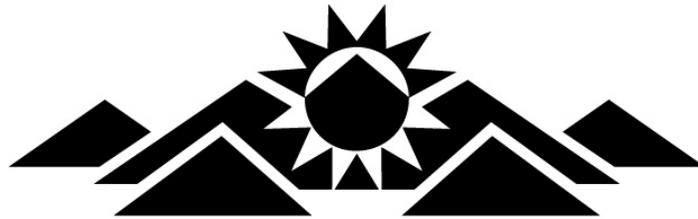
A R I Z O N A

FY2011 Adopted Budget

Revenue

- Revenue Summary
- Fund Balance Summary
- Revenue Forecast Summary
- Major Revenue Account Detail

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Revenue Summary

Operating Revenues

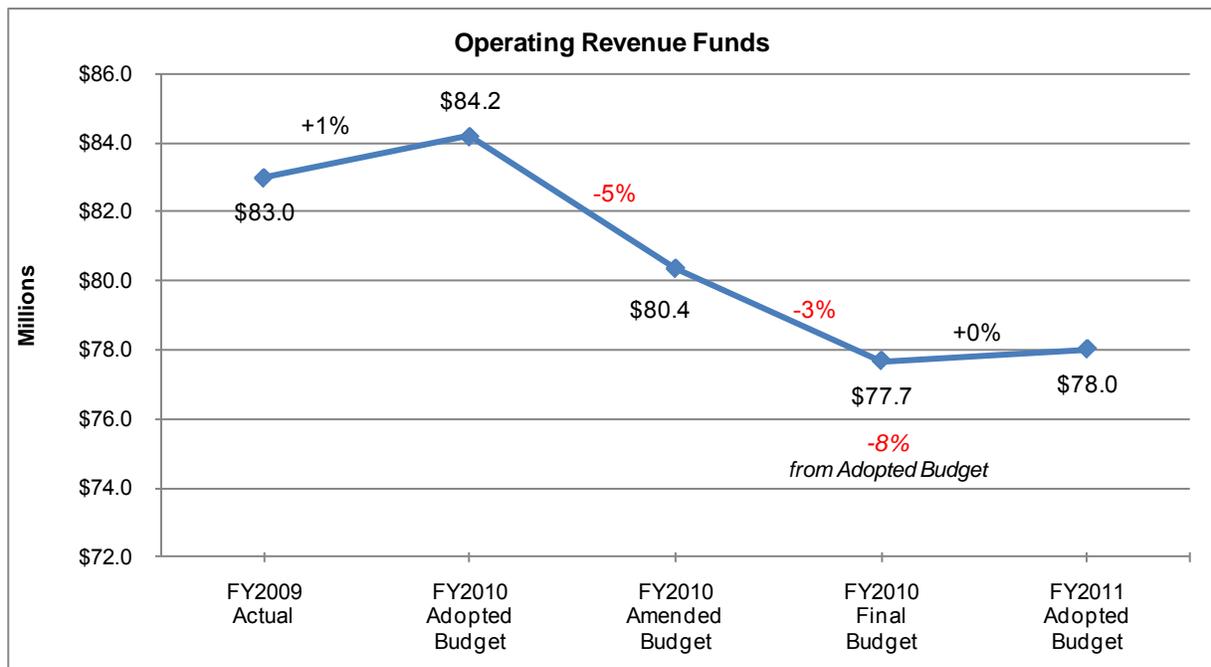
What are Operating Revenues?

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

- General Fund: The general fund is the primary operating fund of the city and is used to account for all financial resources not accounted for in the other funds.
- Highway User Revenue Fund (HURF): This fund is used for tracking non-transit transportation related activities. This is the only fund, outside of the general fund, which is required by Arizona state law.
- Transit Fund: The transit fund is used to track all revenues and expenditures associated with providing transit services within the city of Surprise. Included in this fund are state transit dollars, as well as city dedicated transportation funds.

Key Assumptions

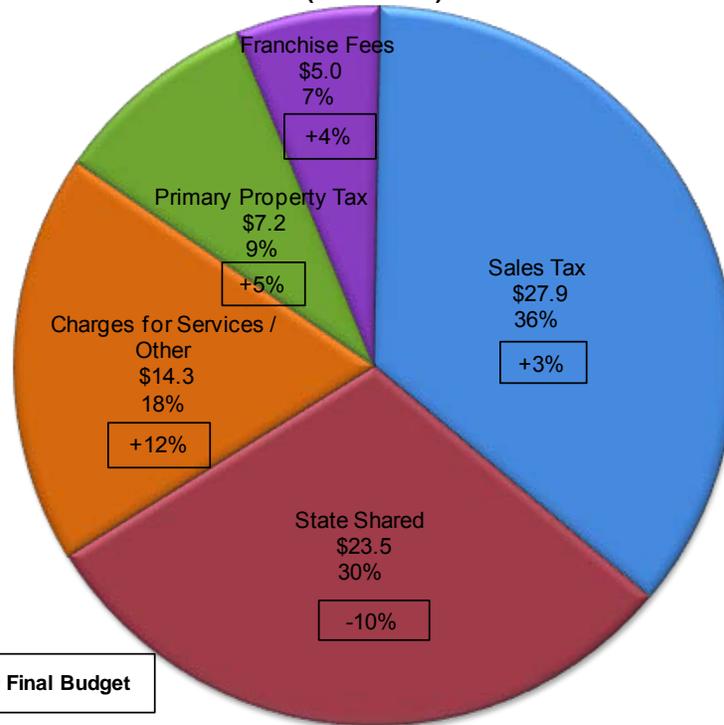
A number of assumptions influence the revenue forecast including the character of the current recession and the effect of the state budget on the city. The city continues to face a “New Normal” where the economy is different from the recent past. A slow economic recovery from the recent recession is anticipated. The recovery is expected to resemble a “U-shaped” recovery where the decline occurs along the left side of the U, moves along the bottom for some period, and gradually begins to climb the right side of the U as the economy recovers. Currently, the city can be described as “bouncing along the bottom” of the U with a full recovery likely in 2013/2014.



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

Forecast assumptions are based on state shared distribution formulas remaining unchanged from the prior fiscal year. The exception is the recent elimination of local transportation assistance fund I (LTAF) no longer distributed to the cities from lottery funds.

**FY2011 Operating Revenue \$78.0M
(in millions)**



Change from FY2010 Final Budget

Overview

Operating revenue for FY2011 is forecast at \$78.0 million, an increase of \$0.3 million over the FY2010 final budget. Operating revenues may be categorized into five major groups:

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

Sales Tax

This category represents the local sales taxes collected for the city of Surprise including construction sales tax. A sales tax projection team comprised of the Chief Financial Officer (CFO), the sales tax audit division, and members of the budget staff was created to forecast and monitor the local sales tax. Forecasts are done individually within each of 12 different categories (industries) using industry specific information (e.g. big box retail, construction, etc).

The FY2011 forecast of \$27.9 million is an increase of 3% over the FY2010 final budget. A number of the sales tax categories are driving the increase including major and auto retailers with new accounts, communications/utilities with increased cell phone activity, the creation of a use tax, and the rebounding of transient lodging, restaurants/bars, and arts/entertainment. Other sources continuing to decline include hotel/motel and rental/leasing. The construction sales tax is believed to have reached the bottom.

State Shared Revenue

State shared revenues are forecast at \$23.5 million and are expected to decline 10% from the prior year (\$2.6 million). State shared revenue sources include income tax, state sales tax, highway user revenue funds (HURF), vehicle license taxes (VLT), and LTAF I.

The largest state shared revenue source, income taxes, is distributed to the city of Surprise based on census population. The amount is certain because there is a two-year lag in receipts in which FY2011 revenue results from FY2009 activity. Income tax collections of \$8.6 million decrease by 25% from the prior year final budget of \$11.4 million reflecting the recessionary economy of 2009.

The state sales taxes reflect the city's portion of statewide collections based on population. State sales taxes are economy driven and are expected to increase 3%, \$0.2 million, over the FY2010 final budget.

The third source, HURF, is collected from gas taxes that are also distributed based on population. These revenues are restricted for transportation purposes. Like HURF, vehicle license taxes are distributed based on population. Vehicle license taxes are imposed annually in lieu of a personal property tax on automobiles. Both the vehicle license taxes and HURF are anticipated to increase 3% each over the FY2010 final budget.

The final state shared category is LTAF. The source of this funding is the Arizona State Lottery. LTAF I funds are restricted to transportation uses. In February 2010, the distribution of Arizona State Lottery funds to the cities was discontinued by the state legislature, reducing this source to zero in FY2011.

Charges for Services/Other

All fees for services charged by city departments are recorded in this category. The four major components include the indirect cost assessment, community and recreation services/campus operations revenue, court revenue, and building/engineering fees. This category increases by 12% from the prior year to \$14.3 million.

The largest source of charges for services is the indirect cost assessment charged to the enterprise funds. Costs are incurred in the general fund on behalf of the enterprise funds and the indirect cost assessment is the mechanism through which the enterprise funds repay these costs to the general fund. This is done to ensure that the general fund revenues are not subsidizing the enterprise funds of water, wastewater, and sanitation. The indirect cost assessment increased 33% from the prior year to \$3.7 million.

The second component is the community and recreation services/campus operations fees at \$2.2 million. This represents the revenue collected from fees charged to participate in the various recreation programs offered by the city. Also included are the rental fees for the stadium and parks.

The next notable category is the court revenue. All fees charged by the court in the city of Surprise are captured through this category. These fees increase by 47% for FY2011 due to revenue collected from the creation of a photo radar program and will be offset by a corresponding expense for contract administration.

The building/engineering fees recorded in this category are decreasing due to the current economy. This source is less than the prior year by \$0.5 million. The forecast for these sources is based on building activity including single-family residential permits and commercial, office, and institutional square feet. An in lieu property tax has been added for FY2011. Beginning in FY2011, the enterprise funds will be assessed a payment in lieu of property taxes totaling \$0.5 million, which will be transferred from the enterprise funds to the general fund.

Property Taxes

The property tax category captures the taxes levied on properties in the city of Surprise and is forecast at \$7.2 million for FY2011. Property taxes are a relatively stable source. The property tax forecast is increased by the amount of new construction only and the allowable annual increase of 2% was not approved for FY2011.

Franchise Fees

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

Fund Balance

Fund balances are prior year's savings and excess revenues carried forward into the current fiscal year. For FY2011, the ending fund balance for the city is estimated at \$18.4 million, which is equal to the reserve policy of two months of operating expenditures. The one exception to this reserve policy is the streetlight improvements district fund which has a reserve budgeted at three months of operating expenditures awaiting direction from the Mayor and City Council. In addition to the ending fund balance, \$44.9 million of contingency has been budgeted for FY2011. This contingency includes both funds to be used in future year capital projects as well as repair and replacement funding (i.e. vehicle replacement funding).

The estimated general fund ending fund balance declines by \$5.5 million due to the inclusion of \$4.7 million of contingency. The contingency includes \$3.9 million of vehicle replacement funding which will not be expended during the fiscal year, but rather will be used in future years.

The \$3.2 million decline in special revenue fund ending fund balances are due in large part to the inclusion of \$1.8 million of contingent vehicle replacement funding for the transit and highway user revenue fund. During FY2010, the state of Arizona redirected transit funding away from municipalities to the state's general fund. As a result, the transit fund ending fund balance is expected to be at the minimum reserve requirement and will require a subsidy from the city's general fund in the future. Additionally, all donation funds of \$0.8 million are budgeted to be expended in full.

All available funds within the debt service funds have been allocated for expenditure including \$0.8 million of contingency. This contingency will offset future property tax rate increases within the Community Facilities District as assessed valuations are expected to dip.

All funds within the capital funds are budgeted to be expended with \$8.0 million of contingency for future year projects. As the pace of growth within the city has slowed, the fund balance within the capital funds has declined as planned projects have been completed.

All funds within the fiduciary funds are budgeted to be expended.

The estimated ending fund balance within the enterprise funds declines by \$42.1 million with the inclusion of \$27.9 million of contingency for future year capital projects and vehicle replacement. The ending fund balance of \$4.2 million is sufficient to meet operating reserve requirements of the individual funds.

Fund balances are detailed in the schedules subsequent to this narrative.

Other Sources

Other major revenue sources include enterprise funds and capital projects funds. The total forecast for these funds in FY2011 is \$76.6 million. The enterprise funds are programmed with revenue equivalent to expenses pending an updated rate schedule anticipated in January 2011.

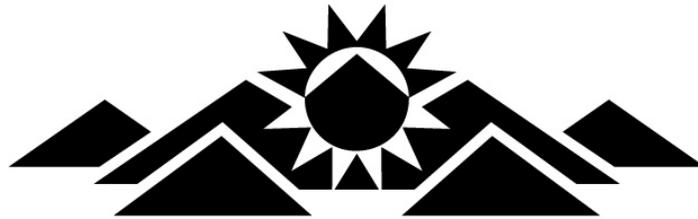
Forecast of Major Revenue Accounts

The reports following the fund balance schedules present a summary of the major revenue accounts with historical and forecasted revenues. Pages for each major revenue account discuss the factors and assumptions used to develop the five-year revenue projections.

CITY OF SURPRISE FUND BALANCE SUMMARY

Name	Beginning Balance	Revenue	Transfers In	Total Sources	Expenses	Transfers Out	Contingency	Total Uses	Ending Balance
General Fund	\$ 17,315,000	\$ 72,268,600	\$ 1,126,800	\$ 90,710,400	\$ 71,190,900	\$ 2,953,900	\$ 4,704,400	\$ 78,849,200	\$ 11,861,200
General Fund Total	17,315,000	72,268,600	1,126,800	90,710,400	71,190,900	2,953,900	4,704,400	78,849,200	11,861,200
Transit	422,200	154,900	864,500	1,441,600	1,164,600	-	114,900	1,279,500	162,100
Highway User Revenue (HURF)	3,098,900	5,199,600	839,400	9,137,900	6,061,000	-	1,778,600	7,839,600	1,048,300
Donations	790,900	50,000	-	840,900	840,900	-	-	840,900	-
Municipal Court Enhancement	176,800	-	-	176,800	100,000	-	76,800	176,800	-
Neighborhood Revitalization	-	4,091,100	-	4,091,100	4,091,100	-	-	4,091,100	-
Tourism	-	219,200	-	219,200	-	87,000	132,200	219,200	-
Employee Dependent Scholarship	14,500	100	-	14,600	14,600	-	-	14,600	-
Unforeseen Grants	-	24,645,900	-	24,645,900	24,645,900	-	-	24,645,900	-
Streetlight Improvement Districts	575,800	2,946,700	-	3,522,500	2,822,500	-	-	2,822,500	700,000
Marley Park Community Facilities Dist.	26,300	85,000	-	111,300	85,000	-	26,300	111,300	-
Special Revenue Funds Total	5,105,400	37,392,500	1,703,900	44,201,800	39,825,600	87,000	2,128,800	42,041,400	1,910,400
Marley Park Community Facilities Dist.	597,700	850,800	-	1,448,500	671,100	-	777,400	1,448,500	-
Surprise Municipal Property Corporation	-	7,362,500	-	7,362,500	7,362,500	-	-	7,362,500	-
Debt Service Funds Total	597,700	8,213,300	-	8,811,000	8,033,600	-	777,400	8,811,000	-
General Capital	1,867,400	2,893,100	1,250,000	6,010,500	6,010,500	-	-	6,010,500	-
General Government Development	87,500	350,000	-	437,500	12,500	-	425,000	437,500	-
Police Development	135,500	452,000	-	587,500	587,500	-	-	587,500	-
Parks & Recreation Development	1,204,400	793,200	-	1,997,600	1,997,600	-	-	1,997,600	-
Public Works Development	3,702,100	1,136,000	-	4,838,100	3,010,500	-	1,827,600	4,838,100	-
Fire & EMS Development	(4,161,200)	4,385,100	-	223,900	223,900	-	-	223,900	-
Library Development	4,117,900	129,200	-	4,247,100	12,500	-	4,234,600	4,247,100	-
Transportation Improvement	1,963,000	6,487,700	-	8,450,700	8,450,700	-	-	8,450,700	-
Roads of Regional Significance	1,481,300	29,600	-	1,510,900	12,600	-	1,498,300	1,510,900	-
Capital Funds Total	10,397,900	16,655,900	1,250,000	28,303,800	20,318,300	-	7,985,500	28,303,800	-
Firefighter's Pension	97,900	-	-	97,900	97,900	-	-	97,900	-
Fiduciary Funds Total	97,900	-	-	97,900	97,900	-	-	97,900	-
Water	5,426,400	13,590,400	-	19,016,800	14,228,800	496,200	2,400,200	17,125,200	1,891,600
Wastewater	34,901,100	28,674,300	-	63,575,400	41,449,500	473,600	19,792,200	61,715,300	1,860,100
Sanitation	6,365,200	6,098,700	-	12,463,900	5,839,500	70,000	5,724,100	11,633,600	830,300
Stormwater	-	250,000	-	250,000	250,000	-	-	250,000	-
Enterprise Funds Total	46,692,700	48,613,400	-	95,306,100	61,767,800	1,039,800	27,916,500	90,724,100	4,582,000
Risk Management	1,641,900	1,591,200	-	3,233,100	1,801,600	-	1,431,500	3,233,100	-
Employee Healthcare Self Insured	-	8,225,100	-	8,225,100	8,225,100	-	-	8,225,100	-
Internal Services Funds Total	1,641,900	9,816,300	-	11,458,200	10,026,700	-	1,431,500	11,458,200	-
All Funds Total	\$ 81,848,500	\$ 192,960,000	\$ 4,080,700	\$ 278,889,200	\$ 211,260,800	\$ 4,080,700	\$ 44,944,100	\$ 260,285,600	\$ 18,353,600

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

CITY OF SURPRISE REVENUE FORECAST

Major Revenue Accounts	FY2009 Actual	FY2010 Adopted Budget	FY2010 Final Budget	Final to Adopted % Change	FY2011 Adopted Budget	Adopted to PY Final % Change
Operating Funds						
Local Sales Tax						
Local Sales Tax	\$ 23,564,635	\$ 26,001,900	\$ 24,604,800	-5%	\$ 25,437,000	3%
Local Sales Tax-Construction	5,318,360	3,433,300	2,500,000	-27%	2,500,000	0%
Subtotal Local Sales Tax	28,882,995	29,435,200	27,104,800	-8%	27,937,000	3%
State Shared Revenue						
State Shared Income Tax	13,080,276	11,395,600	11,395,600	0%	8,589,800	-25%
State Shared Sales Tax	7,022,643	6,785,900	6,405,700	-6%	6,621,800	3%
HURF Tax	5,295,936	5,334,200	5,039,500	-6%	5,194,300	3%
Vehicle License Tax	3,207,654	3,259,200	2,975,600	-9%	3,066,900	3%
LTAI I	443,564	320,700	262,700	-18%	0	-100%
Subtotal State Shared Revenue	29,050,072	27,095,600	26,079,100	-4%	23,472,800	-10%
Charges for Services / Other						
Indirect Cost Assessment	3,511,100	2,577,000	2,746,700	7%	3,660,700	33%
Parks and Rec. Program Fees	2,050,611	2,089,700	2,179,700	4%	2,204,900	1%
Court Revenue	1,757,682	1,868,700	1,986,200	6%	2,915,700	47%
Campus Operations	1,488,378	1,799,500	1,501,100	-17%	1,531,100	2%
Fire Revenue	515,291	794,300	795,800	0%	858,200	8%
Police Revenue	818,244	728,300	801,000	10%	881,000	10%
Community Development Fees	1,481,772	1,075,200	1,075,200	0%	680,600	-37%
All Other Operating Revenue	1,248,066	2,059,000	503,600	-76%	533,700	6%
In Lieu Property Tax	0	0	0	0%	500,000	0%
Interest Income	314,281	616,100	151,600	-75%	254,300	68%
Public Works Fees	837,443	352,000	354,000	1%	232,600	-34%
Grant Revenue	611,486	1,866,000	670,500	-64%	89,800	-87%
Subtotal Charges for Services / Other	14,634,353	15,825,800	12,765,400	-19%	14,342,600	12%
Property Tax						
Primary Property Tax	6,349,918	6,859,500	6,858,400	0%	7,224,100	5%
Subtotal Property Tax	6,349,918	6,859,500	6,858,400	0%	7,224,100	5%
Franchise Fees						
APS Franchise Fee	2,029,779	2,387,200	2,165,200	-9%	2,274,900	5%
Cable Franchise Fee	1,042,123	1,193,500	1,020,500	-14%	1,020,500	0%
Business Licenses	412,276	435,800	470,000	8%	484,100	3%
Southwest Gas Franchise Fee	314,091	238,700	348,000	46%	365,600	5%
Water Franchise Fee	275,502	238,700	285,800	20%	300,200	5%
CoS Wastewater Franchise Fee	0	273,800	287,500	5%	296,200	3%
CoS Water Franchise Fee	0	206,700	217,100	5%	223,600	3%
Sanitation Hauler's License	0	0	54,000	0%	54,000	0%
CoS Sanitation Hauler's License	0	0	20,000	0%	20,000	0%
Subtotal Franchise Fees	4,073,771	4,974,400	4,868,100	-2%	5,039,100	4%
Subtotal - Operating Revenue	\$ 82,991,100	\$ 84,190,500	\$ 77,675,800	-8%	\$ 78,015,600	0%

CITY OF SURPRISE REVENUE FORECAST

Major Revenue Accounts	FY2009 Actual	FY2010 Adopted Budget	FY2010 Final Budget	Final to Adopted % Change	FY2011 Adopted Budget	Adopted to PY Final % Change
<u>Operating Revenue Funds</u>						
General Fund	\$ 75,250,435	\$ 76,689,100	\$ 70,839,500	-8%	\$ 71,290,200	1%
HURF	5,480,263	5,357,200	5,044,500	-6%	5,194,300	3%
Campus Operations	1,488,378	1,799,500	1,501,100	-17%	1,531,100	2%
Transit	772,033	344,700	290,700	-16%	0	-100%
Subtotal Operating Revenue Funds	82,991,100	84,190,500	77,675,800	-8%	78,015,600	0%
<u>Enterprise Funds</u>						
Wastewater Service Fee	13,519,397	13,690,900	14,551,900	6%	14,769,400	1%
Water Service Fee	8,751,802	10,335,900	9,505,600	-8%	9,761,400	3%
Sanitation Service Fee	5,549,225	5,911,500	5,741,000	-3%	6,043,700	5%
Water Replenishment Service Fee	431,398	0	0	0%	0	0%
<u>Other One-Time Revenues</u>						
Transportation Improvement	4,358,905	2,340,900	1,855,400	-21%	1,704,500	-8%
Wastewater Development Fee	2,796,143	1,337,300	1,342,900	0%	954,300	-29%
Fire & EMS Development Fee	791,619	557,400	309,200	-45%	416,200	35%
Public Works Development Fee	926,136	640,600	395,500	-38%	362,000	-8%
General Government Development Fee	688,951	480,400	281,200	-41%	348,200	24%
Parks & Recreation Development Fee	627,627	567,800	554,900	-2%	240,800	-57%
Water Development Fee	741,095	403,900	367,100	-9%	185,400	-49%
Roads of Reg. Significance Dev Fee	364,895	521,500	53,300	-90%	0	-100%
Replenishment Development Fee	283,846	224,300	256,600	14%	134,800	-47%
Police Development Fee	395,950	1,210,600	142,900	-88%	119,100	-17%
Library Development Fee	\$ 138,504	\$ 166,300	\$ 163,500	-2%	\$ 71,400	-56%

Local Sales Tax (Non-Construction Sales Tax)

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
24,604,800	25,437,000	832,200	3%

Description

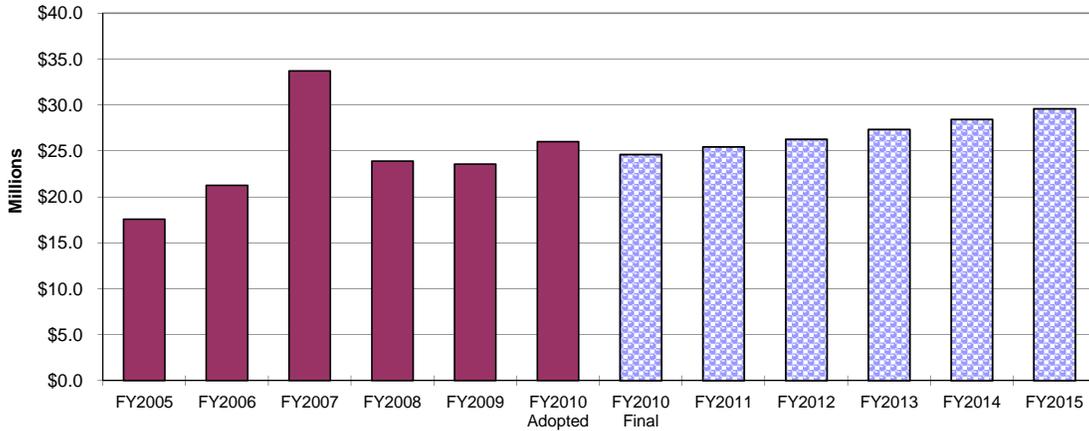
The local sales tax (non-construction sales tax) is the recurring sales tax revenue that is collected by the city on an annual basis through the course of doing business. The construction sales taxes have been separated out and addressed under local sales tax (construction sales tax). These revenues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

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	17,570,875	21,249,404	33,717,146	23,890,299	23,564,635	26,001,900

Forecast Assumptions

A sales tax projection team comprised of the Chief Financial Officer, the sales tax audit division, and members of the budget staff was created to forecast and monitor the local sales tax. Forecasts are done individually within each of 12 different categories (industries) using industry specific information (e.g. big box retail, restaurant and bar, etc). Sales taxes declined in FY2008 and FY2009 due to the current recessionary economy.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	24,604,800	25,437,000	26,270,100	27,330,600	28,434,900	29,584,700



Local Sales Tax (Construction Sales Tax)

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
2,500,000	2,500,000	0	0%

Description

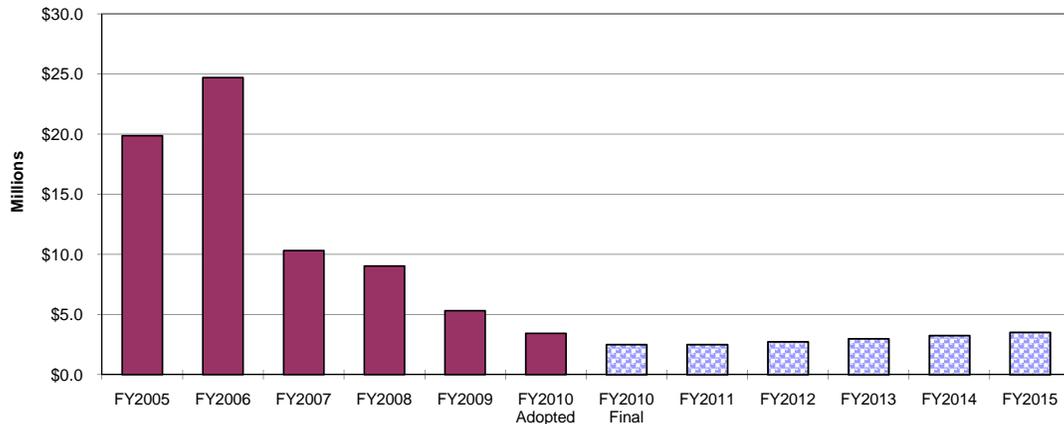
This represents the one-time construction sales tax revenue that is collected by the city of Surprise on an annual basis through the course of doing business. The ongoing sales taxes have been separated out and addressed under local sales tax (non-construction sales tax). These revenues are recorded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

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	19,862,799	24,686,191	10,308,703	9,025,489	5,318,360	3,433,300

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	2,500,000	2,500,000	2,735,800	2,986,900	3,246,800	3,516,000



State Shared Income Tax

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
11,395,600	8,589,800	(2,805,800)	-25%

Description

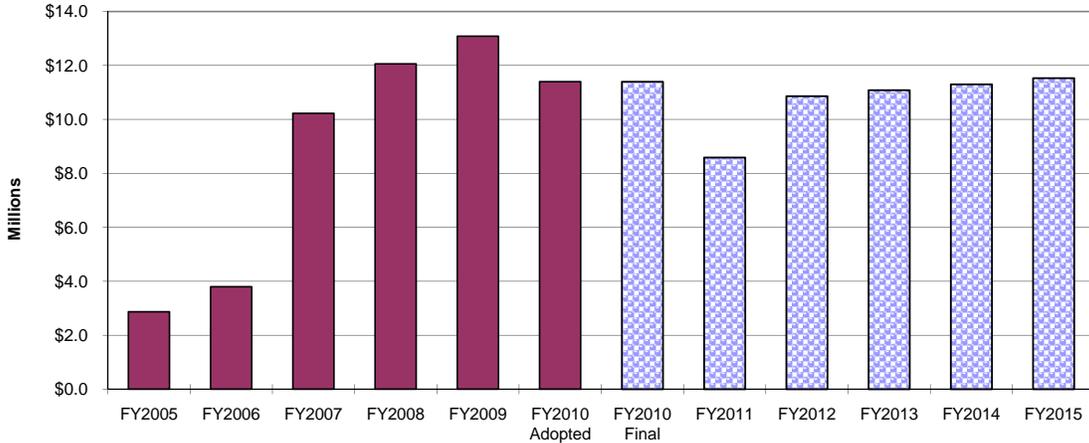
State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the State Shared Income Tax. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,868,466	3,795,975	10,221,108	12,055,475	13,080,276	11,395,600

Forecast Assumptions

The FY2010 and FY2011 forecasts are based on data from the League of Arizona Cities and Towns detailing actual income tax collection from 2008 and 2009 respectively. State shared income tax is distributed based on population. The mid-decade census completed in FY2007, accounts for the increase in the city's share of state revenues. The 2010 census is expected to result in increased revenues beginning in FY2012 as the city share of total population increases.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	11,395,600	8,589,800	10,863,400	11,080,600	11,302,200	11,528,300



State Shared Sales Tax

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
6,405,700	6,621,800	216,100	3%

Description

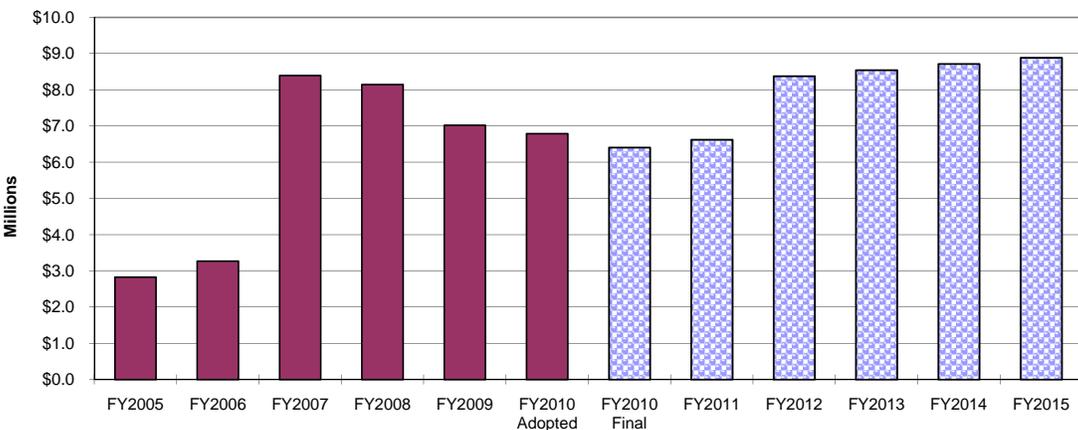
State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the State Shared Sales Tax. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,827,385	3,265,881	8,390,104	8,141,197	7,022,643	6,785,900

Forecast Assumptions

The FY2010 and FY2011 forecasts are based on year-over-year percent increase data from the League of Arizona Cities and Towns. The forecast for future years is based on population and revenue per capita. State shared sales tax is distributed based on population. The mid-decade census, completed in FY2007, accounts for the increase in the city's share of state sales tax. The 2010 census is expected to result in increased revenues beginning in FY2012 as the city share of total population increases.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	6,405,700	6,621,800	8,374,500	8,542,000	8,712,800	8,887,100



Highway Users Revenue Fund (HURF)

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
5,039,500	5,194,300	154,800	3%

Description

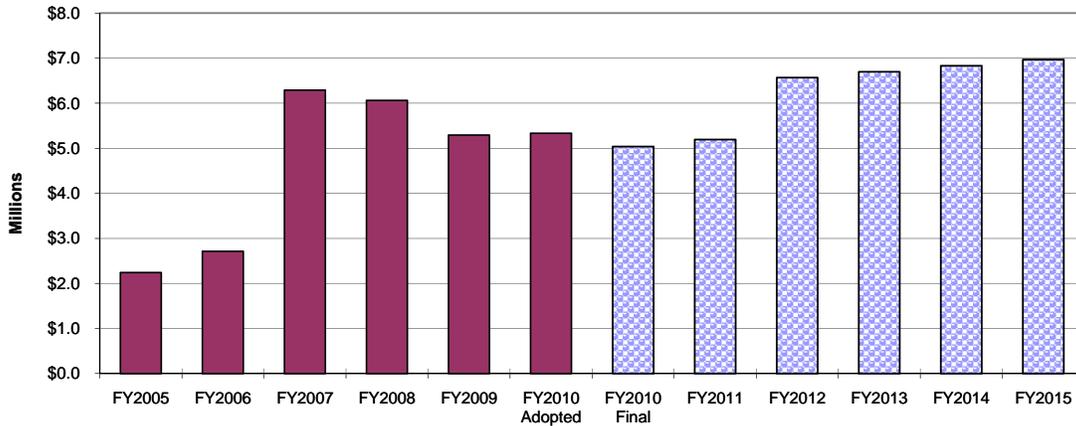
State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the Highway Users Revenue Fund (HURF). This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other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

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,242,575	2,713,655	6,293,129	6,064,115	5,295,936	5,334,200

Forecast Assumptions

The FY2010 and FY2011 forecasts are based on year-over-year percent increase data from the League of Arizona Cities and Towns. The forecast for future years is based on population and revenue per capita. HURF revenue is distributed based on population. The mid-decade census, completed in FY2007, accounts for the increase in the city's share of HURF revenues. The population is estimated to increase when the 2010 Census is completed in time for FY2012.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	5,039,500	5,194,300	6,569,100	6,700,500	6,834,500	6,971,200



Vehicle License Tax

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
2,975,600	3,066,900	91,300	3%

Description

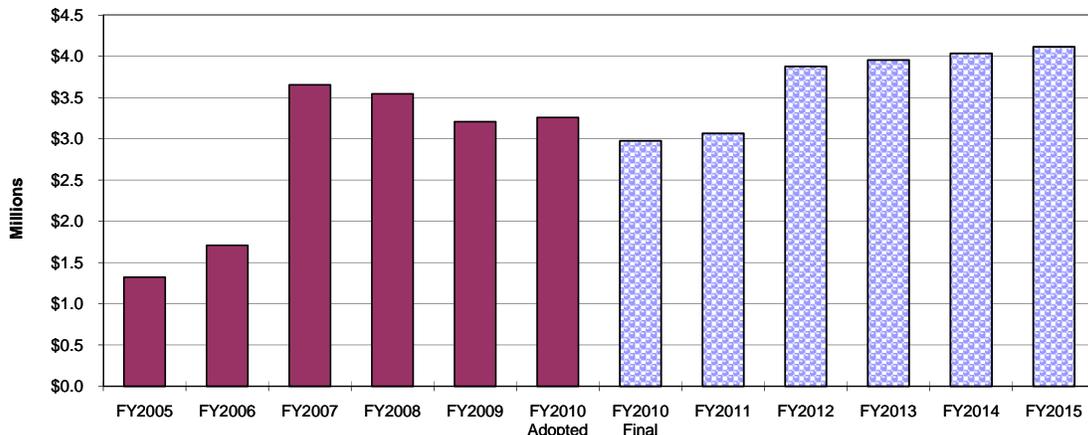
In lieu of a personal property tax on automobiles, the state imposes an annual vehicle license tax (VLT). These are state shared revenues and are distributed to cities and towns based generally on the population at the last census or special census. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,320,809	1,707,261	3,655,491	3,545,692	3,207,654	3,259,200

Forecast Assumptions

The FY2010 and FY2011 forecasts are based on year-over-year percent increase data from the League of Arizona Cities and Towns. The forecast for future years is based on population and revenue per capita. Vehicle license taxes are distributed based on population. The mid-decade census, completed in FY2007, accounts for the increase in the city's share of state sales tax. The population is estimated to increase when the 2010 Census is completed in time for FY2012.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	2,975,600	3,066,900	3,878,700	3,956,200	4,035,400	4,116,100



Local Transportation Assistance Fund (LTAF)

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
262,700	0	(262,700)	-100%

Description

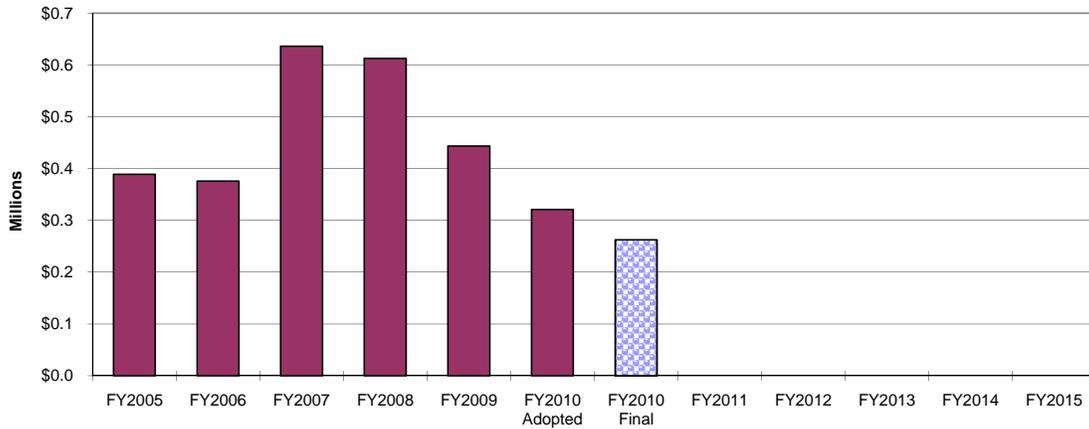
The source of this funding is the Arizona State Lottery and is received from disbursements from the local transportation assistance fund (LTAF). These revenues are recorded in the transit fund, which was established to track all revenues and expenditures associated with providing transit services within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

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	388,970	375,811	636,007	612,270	443,564	320,700

Forecast Assumptions

In February 2010, the distribution of these funds to the cities was discontinued by the state legislature, reducing this source to zero in FY2011. Projected revenues for FY2010 are based on actual receipts before the redistribution of this funding source by the state legislature. The large reduction between FY2009 actuals and FY2010 adopted budget is due to funding modifications made by the State of Arizona. FY2007 and FY2008 include LTAF II funds received.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	262,700	0	0	0	0	0



Indirect Cost Assessment

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
2,746,700	3,660,700	914,000	33%

Description

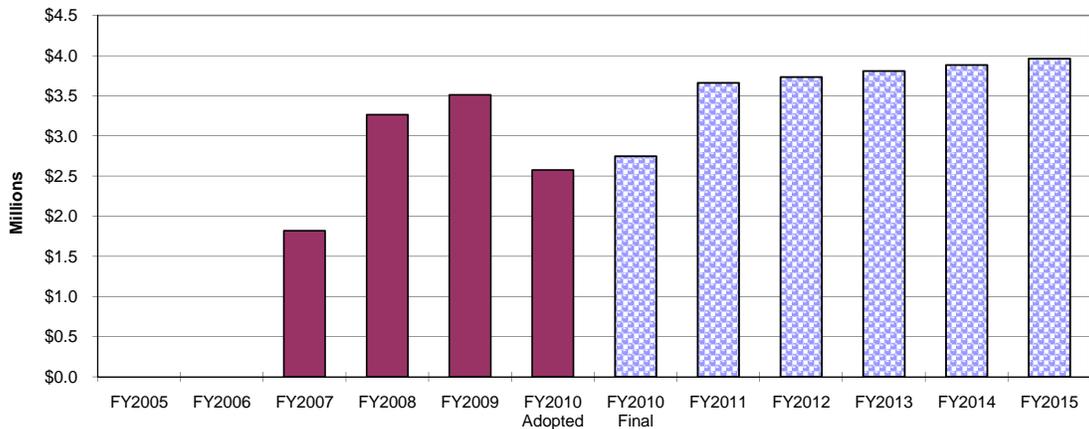
Indirect expenses incurred by the general fund on behalf of the enterprise funds (water, waste water, and sanitation) are recovered through the indirect cost assessment and are recorded as a revenue in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	1,818,600	3,264,900	3,511,100	2,577,000

Forecast Assumptions

Indirect cost assessments are calculated by a third party through the annual update to the Full Cost Central Services Cost Allocation Plan and are based on the last completed fiscal year. A greater portion of the general fund costs from FY2008 were allocated to the general fund during the FY2010 update than in the prior years, leading to the decrease in revenue from the enterprise funds. The FY2009 study used for the FY2011 indirect allocation, featured an improved allocation basis that more accurately reflected the amount of general fund support of the enterprise funds.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	2,746,700	3,660,700	3,734,000	3,808,700	3,885,000	3,962,700



Parks and Recreation Program Fees

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
2,179,700	2,204,900	25,200	1%

Description

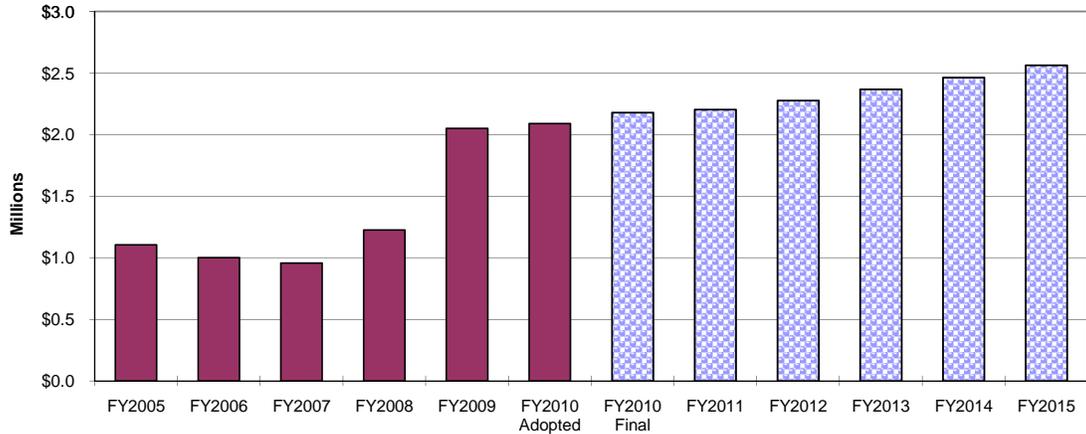
This source reflects revenue collected from fees charged by the Community and Recreation Services Department to participate in the various recreational programs offered by the city. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,104,778	1,001,409	957,535	1,225,528	2,050,611	2,089,700

Forecast Assumptions

Forecasts are based on the Community and Recreation Services Department estimates of revenue per participant for recreation programs, aquatics programs, and special events. Special events and recreation participants reflect only revenue generating programs and events. Revenues increased from FY2008 to FY2009 with the addition of the revenue generating Cancer Treatment Centers of America Tennis Tournament.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	2,179,700	2,204,900	2,277,100	2,369,000	2,464,700	2,564,400



Court Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
1,986,200	2,915,700	929,500	47%

Description

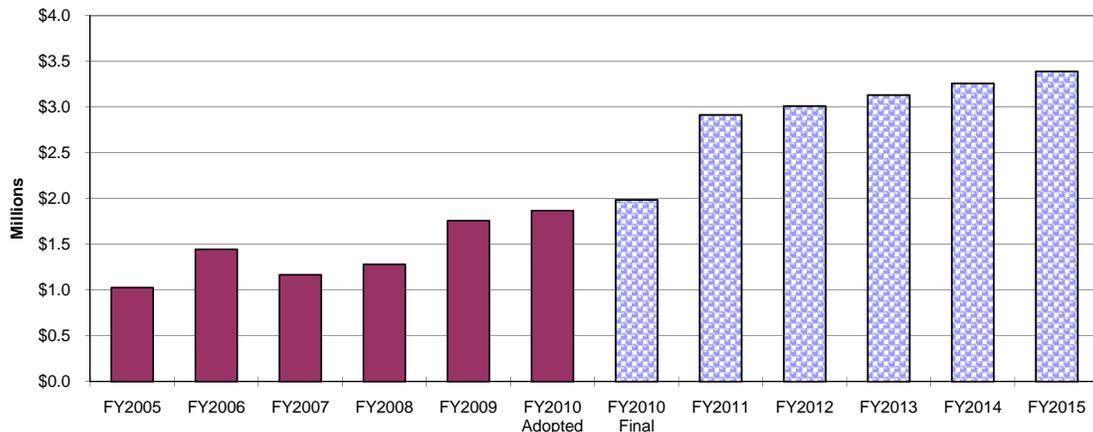
This revenue is generated by all court imposed fines collected by the City Court. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,027,952	1,444,508	1,168,244	1,281,739	1,757,682	1,868,700

Forecast Assumptions

The forecast is based on revenue per court case where the number of court cases is relative to population growth. Population is expected to increase by 3.0% in FY2011, 1.25% in FY2012, and 2% per year thereafter. Court fee rates were revised for FY2010. Projected court revenue per case for FY2010 is based on year-to-date trends. The projected revenue per case increases in FY2011 for anticipated photo radar revenue (\$923,900) that will be offset by a corresponding expense in the Police Department.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	1,986,200	2,915,700	3,011,200	3,132,700	3,259,300	3,391,100



Campus Operations

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
1,501,100	1,531,100	30,000	2%

Description

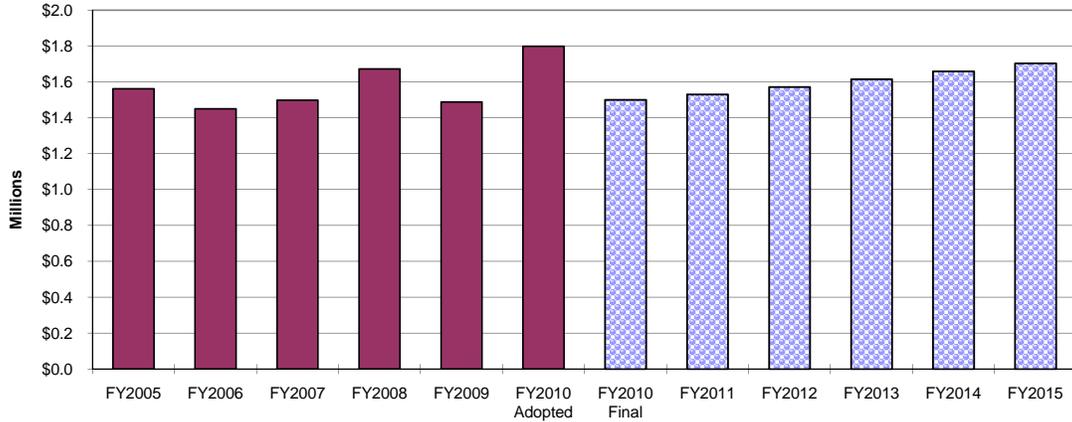
The source reflects the revenue associated with the operational activities of spring training and the sports campus located at Surprise Center. Included in the revenue is the city's share of the ticket and concession revenue distributed from Spring Training. These revenues are recorded in the campus operations fund through FY2010 and are recorded in the general fund beginning FY2011.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,562,642	1,450,581	1,499,161	1,673,274	1,488,378	1,799,500

Forecast Assumptions

The forecast is based on the number of spring training attendees and the projected revenue per attendee as estimated by the Community and Recreation Services Department. The number of stadium rental contracts and projected revenue per contract is also factored into the forecast. The number of spring training games per season varies resulting in fluctuations from year to year. The FY2010 budget includes \$500,000 budgeted as an unforeseen revenue. This will be included in the city-wide contingency for FY2011 rather than being budgeted in this source.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	1,501,100	1,531,100	1,572,800	1,615,500	1,659,200	1,704,100



Police Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
801,000	881,000	80,000	10%

Description

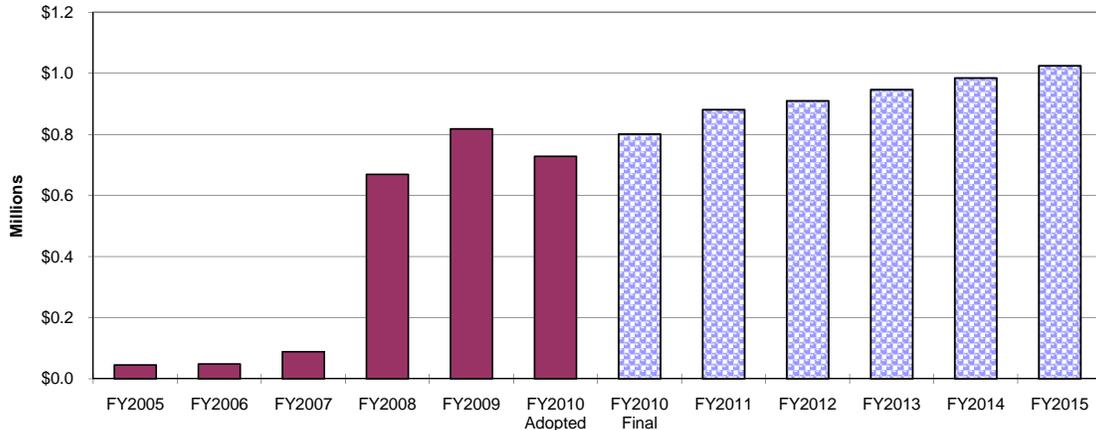
This revenue source reflects the revenue collected by the Police Department, including off-duty fees, vehicle impound fees, finger printing, reimbursement for intergovernmental assignments, and El Mirage dispatch fees. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	45,129	48,655	88,240	669,051	818,244	728,300

Forecast Assumptions

The police revenue forecast is based on projections of individual revenue sources based on year-to-date trends and known contracts. In FY2008, the city of Surprise entered in to an intergovernmental agreement with the city of El Mirage and agreed to provide emergency dispatch to the city for a fee. The fee revenue is recorded in this category. In FY2011, the jail fees previously recorded in the court category, are moved to the police category to align revenue with expenditures.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	801,000	881,000	909,900	946,600	984,900	1,024,700



Fire Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
795,800	858,200	62,400	8%

Description

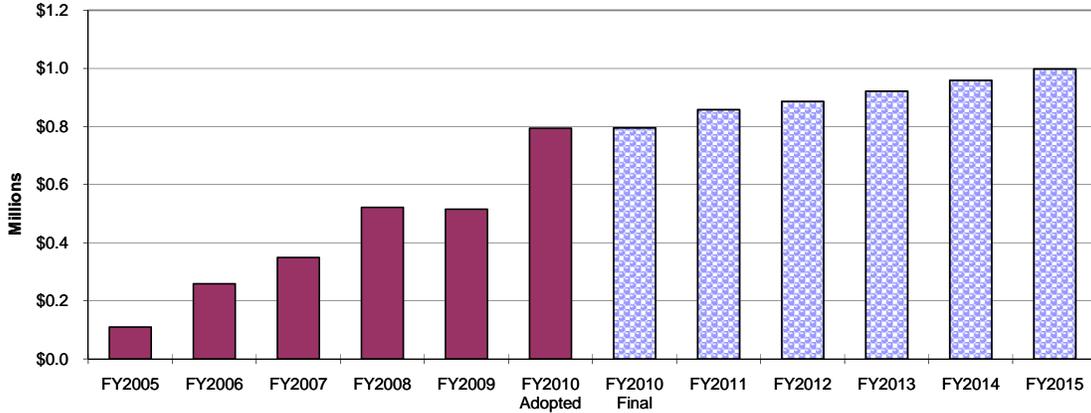
This revenue source reflects revenue related to Fire Department activities. Sources include fire insurance premium tax, wild land fire intergovernmental revenue, and Helicopter Air-Medical and Logistics Operations (HALO) intergovernmental revenue. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	109,855	258,765	349,362	521,466	515,291	794,300

Forecast Assumptions

The fire revenue forecast is based on projections of individual revenue sources based on year-to-date trends and known contracts. The revenue increases in FY2010 for the fire insurance premium tax which was previously net out of retirement expenditures. FY2011 revenue increases for revenue associated with an intergovernmental agreement for the provision of dispatch services to Southwest Ambulance. This revenue will be offset by a corresponding expense.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	795,800	858,200	886,300	922,100	959,300	998,100



Community Development Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
1,075,200	680,600	(394,600)	-37%

Description

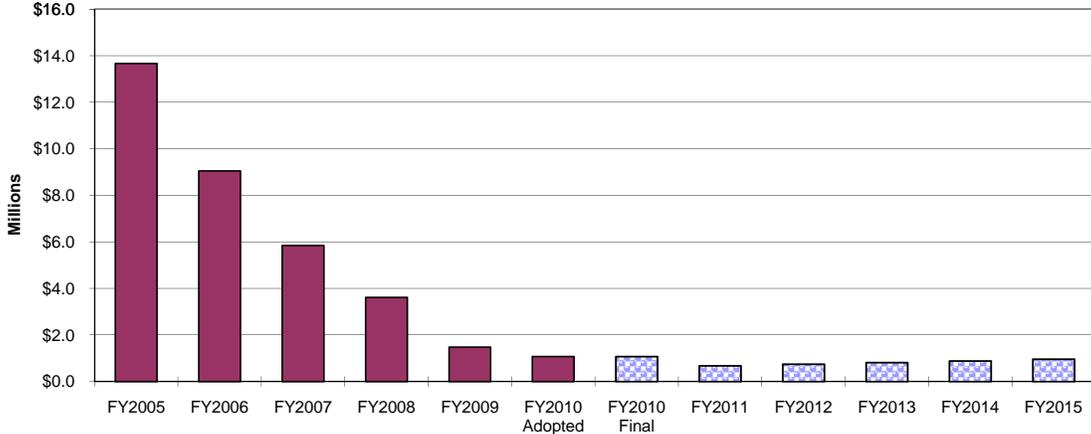
This source reflects fees collected by the city or Surprise including building inspection fees, permit fees, plan review fees, and fire fees related to new construction activities. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	13,663,797	9,044,539	5,847,122	3,617,438	1,481,772	1,075,200

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	1,075,200	680,600	746,700	815,300	886,200	959,700



All Other Operating Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
503,600	533,700	30,100	6%

Description

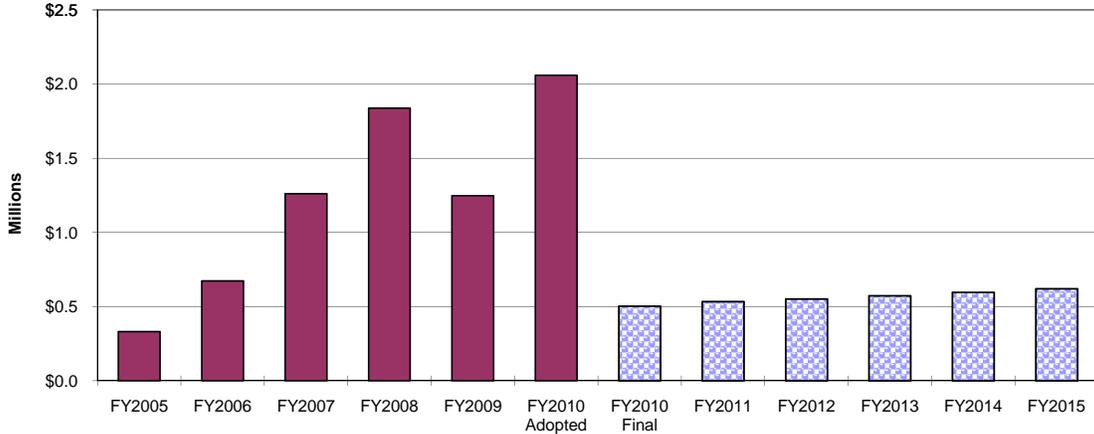
This source includes all other operating revenue collected by the city of Surprise for various programs and services provided on a day to day basis. These revenues are recorded in the general fund, the highway users revenue fund, and the transit fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	331,227	673,394	1,261,041	1,838,461	1,248,066	2,059,000

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	503,600	533,700	551,200	573,400	596,600	620,700



In Lieu Property Tax

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
0	500,000	500,000	-

Description

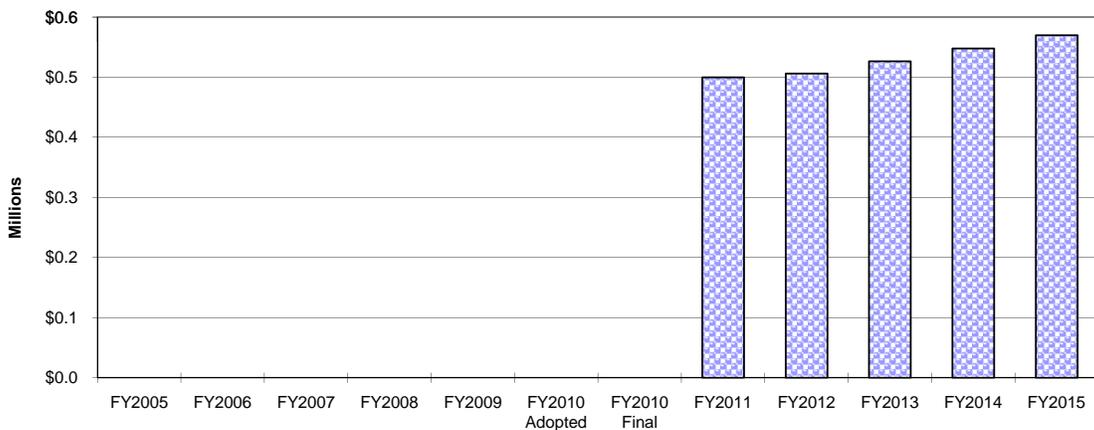
This source reflects a transfer from the enterprise funds (water, wastewater, and sanitation) to the general fund as a payment in lieu of property taxes (PILOT).

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	0	0	0	0

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	0	500,000	506,200	526,700	548,000	570,100



Interest Income

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
151,600	254,300	102,700	68%

Description

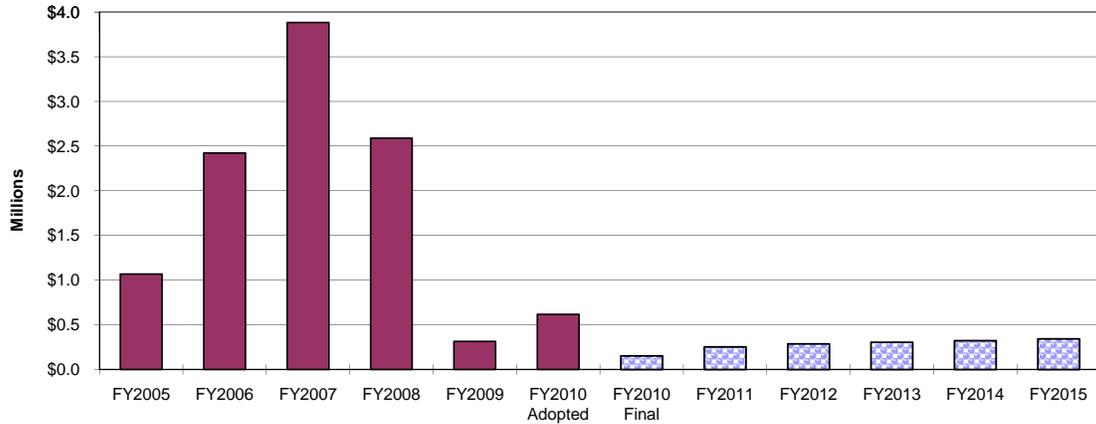
This source includes all interest income earned by the city of Surprise in the operating funds. These revenues are recorded in the general fund, the highway users revenue fund, and the transit fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,067,760	2,423,074	3,883,165	2,588,058	314,281	616,100

Forecast Assumptions

FY2009 and FY2010 reflect the result of a recessionary economy with historically low interest rates. The increase in FY2011 is result of a contract with an investment firm to more actively manage investments.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	151,600	254,300	287,800	304,900	323,300	343,000



Public Works Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
354,000	232,600	(121,400)	-34%

Description

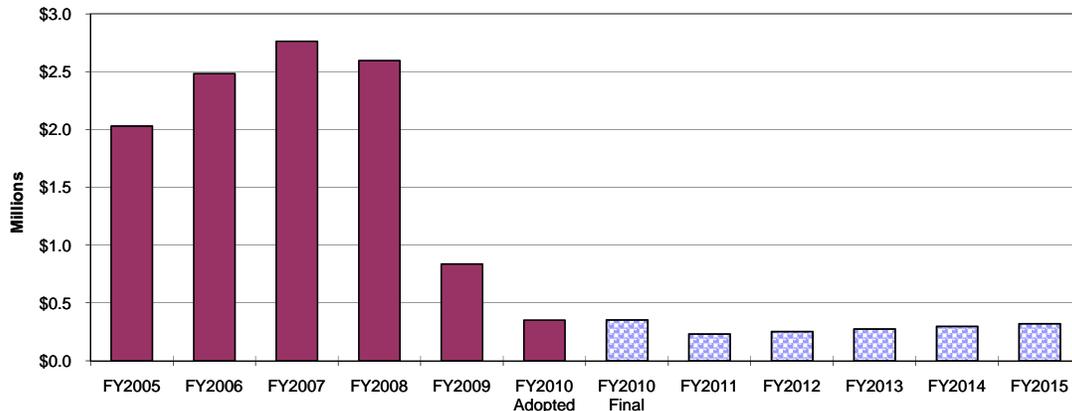
This source reflects revenue collected for engineering and permit fees related to residential and commercial construction activities. These revenues are recorded in the general fund. This source also includes Dial-a-Ride Transportation (DART) fees. These revenues are recorded in the transit fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,029,626	2,484,172	2,762,716	2,596,674	837,443	352,000

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	354,000	232,600	253,500	275,100	297,500	320,600



Grant Revenue

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
1,866,000	89,800	(1,776,200)	-95%

Description

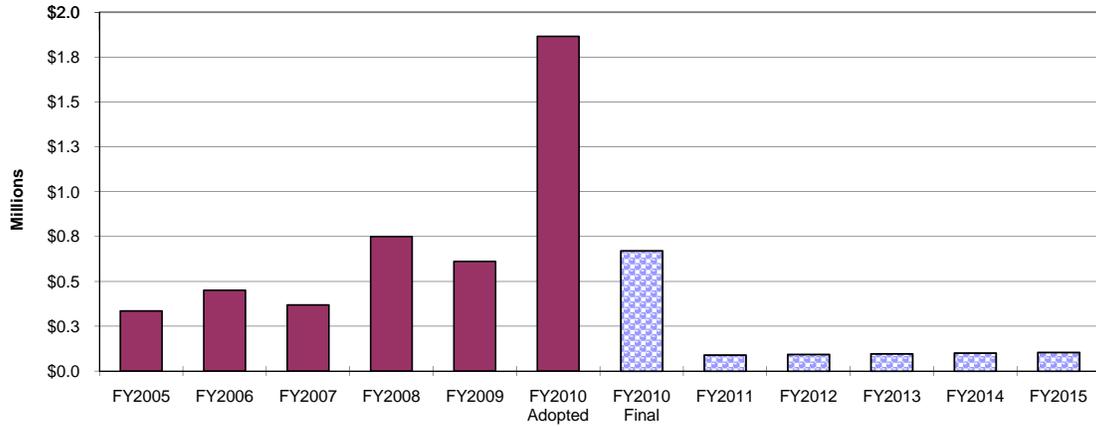
This source includes all other grant revenue awarded to the city of Surprise by various federal, state, and local agencies for a specific purpose. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	334,961	450,830	368,515	749,421	611,486	1,866,000

Forecast Assumptions

The forecast for FY2010 is based on year-to-date grants awarded. The FY2011 forecast is based on known recurring grants. Grants awarded mid-year are presented to the Mayor and Council for approval of an unforeseen revenue transfer.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	670,500	89,800	92,700	96,500	100,400	104,400



Primary Property Tax

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
6,858,400	7,224,100	365,700	5%

Description

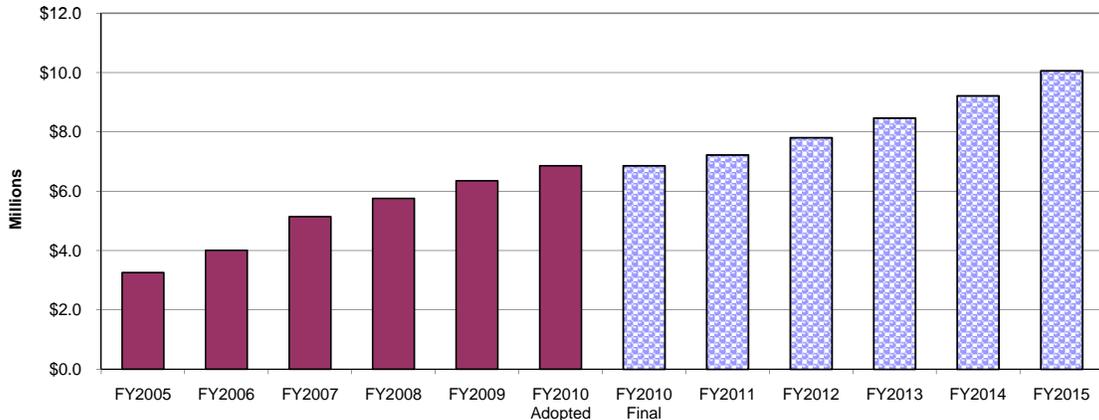
This source reflects the primary property tax levied for general government operations. State statute restricts the total levy to a maximum 2% annual increase plus an increase for any new construction and/or annexation. These revenues are recorded in the general fund. The FY2011 levy rate is \$0.67 per \$100 of assessed valuation.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	3,258,615	4,008,424	5,139,517	5,759,123	6,349,918	6,859,500

Forecast Assumptions

The FY2011 forecast is based on calculations from data from the Maricopa County Assessor's Office. The FY2011 forecast excludes the allowable 2% base levy increase. Revenue increases for FY2011 are based on anticipated building permit completions. Forecasts in the future years are based on population and revenue per capita.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	6,858,400	7,224,100	7,803,800	8,467,200	9,218,700	10,062,800



Arizona Public Service (APS) Franchise Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
2,165,200	2,274,900	109,700	5%

Description

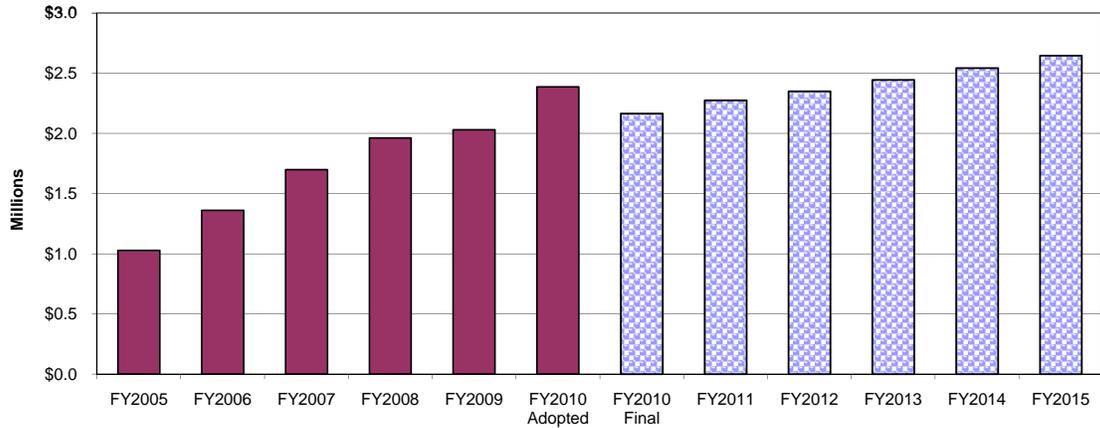
The fee is 2% of revenue earned by the Arizona Public Service (APS) electric utility company operating within the city of Surprise. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,028,483	1,360,305	1,698,890	1,962,616	2,029,779	2,387,200

Forecast Assumptions

The forecast for FY2010 is based on year-to-date trends. The percent increase over the prior year (5%) is held constant after FY2010. The demand for electricity has not decreased with reduced household income due to the current economic recession.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	2,165,200	2,274,900	2,349,400	2,444,200	2,543,000	2,645,800



Cox Communications Cable Franchise Fees

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
1,020,500	1,020,500	0	0%

Description

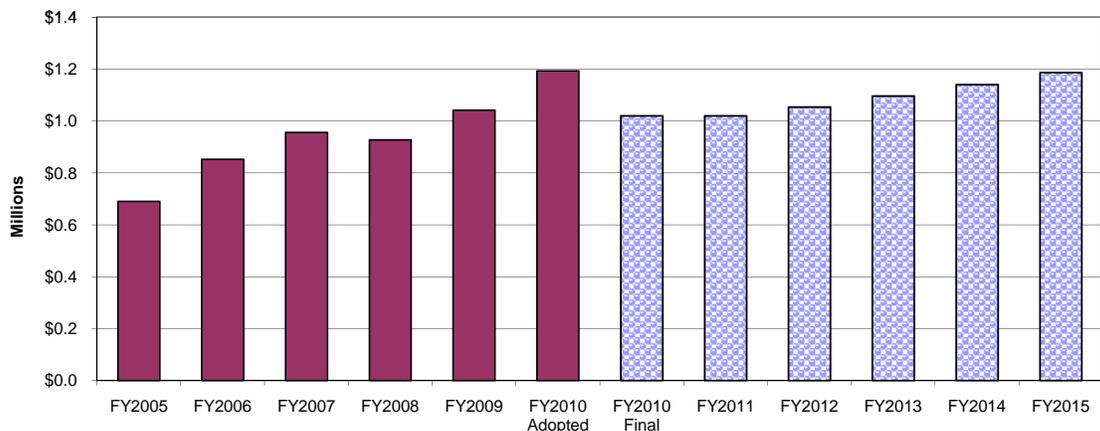
The fee is 5% of revenue earned by the Cox Communications cable utility company operating within the city of Surprise. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	690,208	852,435	956,108	927,547	1,042,123	1,193,500

Forecast Assumptions

The forecast for FY2010 is based on year-to-date trends. The percent increase over the prior year (5%) is held constant after FY2011. The demand for cable is expected to decrease with reduced household income due to the current recession as shown in FY2008 and FY2010. The forecast for FY2011 is estimated to remain level with FY2010.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	1,020,500	1,020,500	1,053,900	1,096,500	1,140,800	1,186,900



Business License Revenue

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
470,000	484,100	14,100	3%

Description

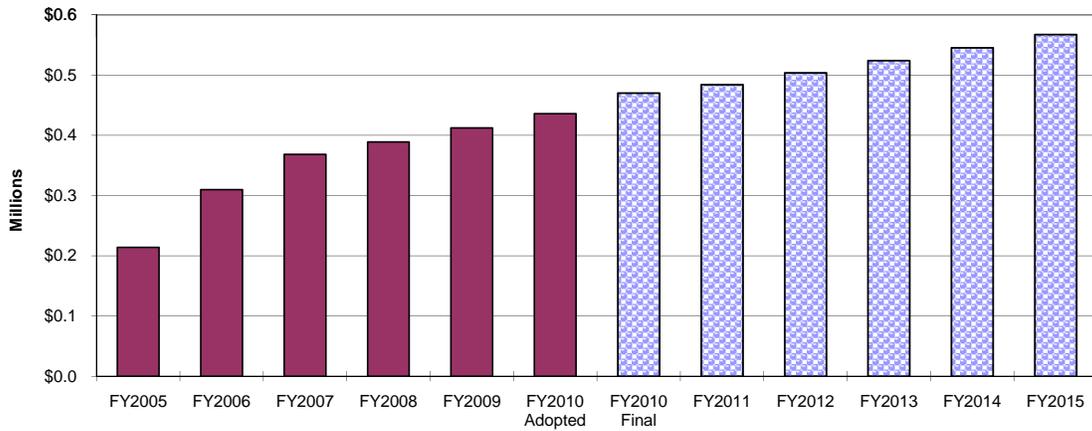
This source reflects the revenue received for licenses permitting businesses to operate within the city of Surprise. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	213,712	309,697	368,332	388,847	412,276	435,800

Forecast Assumptions

The FY2011 forecast is based on a 1% increase in the number of business licenses (72 licenses).

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	470,000	484,100	503,600	524,000	545,200	567,200



Southwest Gas Franchise Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
348,000	365,600	17,600	5%

Description

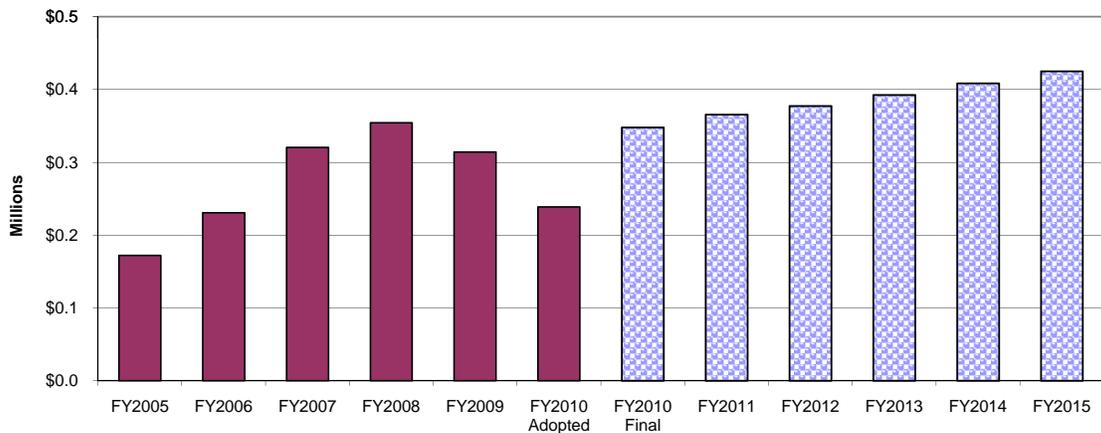
The fee is 2% of revenue earned by the Southwest Gas utility company operating within the city of Surprise. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	172,108	230,671	320,535	354,442	314,091	238,700

Forecast Assumptions

The forecast for FY2010 is based on year-to-date trends. The percent increase over the prior year (5%) is held constant after FY2010.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	348,000	365,600	377,500	392,800	408,700	425,200



American Water Franchise Fee

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
285,800	300,200	14,400	5%

Description

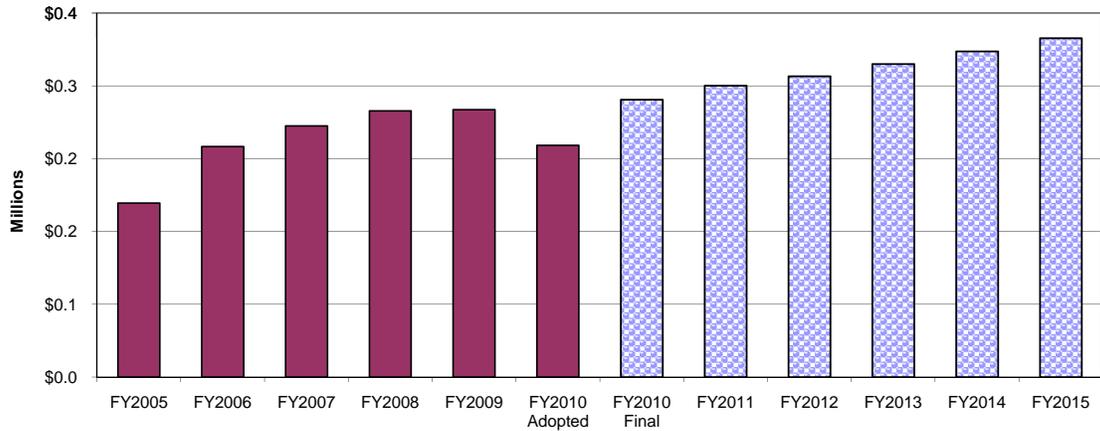
The fee is 2% of revenue earned by the American Water utility company operating within the city of Surprise. About two-thirds of all water customers are served by American Water. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	179,177	237,474	258,851	274,326	275,502	238,700

Forecast Assumptions

The forecast for FY2010 is based on year-to-date trends. The percent increase over the prior year (5%) is held constant after FY2010.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	285,800	300,200	310,100	322,600	335,600	349,200



City of Surprise Water Franchise Fee

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
217,100	223,600	6,500	3%

Description

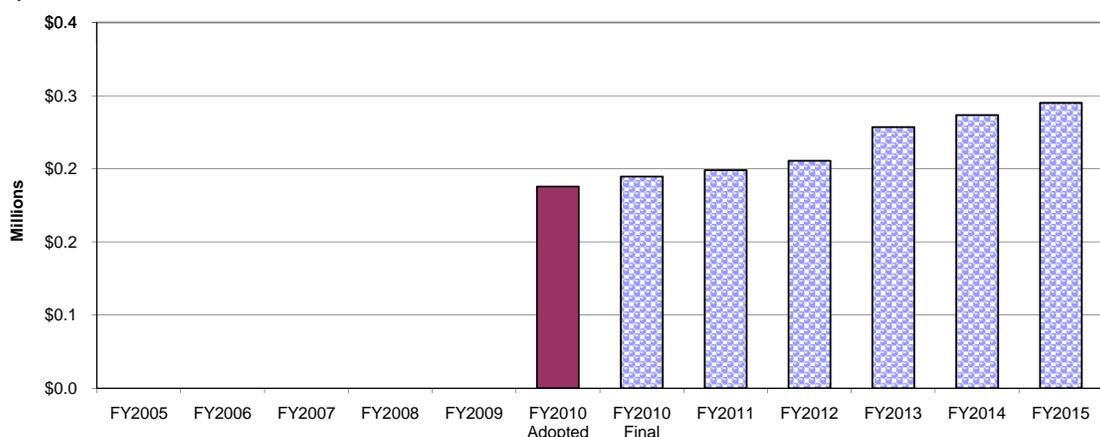
The fee is 2% of revenue earned by the water utility operated by the city of Surprise and is paid in lieu of a franchise fee charged to a franchised utility operating in the city. This fee was initiated for the FY2010 budget. About one-third of all water customers are served by the city of Surprise. This source is transferred from the water operations fund to the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	0	0	0	206,700

Forecast Assumptions

The city of Surprise water franchise fee is programmed as 2% of gross operating revenues of the water operations fund.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	217,100	223,600	233,300	267,900	280,100	292,800



City of Surprise Wastewater Franchise Fee

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
287,500	296,200	8,700	3%

Description

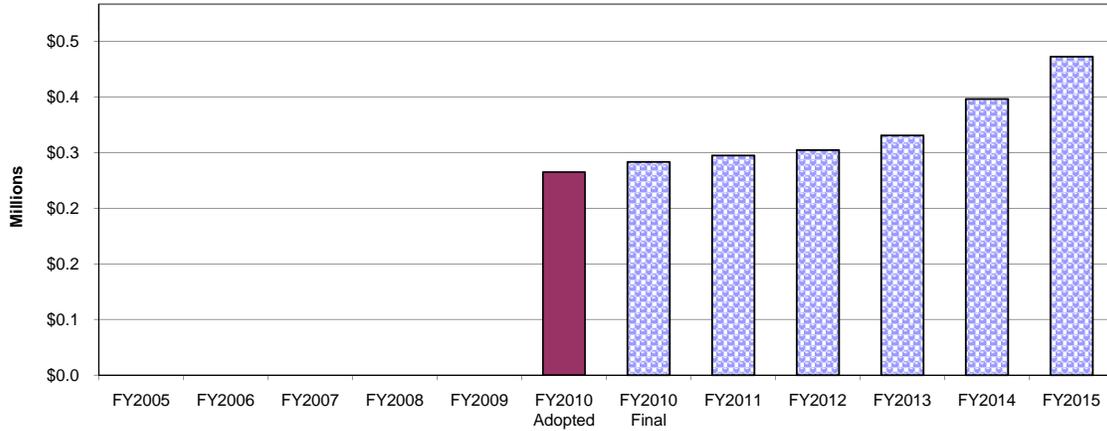
The fee is 2% of revenue earned by the wastewater utility operated by the city of Surprise and is paid in lieu of a franchise fee charged to a franchised utility operating in the city. This fee was initiated for the FY2010 budget. The city is the only wastewater service provider. This source is transferred from the waste water operations fund to the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	0	0	0	273,800

Forecast Assumptions

The city of Surprise wastewater franchise fee is programmed as 2% of gross operating revenues of the wastewater operations fund.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	287,500	296,200	303,400	323,200	372,500	429,300



Sanitation Hauler's License

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
54,000	54,000	0	0%

Description

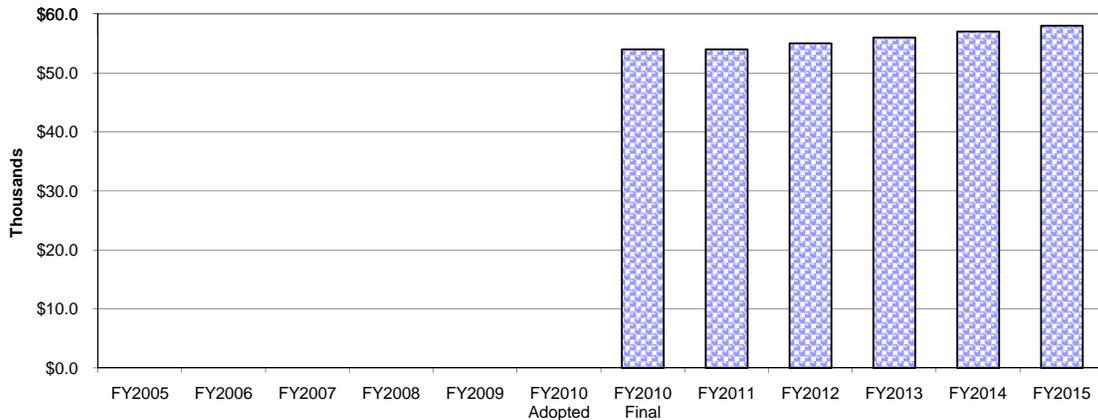
This source reflects the revenue for sanitation hauler's licenses charged per vehicle to all sanitation providers operating within the city of Surprise. These revenues are recorded in the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	0	0	0	0

Forecast Assumptions

This fee was initiated by an action of the Mayor and City Council on February 25, 2010 (Resolution No. 2010-23). An increase in the license amount is not anticipated.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	54,000	54,000	55,000	56,000	57,000	58,000



City of Surprise Sanitation Hauler's License

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
20,000	20,000	0	0%

Description

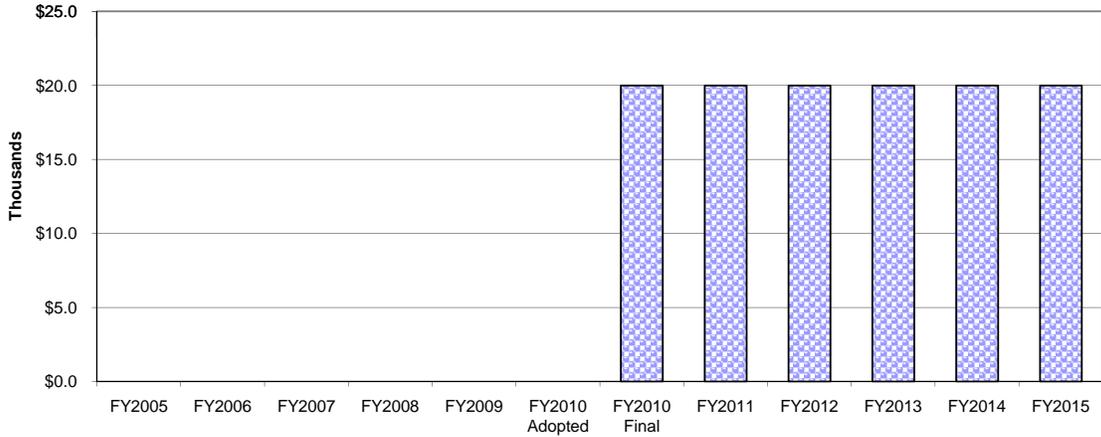
This source reflects the sanitation hauler's licenses charged per vehicle to city of Surprise sanitation operations. This source is transferred from the sanitation operations fund to the general fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	0	0	0	0

Forecast Assumptions

This fee was initiated by an action of the Mayor and Council on February 25, 2010 (Resolution No. 2010-23).

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	20,000	20,000	20,000	20,000	20,000	20,000



Wastewater Service Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
14,551,900	14,769,400	217,500	1%

Description

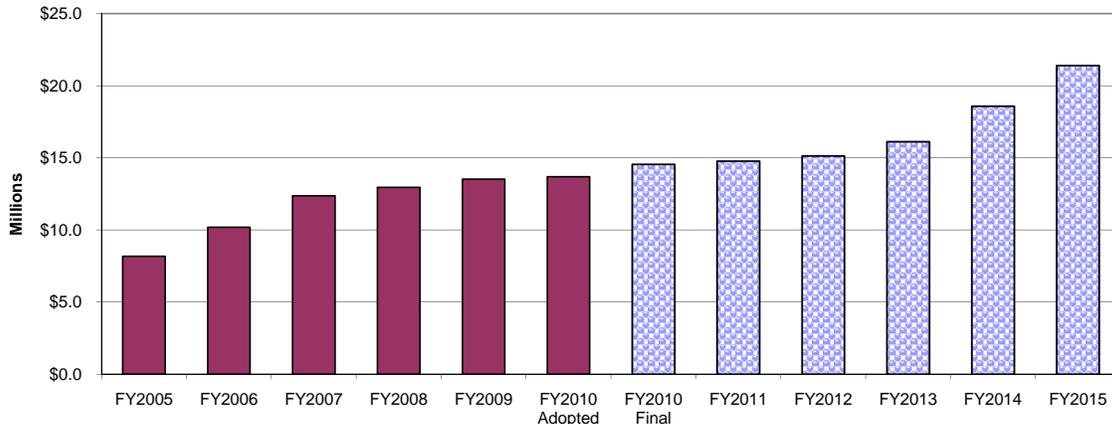
This source reflects the user charges collected from users of the city of Surprise wastewater service. The city is the only wastewater service provider. These revenues are recorded in the wastewater service fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	8,163,690	10,187,758	12,361,727	12,943,202	13,519,397	13,690,900

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	14,551,900	14,769,400	15,128,600	16,116,800	18,571,800	21,404,800



Water Service Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
9,505,600	9,761,400	255,800	3%

Description

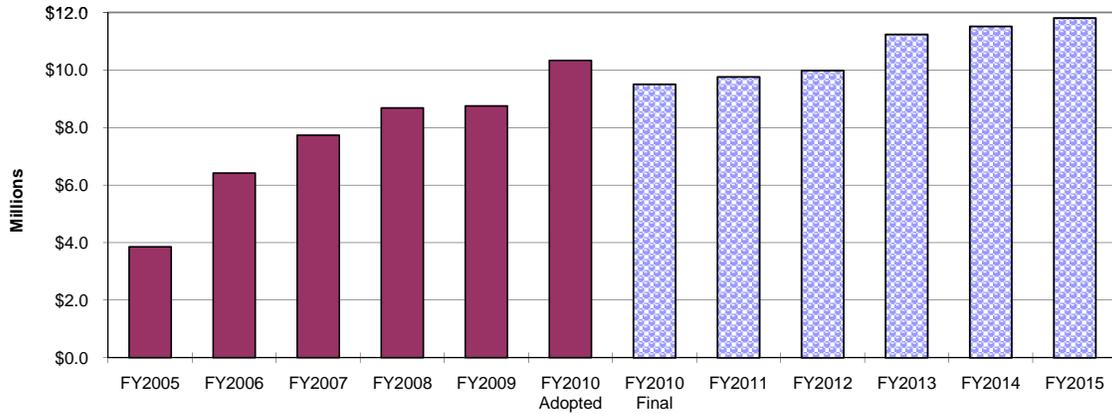
This source reflects the user charges collected from users of the city of Surprise water service in a tiered rate structure. The city serves about one-third of all water customers. These revenues are recorded in the water service fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	3,857,438	6,416,610	7,737,626	8,683,420	8,751,802	10,335,900

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	9,505,600	9,761,400	9,983,500	11,242,600	11,521,700	11,809,600



Sanitation Service Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
5,741,000	6,043,700	302,700	5%

Description

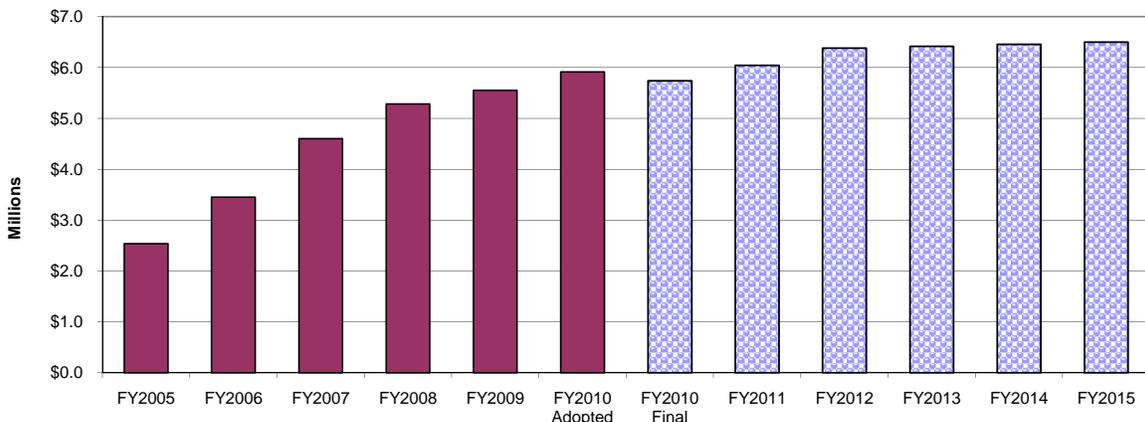
This source reflects the user charges collected from users of the city of Surprise sanitation service. These revenues are recorded in the sanitation service fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,535,747	3,451,396	4,599,920	5,281,116	5,549,225	5,911,500

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	5,741,000	6,043,700	6,384,100	6,418,000	6,456,300	6,499,200



Water Replenishment Service Fee

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
0	0	0	0%

Description

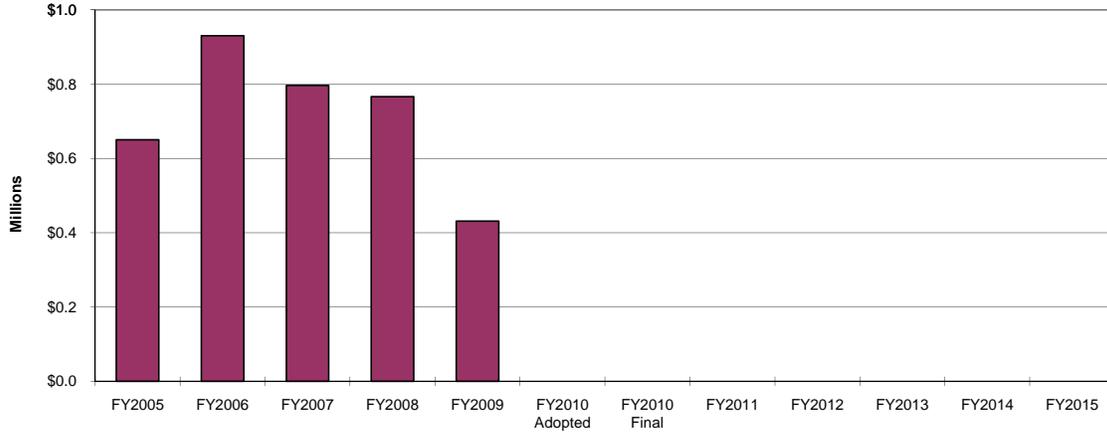
This source reflects the user charges collected from users of the city of Surprise water replenishment service. These revenues were recorded in the water replenishment service fee fund before it was discontinued in January 2009. Activities formerly funded by this source have been merged with the water service fee fund and the wastewater service fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	650,604	930,460	796,498	766,596	431,398	0

Forecast Assumptions

The water replenishment service fee fund was discontinued in January 2009.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Total Revenue	0	0	0	0	0	0



Transportation Improvement Tax

FY2010 Final	FY2011 Adopted	\$ Inc/(Dec)	% Inc/(Dec)
1,855,400	1,704,500	(150,900)	-8%

Description

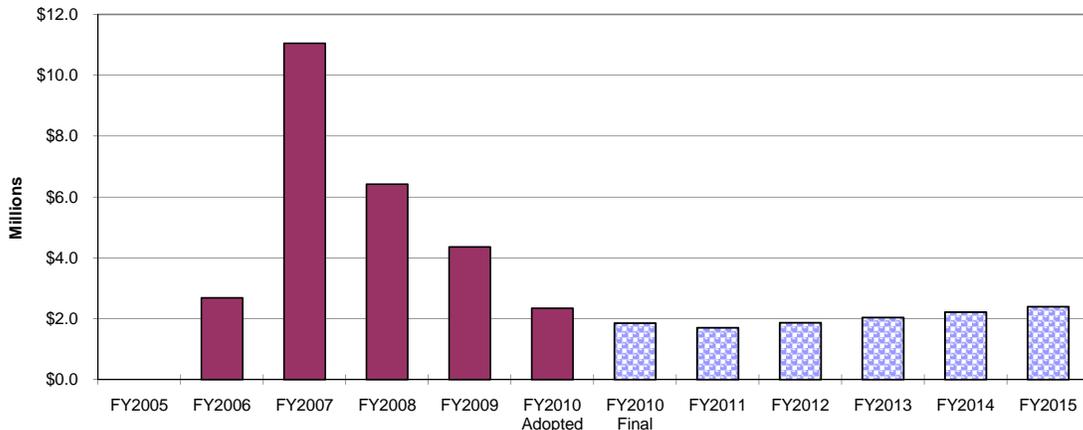
This source reflects a 1.5% local construction transaction tax adopted by the Mayor and City Council. This tax is dedicated for the improvement of existing roadway corridors and costs related to the construction of new roadways. These revenues are recorded in the transportation improvement fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	2,681,844	11,052,892	6,420,536	4,358,905	2,340,900

Forecast Assumptions

The transportation improvement tax represents 68% of the construction sales tax revenues. The FY2010 final amount includes \$150,900 of one-time local transportation assistance fund II (LTAF II) that will be used for the Park and Ride Capital Improvements Plan project funded in the transportation improvement fund.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	1,855,400	1,704,500	1,865,300	2,036,500	2,213,700	2,397,300



Wastewater Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
1,342,900	954,300	(388,600)	-29%

Description

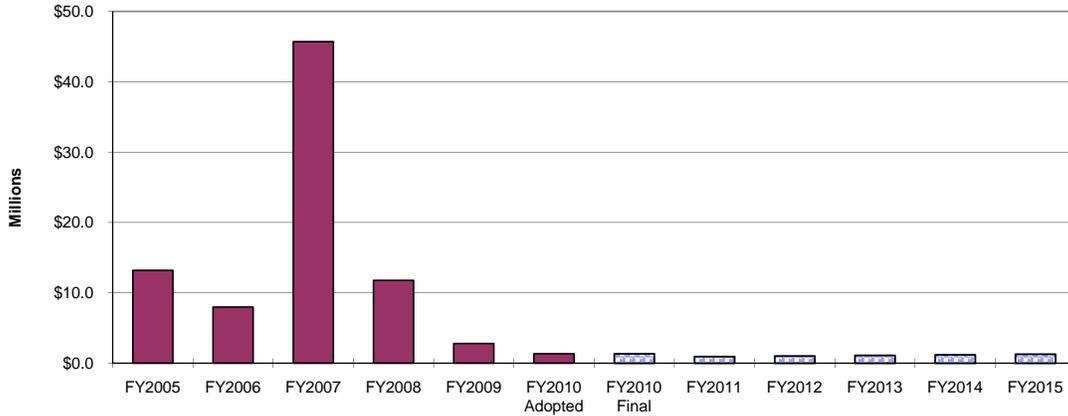
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing wastewater related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-18. These revenues are recorded in the wastewater development impact fee funds.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	13,180,695	7,967,098	45,692,483	11,776,234	2,796,143	1,337,300

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	1,342,900	954,300	1,038,400	1,122,500	1,202,500	1,282,600



Fire and EMS Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
309,200	416,200	107,000	35%

Description

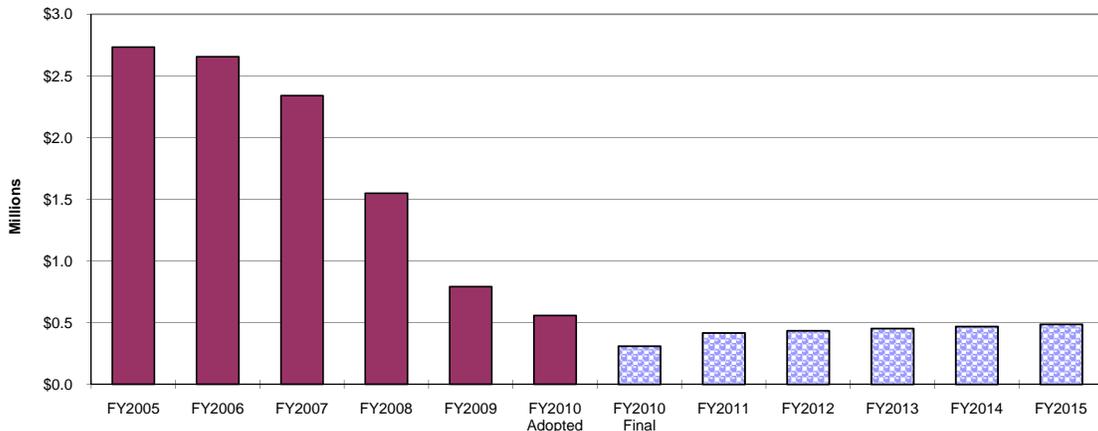
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing fire and emergency facilities and services to the community. This revenue is collected specifically to fund growth related activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-22. These revenues are recorded in the fire and EMS development impact fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,732,689	2,655,263	2,339,585	1,548,612	791,619	557,400

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	309,200	416,200	433,800	451,500	469,100	486,800



Public Works Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
395,500	362,000	(33,500)	-8%

Description

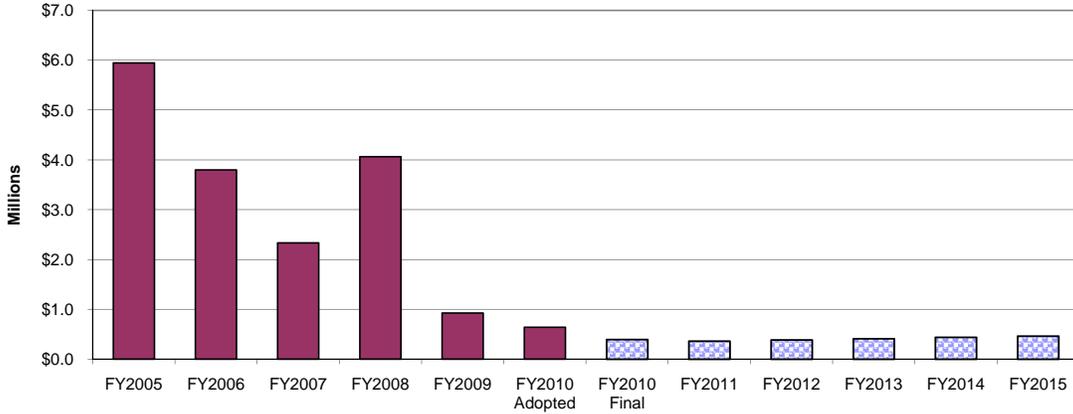
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing public works facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-23. These revenues are recorded in the public works development impact fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	5,944,360	3,796,645	2,334,977	4,064,851	926,136	640,600

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	395,500	362,000	387,000	411,900	436,900	461,800



General Government Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
281,200	348,200	67,000	24%

Description

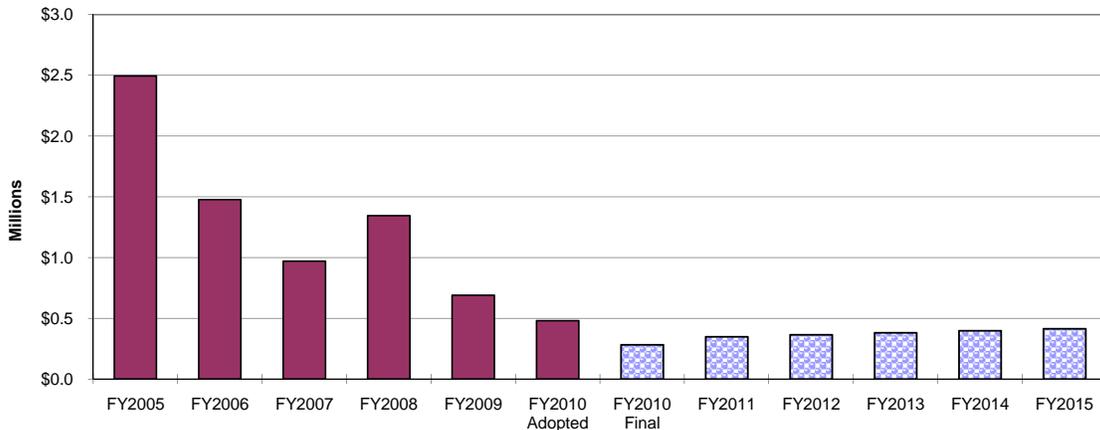
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with general government activities. This revenue is collected specifically to fund growth related activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-24. These revenues are recorded in the general government development impact fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,494,928	1,476,440	970,094	1,344,928	688,951	480,400

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	281,200	348,200	364,700	381,200	397,700	414,300



Parks and Recreation Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
554,900	240,800	(314,100)	-57%

Description

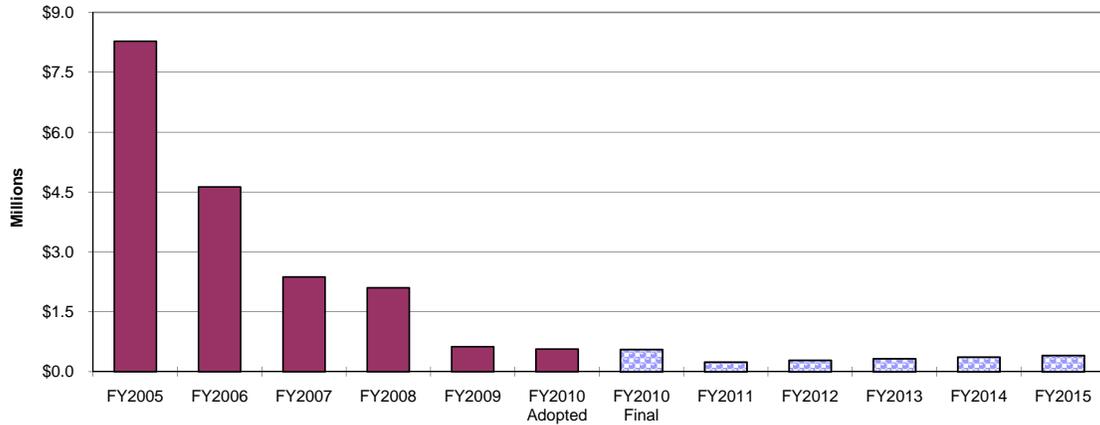
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing parks and recreation facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-20. These revenues are recorded in the parks & recreation development impact fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	8,277,665	4,627,284	2,372,708	2,101,227	627,627	567,800

Forecast Assumptions

The revenue forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and multi-family residential permits issued. This source has been decreasing due to reduced construction activity from the current recession.

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	554,900	240,800	284,500	325,100	365,800	406,400



Water Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
367,100	185,400	(181,700)	-49%

Description

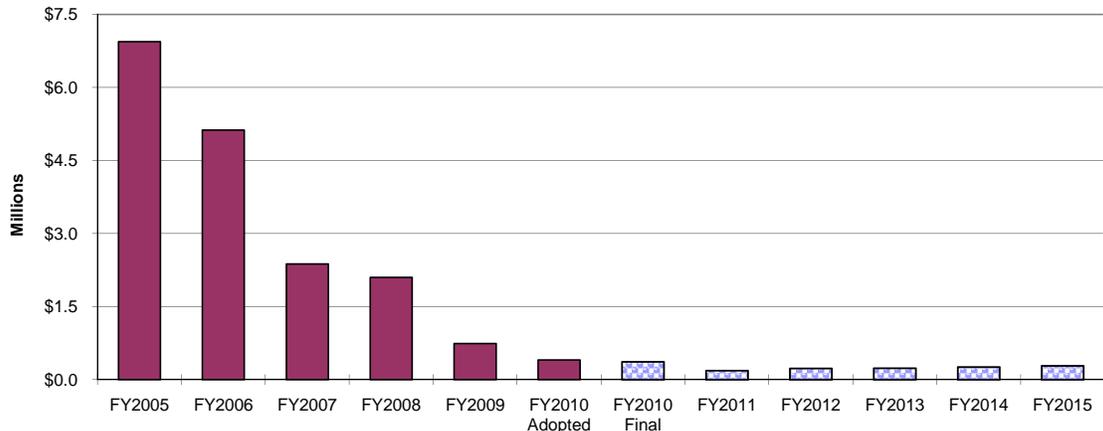
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing water related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-16. These revenues are recorded in the water development impact fee funds.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	6,940,661	5,126,431	2,375,236	2,099,090	741,095	403,900

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	367,100	185,400	230,200	234,100	258,400	282,800



Roads of Regional Significance

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
53,300	0	(53,300)	-100%

Description

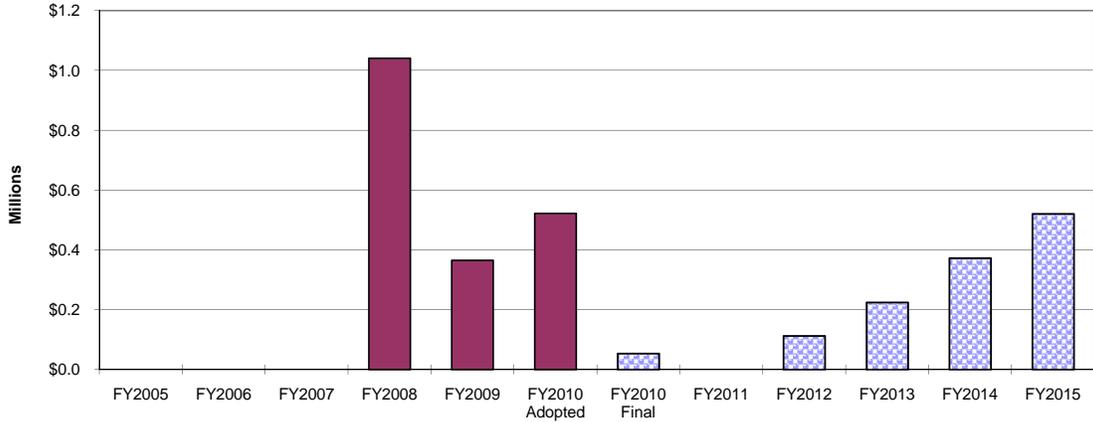
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with roads of regional significance. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-25.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

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	0	0	0	1,040,455	364,895	521,500

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	53,300	0	112,200	224,300	372,500	520,600



Replenishment Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
256,600	134,800	(121,800)	-47%

Description

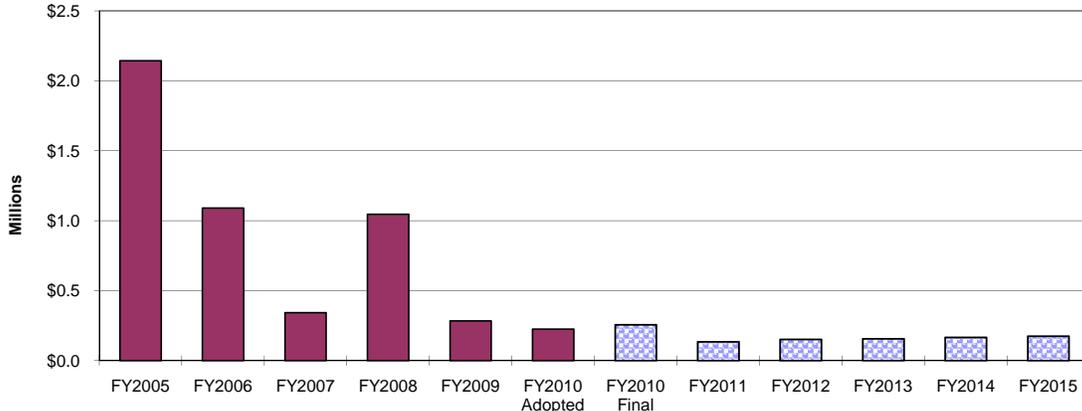
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing water replenishment related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-15. These revenues are recorded in the water replenishment development impact fee funds.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	2,143,323	1,090,641	341,941	1,045,337	283,846	224,300

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	256,600	134,800	151,400	156,800	165,600	174,400



Police Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
142,900	119,100	(23,800)	-17%

Description

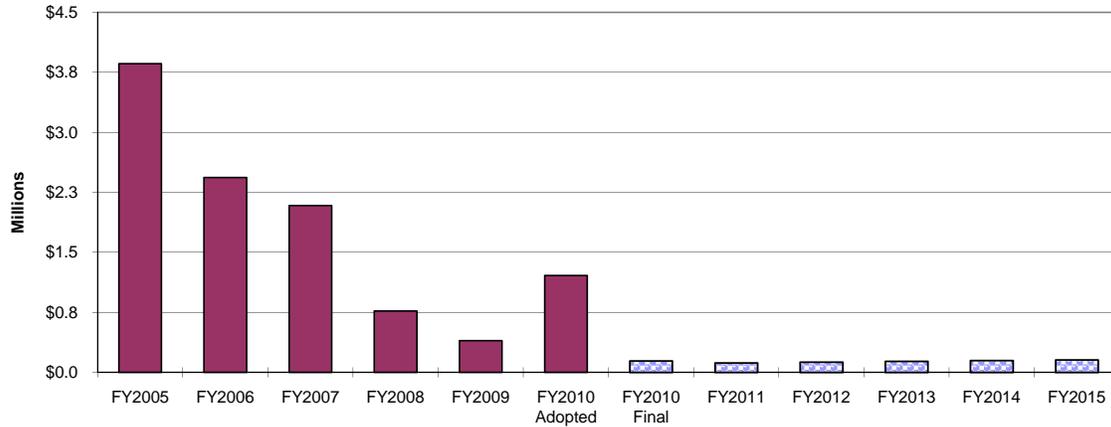
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing police facilities and services to the community. This revenue is collected specifically to fund growth related activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-21. These revenues are recorded in the police development impact fee fund.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	3,859,184	2,435,402	2,085,418	766,873	395,950	1,210,600

Forecast Assumptions

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

Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	142,900	119,100	128,400	137,700	147,000	156,300



Library Development Fee

FY2010	FY2011	\$	%
Final	Adopted	Inc/(Dec)	Inc/(Dec)
163,500	71,400	(92,100)	-56%

Description

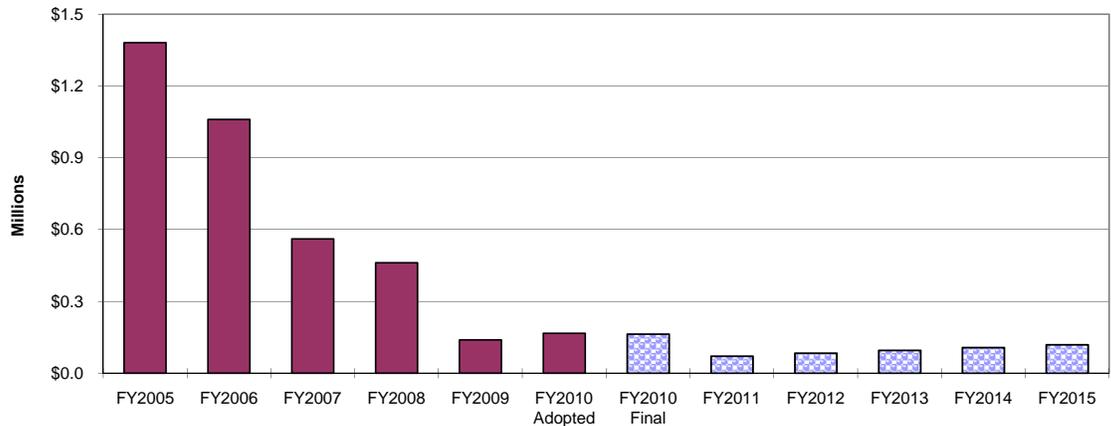
This source reflects one-time impact fees (last revised in FY2008) charged to developers to recover costs associated with providing library facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city Ordinance # 07-19.

Actuals	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010 Adopted
Revenue Collected	1,381,304	1,060,067	561,270	461,743	138,504	166,300

Forecast Assumptions

The revenue forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and multi-family residential permits issued. This source has been decreasing due to reduced construction activity from the current recession.

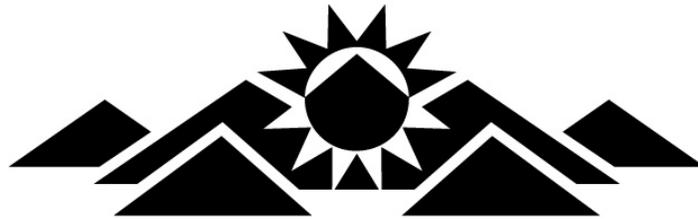
Forecast	FY2010 Final	FY2011	FY2012	FY2013	FY2014	FY2015
Projected Revenue	163,500	71,400	83,300	95,200	107,100	119,000



General Government

- Mayor and City Council
- City Manager's Office
- Intergovernmental Relations Department
- Marketing and Communications Department
- City Attorney's Office
- City Clerk's Office
- Finance Department
- Risk Management Fund
- Office of Management and Budget
- Human Resources Department
- Healthcare Self Insurance Fund
- Information Technology Department
- Debt Service Fund
- Employee Dependant Scholarship Fund
- Donations Fund
- General Operations

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget



Mayor and City Council

Description

The Mayor and City Council are the legislative body of the city of Surprise. The Council is comprised of seven elected officials: six council members (one of whom is appointed Vice Mayor) and the Mayor. The Mayor and City Council's primary responsibility is to set policy for the city of Surprise.

Budget Summary

The budget of \$492,700 represents a decrease of 10% from the FY2010 amended budget of \$547,800. The decrease is due to reductions in dues and memberships, travel and training, mileage reimbursement, and miscellaneous supplies and services. The Mayor and each council member also reduced the funds associated with their council district by \$1,000. The district funds are used for projects that benefit the citizens such as community activities. The reductions bring the budgeted amounts in line with anticipated expenditures with no impact on the level of service as a result.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	328,597	351,800	324,800	348,500	-1%
Supplies	29,801	60,000	59,200	43,000	-28%
Services	58,255	136,000	136,200	101,200	-26%
Total	416,653	547,800	520,200	492,700	-10%
<u>By division</u>					
General Ops	416,653	547,800	520,200	492,700	-10%
Total	416,653	547,800	520,200	492,700	-10%

Revenues

By fund source

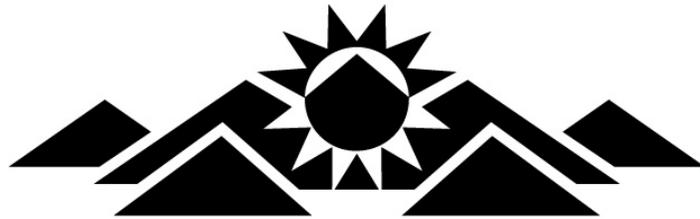
General Fund	416,653	547,800	520,200	492,700	-10%
Total	416,653	547,800	520,200	492,700	-10%

Personnel	FY2009	FY2010	FY2010	FY2011
	Actual	Adopted	Amended	Adopted
Mayor	1	1	1	1
Vice Mayor	1	1	1	1
City Council	5	5	5	5
Executive Administrative Specialist	1	1	1	1
Total	8	8	8	8

Capital

No capital items have been programmed for the Mayor and City Council this fiscal year.

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

City Manager's Office

Description

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

The City Manager's Office is responsible for ensuring operations are running effectively throughout the entire organization. The City Manager is responsible for drafting a balanced budget for Mayor and City Council review and approval each year. To that end, the office focuses on funding programs to achieve the 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.

Activities

The City Manager's activity is leadership and organizational management.

Services

Services provided by the City Manager include the following:

- Support to Mayor and City Council
- Financial guidance to maintain the city of Surprise as a fiscally sustainable organization
- Leadership and direction to staff
- Ensure an enhanced quality of life to citizens
- "Care line" – a call line for the benefit of citizens who have a question or complaint

Customers

Services are provided to the Mayor and City Council, city of Surprise employees, citizens of Surprise, and members of the public.

Budget Summary

The City Manager's Office budget of \$732,400 represents an overall decrease of 13% from the FY2010 amended budget of \$842,200. Two positions were eliminated from the FY2010 budget by the Mayor and Council, one of two assistant city managers and the deputy city manager. The duties of the deputy city manager were transferred to the City Attorney's Office and all other functions of these positions were absorbed by the remaining members of the City Manager's Office. During FY2010, a vacant executive administrative specialist position was downgraded to an administrative specialist position.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	1,072,799	556,900	585,800	551,900	-1%
Supplies	5,743	14,800	5,500	6,200	-58%
Services	55,957	270,500	223,600	174,300	-36%
Total	1,134,499	842,200	814,900	732,400	-13%
<u>By division</u>					
Administration	1,134,499	842,200	814,900	732,400	-13%
Total	1,134,499	842,200	814,900	732,400	-13%
Revenues					
<u>By fund source</u>					
General Fund	1,134,499	842,200	814,900	732,400	-13%
Total	1,134,499	842,200	814,900	732,400	-13%

The amount budgeted for supplies and services includes reductions that occurred during FY2010 as well as a decrease in funding that had been transferred for a one-time, mid-year audit. Funds of \$65,000 were transferred from general operations to the City Manager's Office for dues associated with the League of Arizona Cities and Towns and Maricopa Association of Governments (MAG) for FY2011 to more closely align expenses associated with the responsible department.

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	0	0	1	1
Assistant City Manager	2	1	1	1
Assistant to the City Manager	0	0	0	0
City Manager	1	1	1	1
Department Director	1	0	0	0
Executive Administrative Specialist	2	2	1	1
Total	6	4	4	4

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Continued restructuring of the organization to more accurately reflect workload and economic realities through the consolidation of departments, operational efficiencies, and staffing adjustments.
- Implemented the National Citizens' Survey to determine outcomes the community values most.
- Conducted a financial audit to review financial policies and processes.
- Held two council planning retreats to refine the vision of the Mayor and City Council and develop potential future focus areas.

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.

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 the Mayor and City Council on state, regional, and federal issues.

Activities

The Intergovernmental Relations Department activities include government relations, grants, and internal relations.

Services

Services provided by the Intergovernmental Relations Department include the following:

- Liaison to Mayor, City Council, and City Manager
- Track and discuss regional and city plans with city departments and municipal planning organizations
- Monitor legislation at state and federal levels
- Communicate legislative impact both internally and externally
- Seek funding opportunities for the city through grants and federal appropriations

Customers

Services are provided to the following:

- Mayor and City Council
- City Manager
- City of Surprise departments and employees
- Citizens of Surprise
- Municipal planning organizations
- State and federal government

Budget Summary

The total budget amount of \$474,400 programmed for FY2011 represents a 25% increase from the FY2010 amended budget of \$380,300. The increase is a result of the approval of a new grant writer position that was created as a senior analyst in order to assist the city in pursuing federal grants and stimulus funds.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	185,607	230,000	234,600	323,300	41%
Supplies	3,844	4,700	2,800	4,700	0%
Services	149,589	145,600	147,500	146,400	1%
Total	339,040	380,300	384,900	474,400	25%
<u>By division</u>					
General Ops	339,040	380,300	384,900	474,400	25%
Total	339,040	380,300	384,900	474,400	25%
Revenues					
<u>By fund source</u>					
General Fund	339,040	380,300	384,900	474,400	25%
Total	339,040	380,300	384,900	474,400	25%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Department Director	1	1	1	1
Manager	1	1	1	1
Senior Analyst	0	0	0	1
Total	2	2	2	3

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 City Council.
- Enhanced and expanded citizen involvement in state, regional, and federal issues.
- Increased relationships between our state representatives and the Mayor and City Council.

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 legislative bill tracking system and generate the required feedback needed for monitoring legislation.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Visits to legislative bill tracking	75	110	150	142	175

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Visits to office's internet site	10	87	120	682	700

Description

The Marketing and Communications Department communicates the goals and activities of Surprise city government; assists residents and visitors in their interactions with Surprise services and government; engages and informs Surprise residents on activities and issues; implements strategies which enhance community awareness of the city's values of openness, honesty, efficiency, and inclusion; contributes resources and expertise to partnerships that achieve a positive image of Surprise that in turn promotes tourism and economic development; and supervises internal employee communications.

The Marketing and Communications Department operates the city's web site, www.surpriseaz.gov, Surprise Channel 11, and the city's internal intranet site; publishes Surprise Progress magazine; creates and publishes news releases, newsletters, guides, brochures, and advertisements; engages in media relations and community interaction strategies; and consults with and advises city departments and the City Manager's Office on issues, strategies, and communications themes.

Activities

The Marketing and Communications Department's activities include Broadcasting, Public Information Office, and Web/Intranet Function.

Services

Services provided by the Marketing and Communications Department include the following:

- Design and implement strategies to engage and inform the community on important issues
- Design and promote systems and methods that allow for easy public access to city information and news
- Broadcast live City Council and Planning and Zoning Commission meetings and post searchable videos of the meeting on the www.surpriseaz.gov web site
- Operate and produce programming for Surprise 11, the city cable television channel
- Represent the city's position when responding to issues in the media and public
- Strategize and support departmental communications needs via web and collateral development and other creative services
- Operate the Surprise City Store
- News event planning and management such as ground breaking, ribbon cutting, news conferences, special events
- Photography
- Write and distribute news release, public service announcements and other informational material on city events, developments, processes, and policies.
- Coordinate tourism and marketing strategies and partnerships
- Design brochures, flyers, newsletters, door hangers, invitations, programs, maps, logos, informational signage, and other collateral for city departments

Customers

Services are provided to the following:

- Residents
- Employees
- Media Groups
- Community Groups
- Regional Partners
- Target Audience
- Elected Officials

Divisions

Public Information Office (PIO) -

Broadcast -

Web -

Oversees the overall operations of the department.

Maintains the government access channel and related activities.

Maintains the city website and related activities.

Budget Summary

The Communications Department budget of \$851,800 represents a 15% decrease from the FY2010 amended budget of \$1,001,500. Personnel costs decrease by 20% primarily due to the mid-year elimination of three full time equivalent positions (FTE) including one assistant analyst and two communications specialists. Supplies and services were decreased approximately \$7,000 during mid-year budget reductions.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	737,155	738,800	749,600	587,400	-20%
Supplies	42,213	50,400	50,500	49,900	-1%
Services	188,664	212,300	244,500	214,500	1%
Total	968,031	1,001,500	1,044,600	851,800	-15%
<u>By division</u>					
Broadcast	199,235	177,500	210,800	169,900	-4%
General Ops	604,990	669,800	663,900	575,100	-14%
Web	163,807	154,200	169,900	106,800	-31%
Total	968,031	1,001,500	1,044,600	851,800	-15%

Revenues

<u>By fund source</u>	FY2009	FY2010	FY2010	FY2011	
	Actual	Amended	Final	Adopted	
General Fund	968,031	1,001,500	1,044,600	851,800	-15%
Total	968,031	1,001,500	1,044,600	851,800	-15%

	FY2009	FY2010	FY2010	FY2011
	Actual	Adopted	Amended	Adopted
Personnel				
Assistant Analyst	1	1	0	0
Communications Specialist	2	2	0	0
Department Director	1	1	1	1
Senior Communications Specialist	4	4	4	4
Part Time	0.4	0.5	2.2	2.2
Total	8.4	8.5	7.2	7.2

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Completed National Citizen Survey.
- Completed Strategic Marketing Plan.
- Produced Telly award winning video in support of Surprise 50th anniversary.
- Redesigned web improved service and transparency with Google Search and Contact/Connect feature.
- Public Information services scored "above national norms" in National Citizen Survey.
- Ran Surprise record United Way, recognition as among top achievers.
- Coordinated first public input process for FY2011 budget.
- Launched aggressive transparency campaign, highlighted by "It's Your Money" site with Information Technology and Finance Departments.
- City Hall/Community joint ribbon cutting event.
- Outreach campaign for Complete Count Census effort.
- "Top Performer" recognition from the online Granicus government software system.

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:** Develop and implement mechanisms and strategies that engage the public and encourage involvement in civic affairs.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Progress articles promoting resident engagement/input opportunities	--*	--*	--*	20	25
Web sites with interactive components	---*	--*	--*	8	10
Number of residents offering feedback on budget	---*	--*	--*	123	150

**New measure, data not available*

- **Department Goal:** Enhance Surprise 11 as relevant and dynamic information source for city news and information.
 - **Objective:** Create city-generated programming regarding Surprise information and events; tie to the web site.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of programs originating from the studio setting	---**	66	70	53	70
Number of Council Conversations Programs featuring civic events/affairs	---**	---**	---**	10	10
Number of "Surprise in 5" programs highlighting the work of city departments	---*	---*	---*	---*	12

**Program not produced prior to FY2011*

*** New measure, Data not available*

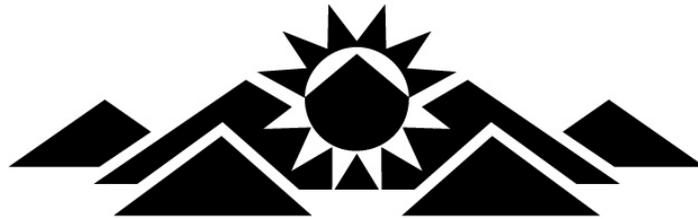
- **Department Goal:** Communicate with residents and media re: city news and developments
 - **Objective:** Redesign and enhance Progress magazine and city web site for user friendliness and readability.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of news releases	---**	---**	300	316	300
Number of "Notify Me" subscriptions	---**	---**	No target	273	9,500
Number of Tweets	---*	---*	125	153	150
Number of Twitter subscribers	---*	---*	300	389	425

**New measure, data not available*

*** New communications method not used prior to FY2010*

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

City Attorney's Office

Description

The City Attorney's Office protects the legal rights and interests of the city at all times; and provides the highest quality legal support to the city of Surprise and its residents, elected officials, management, and employees. 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. This division is reflected in the general operations division in the table below.

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

Budget Summary

The FY2010 amended personnel budget is reduced from the FY2009 actual due to the conversion of two full time assistant city attorney I&II positions to full time contract prosecutor positions with benefits (\$100,000 savings). The FY2010 estimated personnel budget is increased from the amended for one-time funding associated with temporary staff used in the civil division to transition the department to a new arraignment process.

The FY2011 budget of \$1,597,800 is a decrease of 2% from the FY2010 amended budget of \$1,636,800. The personnel budget is reduced by 3% through the reduction in force of two administrative specialist positions, one in each division. These personnel reductions were made to manage the general fund shortfall in FY2010. The services line increases by 4% (\$6,700) for the reallocation of general insurance expenses from the general operations division to more closely align the budget with expense activity.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Personnel	1,542,993	1,426,600	1,517,400	1,380,900	-3%
Supplies	22,941	50,600	50,600	50,600	0%
Services	154,107	159,600	159,200	166,300	4%
Total	1,720,041	1,636,800	1,727,200	1,597,800	-2%
<u>By division</u>					
Criminal	813,485	698,800	769,500	685,800	-2%
General Ops	906,556	938,000	957,700	912,000	-3%
Total	1,720,041	1,636,800	1,727,200	1,597,800	-2%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	10,589	0	-26,400	0	0%
General Fund	1,709,452	1,636,800	1,753,600	1,597,800	-2%
Total	1,720,041	1,636,800	1,727,200	1,597,800	-2%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	5	5	3	3
Analyst	0	1	1	1
Assistant Analyst	1	1	1	1
Assistant City Attorney I & II	3	3	1	1
Assistant City Attorney (Contract)	0	0	2	2
Assistant City Attorney III	1	1	1	1
City Attorney	1	1	1	1
Department Director	1	1	0	0
Deputy City Attorney	1	1	2	2
Executive Administrative Specialist	1	1	1	1
Program Coordinator	0	0	0	0
Total	14	15	13	13

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Increased focus on the arraignment process.
- Inclusion of development agreement process in the department.
- Enhanced document maintenance.



City Clerk's Office

Description

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

Activities

The City Clerk's activities include Administration and Records Management.

Services

Services provided by the City Clerk include the following:

- Official records custodian
- Administration of Mayor and Council meetings
- Posting of meeting notices, advertisement of public hearings, and calls for sealed bids
- Secretary to the Surprise Municipal Property Corporation

Customers

Services are provided to all departments and internal and external customers:

Budget Summary

The City Clerk's budget of \$433,500 represents a decrease of 36% from the FY2010 amended budget of \$675,600. The 14% decrease in personnel is due to a reduction in force of one administrative support supervisor position. The remaining decrease is due to the completion of the "History of Surprise" one-time project, and no anticipated election expense in FY2011.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Personnel	442,340	416,800	419,100	359,000	-14%
Supplies	6,378	12,500	8,400	11,200	-10%
Services	123,732	246,300	240,200	63,300	-74%
Total	572,449	675,600	667,700	433,500	-36%
<u>By division</u>					
General Ops	572,449	675,600	667,700	433,500	-36%
Total	572,449	675,600	667,700	433,500	-36%
 Revenues					
<u>By fund source</u>					
General Fund	572,449	675,600	667,700	433,500	-36%
Total	572,449	675,600	667,700	433,500	-36%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Assistant	1	1	1	1
Administrative Support Supervisor	2	2	1	1
Administrative Technician	1	1	1	1
City Clerk	1	1	1	1
Total	5	5	4	4

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Completed the city of Surprise 50th anniversary history book and DVD project ahead of schedule.
- On-the-road history presentation and book sales through various communities and city events.
- Assisted with forming the Surprise Historical Society and received non-profit status while planning fund raising events.

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:** Mayor and council agenda packets will be made available on-line and all mayor and council, city boards and commissions' agendas and minutes will be posted and distributed.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Mayor and City Council agendas	53	55	50	61	65
Posting of all City agendas including all Mayor and Council, Boards and Commissions	177	112	150	160	160
Percent of agendas posted 24 hours in advance of the meeting	100%	100%	100%	100%	100%
Mayor and City Council items	710	665	700	565	600
Percentage of council packets available on-line	100%	100%	100%	100%	100%
Number of requests for public records	762	690	800	726	900

Finance Department

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 six divisions including administration, accounting, revenue, budget, purchasing, and risk management. The Risk Management Division is addressed separately within the risk management fund.

Activities

The Finance Department's activities include:

- Administration
- Budget
- Disbursements
- Financial Accounting
- Purchasing
- Revenue

Services

Services provided by the Finance Department include the following:

- Financial analysis and general ledger recording using governmental accounting standards
- The processing and distribution of all payments
- The billing, collection, and processing of utility revenues, sales tax audits, business licensing, and cashiering
- Provide process, analysis, and reports
- Contract and purchasing services following the purchasing policies of the city

Customers

Services are provided to the following:

- Residents
- Mayor and Council
- City Manager's Office
- City Departments
- City Employees
- Vendors

Divisions

Administration - The Administration Division is primarily responsible for policy development, 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.

Budget - The Budget Division provides research, budget, and grant reporting services.

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 \$3,285,900 represents an increase of 18% over the FY2010 amended budget of \$2,791,200 most notably in the services category. For FY2011, several items previously funded in general operations have been moved to Finance to more appropriately align the expense with the responsible department. These items include \$300,000 for the automotive dealer economic development agreement, \$67,000 for bank account charges, and \$35,000 for the document

storage contract. Additionally, \$75,000 was included for an investment consultant and \$42,000 for sales tax revenue audits by a consultant. Both items have corresponding offsetting revenue.

The net full-time equivalent (FTE) decrease in personnel of 0.7 is attributed to a 1.0 decrease due to changing the funding allocation of a senior accountant from the general fund to the enterprise funds of water, wastewater, and sanitation and a 0.3 FTE increase in part-time hours in the Revenue Division.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
By category					
Personnel	2,584,140	2,513,900	2,512,000	2,474,200	-2%
Supplies	24,937	37,900	37,900	37,700	-1%
Services	210,505	239,400	239,400	774,000	223%
Total	2,819,582	2,791,200	2,789,300	3,285,900	18%
By division					
Accounting	1,060,723	1,010,100	1,027,300	1,263,800	25%
Administration	280,536	301,800	307,000	240,200	-20%
Management & Budget	770,027	491,200	463,600	525,900	7%
Revenue	708,296	635,100	634,300	890,000	40%
Purchasing	0	353,000	357,100	366,000	4%
Total	2,819,582	2,791,200	2,789,300	3,285,900	18%

Revenues

By fund source					
Local Sales Tax	693,207	290,000	290,000	290,000	0%
Franchise Fees	412,276	435,800	470,000	484,100	11%
Charges for Services/Other	179,895	33,600	35,500	105,500	214%
General Fund	1,534,204	2,031,800	1,993,800	2,406,300	18%
Total	2,819,582	2,791,200	2,789,300	3,285,900	18%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	3	3	3	3
Accounting Supervisor	3	4	3	3
Administrative Specialist	1	1	1	1
Analyst	0	0	0	2
Buyer	0	1	1	1
Cashier	1	1	1	1
Department Dir. - Chief Financial Officer	1	1	1	1
Division Manager	2	1	1	2
Fiscal Support Assistant	2	2	2	2
Fiscal Support Specialist	5	5	5	5
Program Supervisor	0	0	0	0
Purchasing Supervisor	0	0	1	1
Purchasing Technician	0	1	1	1
Senior Accountant/Senior Tax Auditor	3	3	3	2
Senior Analyst	0	0	0	2
Senior Buyer/Contract Officer	0	1	1	1
Part Time	0.2	0.2	0.2	0.5
Total	21.2	24.2	24.2	28.5

Accomplishments

- Received eighth consecutive award from the Government Finance Officers Association (GFOA) for Excellence in Financial Reporting.
- Awarded the GFOA Distinguished Budget Presentation Award for the tenth consecutive year.
- Documented \$2,411,100 in cost savings related to procurement activity.
- Revenue of \$91,000 realized from the sale of surplus property.

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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Bond rating	AA-	AA	AA	AA	AA

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Current assets to current liabilities ratio	5:1	5:1	2:1	6:1	2:1

- **Department Goal:** Ensure the long-term financial sustainability of the city.
 - **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of ACH transactions	1,039	1,701	1,900	2,420	2,600
Number of AP transactions	49,707	50,935	50,000	43,189	40,000
Number of checks printed	10,851	9,815	9,500	7,025	6,845

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Percent of billing adjustments*	5%	13%	3%	5%	5%
Invoices generated**	648	566	550	300	400

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

**Reduction in invoices generated is related to the discontinuance of billing for bulk trash, public notices, and after hour inspections.

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of cashier transactions	15,542	9,826	10,500	8,600	9,000
Percent of bank deposit errors	<1%	1%	1%	<1%	<1%
Number of automatic deposit transactions	100	183	375	190	225
Number of payments by mail	2,860	3,000	5,000	5,550	6,000

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Percentage of collection on outstanding balance	---*	6%	10%	13%	13%
Percentage receivables assigned to outside collections	---*	30%	12%	2%	3%
Disconnects processed	---*	15,045	13,000	12,000	12,000

**New measure, data not available*

The variances from last year relate to the stagnation of new accounts and foreclosure activity.

- **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
All Departments participating in the ICMA CPM program become trained and submit performance measures as required	---*	9	9	9	9
Percent of ICMA performance measures collected by the city	---*	80%	85%	76%	85%

**The city began participation in the ICMA-CPM program in FY2009.*

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 Presentation Award.

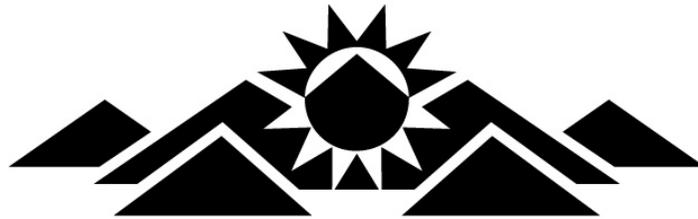
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Awarded GFOA Distinguished Budget Award	1	1	1	1	1

- **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Percent of service agreements and formal solicitations entered into database	---*	100%	100%	100%	100%
Process time of service agreements	---*	5 weeks	4 weeks	4 weeks	4 weeks
Process time of formal solicitations	---*	9 weeks	8 weeks	8 weeks	8 weeks

*New measure, data not available

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Risk Management Fund

Description

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

Activities

The risk management division activity is Risk Management.

Services

Services provided by risk management include the following:

- Research and analysis on exposures to losses
- Assist in procuring insurance coverage for such loss exposures
- Investigate claims made against the city
- Assist the insurance administrator in resolving claims

Customers

Services are provided to the following:

- Residents
- The city
- Individuals doing insurance business with the city

Budget Summary

The risk management fund has an adopted budget of \$3,233,100 which is an 8% decrease from the FY2010 amended budget. The decrease in the budget is due to a premium insurance reduction as a result of past low claims.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	226,846	213,400	236,800	217,300	2%
Supplies	1,280,658	1,456,300	1,453,200	1,353,700	-7%
Services	137,612	231,400	222,500	230,600	0%
Contingency	0	1,625,400	164,300	1,431,500	-12%
Total	1,645,116	3,526,500	2,076,800	3,233,100	-8%
<u>By department</u>					
Management & Budget	1,434,013	1,688,200	1,698,800	0	-100%
Finance	211,103	1,836,700	378,000	3,233,100	76%
General Operations	0	1,600	0	0	-100%
Total	1,645,116	3,526,500	2,076,800	3,233,100	-8%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	1,652,030	1,510,200	1,769,300	1,591,200	5%
Fund Balance	0	2,016,300	307,500	1,641,900	-19%
Total	1,652,030	3,526,500	2,076,800	3,233,100	-8%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Division Manager	1	1	1	1
Program Supervisor	1	1	1	1
Total	2	2	2	2

Accomplishments

- Received dividend credits in the amount of \$137,490 for property and casualty from the Arizona Municipal Risk Retention Pool as a result of favorable loss experience.
- Completed an analysis of the current workers' compensation insurance program and made changes to the policy to include different deductible levels and self insuring the temporary disability payments.
- Assisted in developing and implementing a training program to encourage commercial drivers license (CDL) holders to upgrade their license category and endorsements.

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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Liability costs per 1,000 population	\$6,553	\$7,689	\$7,323	\$5,992	\$7,200
Auto insurance cost per vehicle	\$522	\$520	\$537	\$538	\$520



Office of Management and Budget

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.

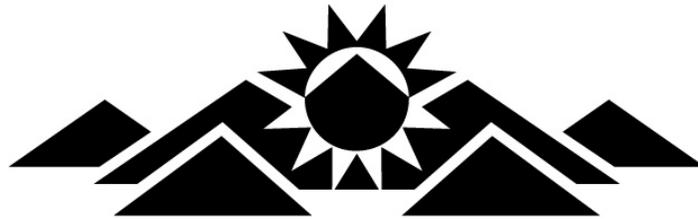
Budget Summary

Beginning in FY2011, as part of an organizational restructuring, the Office of Management and Budget Department is represented within the Finance Department budget.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	636,162	1,100	17,400	0	-100%
Supplies	5,722	0	0	0	0%
Services	32,277	17,400	17,400	0	-100%
Capital	81,511	0	0	0	0%
Total	755,672	18,500	34,800	0	-100%
<u>By division</u>					
Disability Advocate	183,259	0	0	0	0%
M & B	103,256	18,500	34,800	0	-100%
Purchasing	469,157	0	0	0	0%
Total	755,672	18,500	34,800	0	-100%
Revenues					
<u>By fund source</u>					
General Fund	755,672	18,500	34,800	0	-100%
Total	755,672	18,500	34,800	0	-100%

	FY2009	FY2010	FY2010	FY2011
	Actual	Adopted	Amended	Adopted
Personnel				
Analyst	3	2	2	0
Buyer	1	0	0	0
Department Director	1	0	0	0
Division Manager	2	1	1	0
Program Supervisor	1	0	0	0
Purchasing Technician	1	0	0	0
Senior Analyst	3	2	2	0
Senior Buyer/Contract Officer	1	0	0	0
Total	13	5	5	0

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Human Resources Department

Description

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

Activities

The Human Resources Department's activities include organizational planning and development and workforce planning and development.

Services

Services provided by the Human Resources Department include the following:

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

Customers

Services are provided to employees, citizens, management, and boards and commissions.

Budget Summary

The Human Resources Department budget of \$1,241,200 represents an increase of 7% from the FY2010 amended budget of \$1,158,000. During the fiscal year, reductions in travel, training, and education occurred and a division manager position (vacant) was downgraded to a human resources consultant. However, additional amounts were included for the department to assume the responsibility of the fire and police public safety boards, jury selection advisory commission, and the personnel appeals board. A transfer of approximately \$120,000 for unemployment compensation occurred from the general operations account to the Human Resources Department to more appropriately align the expense with the responsible department.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	1,054,893	824,300	833,500	766,500	-7%
Supplies	38,047	61,700	61,700	66,600	8%
Services	229,770	272,000	262,000	408,100	50%
Total	1,322,711	1,158,000	1,157,200	1,241,200	7%
<u>By division</u>					
Administration	592,731	492,700	543,300	459,100	-7%
People Development	381,536	247,900	249,600	390,200	57%
People Employment	348,443	417,400	364,300	391,900	-6%
Total	1,322,711	1,158,000	1,157,200	1,241,200	7%
Revenues					
<u>By fund source</u>					
General Fund	1,322,711	1,158,000	1,157,200	1,241,200	7%
Total	1,322,711	1,158,000	1,157,200	1,241,200	7%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	1	0
Department Director	1	1	1	1
Division Manager	1	1	0	0
Human Resources Consultant	3	3	4	4
Human Resources Specialist	3	3	2	3
Senior Human Resources Consultant	2	1	1	1
Total	11	10	9	9

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Increased employee investigations that are conducted in-house.
- Requested information technology audit that resulted in reduction of computers and software.
- Negotiated a reduction in the increase of dental insurance premiums from 10% to 5.5%.
- Reduced costs by transitioning from fully insured short term disability to paid medical leave, administered by city of Surprise and a third party administrator.

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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Performance evaluations submitted electronically	---	100%	100%	100%	100%
Compensation module implemented	---	---	5/15/10	N/A	N/A

*New measure, data not available

N/A: Measure Completed

- **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Equipment and software obtained by 1/1/2009	---	8/14/08	N/A	N/A	N/A
Former employee files scanned and hard copies stored by 06/30/09	---	5/8/09	N/A	N/A	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.

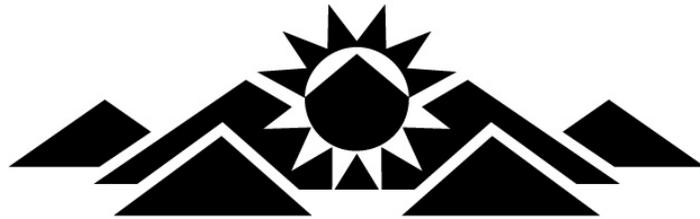
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of compliance training courses	5	5	7	2	7
Number of employees attending compliance training courses	100	100	150	310	150
Number of skill based training courses	4	4	8	16	8
Number of employees attending skill based training courses	80	80	150	774	150

- **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Document timeline and indentify milestones	---*	6/22/09	7/1/09	8/6/09	N/A
Implement employee self-service	---*	---*	9/15/09	9/21/09	N/A
Interface with medical, dental and vision carriers	---*	---*	4/15/10	N/A	N/A
Interface with recruitment vendor	---*	---*	6/15/10	N/A	N/A

*New measure, data not available
 N/A: Measure Completed

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget



Healthcare Self Insurance Fund

Description

The healthcare self insurance fund is established to provide health insurance claims, plan administration, stop loss premiums, and fund reserves. The fund is a newly established internal service fund for FY2011. The costs of these services are charged directly back to appropriate funds. Employee health insurance is managed by the Human Resources Department.

Budget Summary

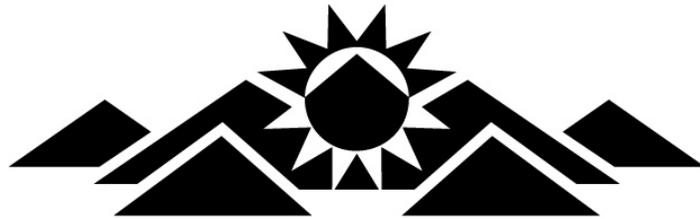
The healthcare self insurance fund has an adopted budget of \$8,225,100. The budget includes expenses for health insurance claims, plan administration and wellness activities. The revenue is comprised of employee and employer contributions.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	0	0	0	8,225,100	0%
Total	0	0	0	8,225,100	0%
<u>By department</u>					
Human Resources	0	0	0	8,225,100	0%
Total	0	0	0	8,225,100	0%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	0	0	0	8,225,100	0%
Total	0	0	0	8,225,100	0%

Capital

No capital items have been programmed for this fiscal year.

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

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.

Activities

Information Technology's activities include the following:

- Business application development and support
- Geographical information system (GIS) application and support services
- Land survey
- Operations
- Real property management
- Security
- System replacements

Services

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

Customers

- Mayor and City Council
- City of Surprise Employees
- Citizens of Surprise
- Members of the public

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 \$4,088,400 represents a decrease of 3% from the FY2010 amended budget of \$4,213,100. Decreases in supplies consist mainly of reductions to planned equipment replacement. The increase to services involves maintenance costs, extended warranties and bringing equipment on line in the new City Hall building. A full time equivalent (FTE) program coordinator position was eliminated through a reduction in force during FY2010.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
By category					
Personnel	2,406,969	2,226,700	2,256,000	2,228,900	0%
Supplies	319,907	239,000	239,100	164,000	-31%
Services	1,659,315	1,575,300	1,575,300	1,600,400	2%
Capital	244,820	172,100	172,100	95,100	-45%
Total	4,631,010	4,213,100	4,242,500	4,088,400	-3%
By division					
GIS	1,474,906	1,363,400	1,385,000	1,141,800	-16%
Info. Technology	3,156,104	2,849,700	2,857,500	2,946,600	3%
Total	4,631,010	4,213,100	4,242,500	4,088,400	-3%

Revenues

By fund source

General Fund	4,631,010	4,213,100	4,242,500	4,088,400	-3%
Total	4,631,010	4,213,100	4,242,500	4,088,400	-3%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	1	1
Chief Land Surveyor	1	1	1	1
Department Director	1	1	1	1
Division Manager	1	1	1	1
Information Technology Administrator	5	5	5	5
Information Technology Supervisor	1	1	1	1
Information Technology Technician	1	1	1	1
Manager	2	2	2	2
Program Coordinator	1	1	0	0
Program Manager	1	1	1	1
Senior IT Administrator	2	2	2	2
Senior IT Technician	6	6	6	6
Survey Specialist	1	0	0	0
Survey Technician	1	1	1	1
Total	25	24	23	23

Capital

As indicated by the table below \$95,100 is programmed for replacement equipment and land survey modernization.

Project Name	Carry Forward	Budget
Capital		
Operations - Replacement Equipment		65,500
Land Survey - Modernization Project		29,600
Total		95,100

Accomplishments

- Developed and implemented a program to replace network equipment on a scheduled basis related to the equipment end of life.
- Designed, installed, and programmed the network infrastructure for the new City Hall while increasing substantially the performance, redundancy, and security environment of the facilities in and around the City Hall campus.
- Installation of the Global Positioning System (GPS) Continuously Operating Reference Station (CORS) in partnership with National Geodetic Survey (NGS) along with the installation of the city's GPS base station and radio.
- Designed, developed, and implemented the "It's Your Money" website providing financial transparency to citizens.

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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Department users supported	850	1,654	1,600	1,234	1,654

**New measure, data not available*

- **Department Goal:** Provide effective and efficient informational technology support to departments.
 - **Objective:** Design and implement the infrastructure for the new City Hall.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Network devices supported	156	200	249	308	N/A
Infrastructure for new City Hall will be designed and constructed at time of occupancy	---	4/01/09	N/A	N/A	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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of vertical and horizontal controls	245	150	150	102*	127

**New measure, changed from differential leveling to full 3 dimensional control using GPS technology*

- **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
GIS data layers maintained	154	157	159	159	159
New GIS applications developed	3	4	5	9	10

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.

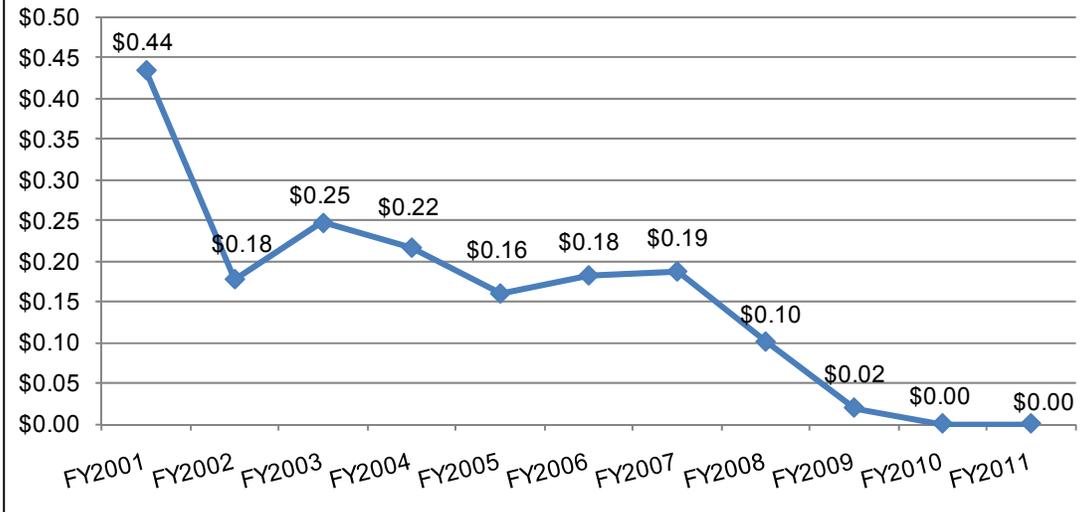
Budget Summary

For FY2011, the secondary property tax levy remains at \$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 debt service. The city of Surprise assesses a levy of \$3.30 per one hundred dollars of assessed valuation for the Marley Park 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. This fund represents the debt service expenditures associated with the Marley Park CFD. The operational expenditures are recorded in the CFD Fund.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Debt Service	428,362	909,400	709,400	671,100	-26%
Contingency	0	0	0	777,400	0%
Transfer Out	0	0	27,800	0	0%
Total	428,362	909,400	737,200	1,448,500	59%
<u>By department</u>					
Debt Service	0	909,400	709,400	1,448,500	59%
General Operations	428,362	0	27,800	0	0%
Total	428,362	909,400	737,200	1,448,500	59%
 Revenues					
<u>By fund source</u>					
Charges for Services/Other	2,223	0	0	1,000	0%
Property Tax	283,878	909,400	815,000	849,800	-7%
Transfer In	0	0	0	0	0%
Fund Balance	144,485	0	546,200	597,700	0%
Total	430,585	909,400	1,361,200	1,448,500	59%

The CFD has been authorized by the board to issue up to \$80.0 million of bonds. A total of \$671,100 has been set aside for the purpose of supporting the debt service payments of the CFD. The estimated assessed value of this district is detailed in the appendix of this document.

Secondary Tax Rates per \$100 of Assessed Valuation
FY2001- FY2011





Employee Dependant Scholarship Fund

Description

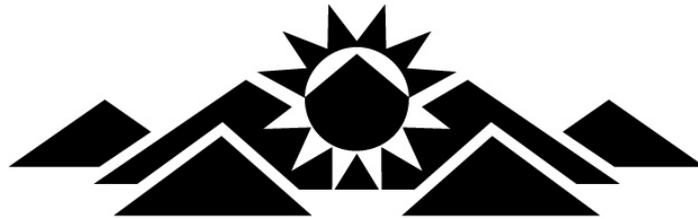
The employee dependant scholarship fund is established to temporarily hold and collect assets for a third party (employees). These assets are then awarded as scholarships to dependents of employees who are attending, or plan on attending college. Two scholarships are planned for award to city of Surprise employee dependents on a merit basis prior to the commencement of fall 2010 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.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Services	2,500	10,700	2,000	14,600	36%
Total	2,500	10,700	2,000	14,600	36%
<u>By department</u>					
General Operations	2,500	10,700	2,000	14,600	36%
Total	2,500	10,700	2,000	14,600	36%
 Revenues					
<u>By fund source</u>					
Charges for Services/Other	2,995	1,200	1,700	100	-92%
Fund Balance	0	9,500	300	14,500	53%
Total	2,995	10,700	2,000	14,600	36%

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 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

Resources for this fund are comprised entirely of donations with \$790,900 in fund balance and \$50,000 in anticipated contributions. Funds are expended by department and program and must have adequate resources available prior to being approved. An increase of 104% in FY2011 is due the programming of expenditures equal to resources.

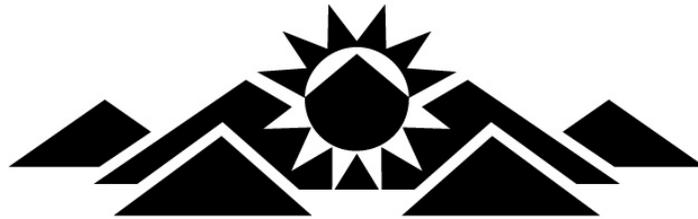
Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
	Actual	Amended	Final	Adopted	Adopted
<u>By category</u>					
Personnel	0	0	0	56,100	0%
Supplies	269,474	302,600	203,800	644,200	113%
Services	359,894	110,400	29,400	133,200	21%
Capital	16,792	0	0	7,400	0%
Transfer Out	291,900	0	0	0	0%
Total	938,060	413,000	233,200	840,900	104%
<u>By department</u>					
Arts Commission	507,450	110,400	29,400	133,200	21%
Community Development	0	0	0	5,400	0%
Community Initiatives	26,145	0	0	200	0%
Community and Rec Svcs	255,400	0	142,700	356,500	0%
Fire-Emergency Services	16,557	0	2,900	9,600	0%
Police	132,509	302,600	58,200	336,000	11%
Total	938,060	413,000	233,200	840,900	104%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	450,321	0	281,900	50,000	0%
Fund Balance	487,740	413,000	0	790,900	92%
Total	938,060	413,000	281,900	840,900	104%

Capital

Capital is programmed for \$7,400 as indicated by the table below and includes carry forward funding for the park located at 24303 N. 183rd Avenue.

Capital	Project Name	Carry Forward	Budget
	Section 10 Park	Carry Forward	7,400
Total			7,400

City of Surprise, Arizona



SURPRISE

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FY2011 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 a clearinghouse for spending not directly associated with a specific department. Included in this budget are funds for planned savings and contingency items.

The General Operations budget represents a net decrease of 64% from the FY2010 budget of \$4,893,600. This decrease is due to an effort to match costs previously charged here with the responsible department. For example, jail services are now included in the Police Department budget.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Supplies	2,278	6,000	6,000	0	-100%
Services	2,983,974	1,990,400	1,990,400	0	-100%
Contingency	0	535,600	0	750,000	40%
Unplanned Savings	0	0	0	-1,000,000	0%
Transfer Out	15,274,448	5,071,500	5,866,400	2,953,900	-42%
Total	18,258,422	7,597,500	7,856,800	2,703,900	-64%
<u>By division</u>					
General Ops	18,260,699	7,603,500	7,862,800	2,703,900	-64%
Total	18,260,699	7,603,500	7,862,800	2,703,900	-64%
Revenues					
<u>By fund source</u>					
General Fund	18,260,699	7,603,500	7,862,800	2,703,900	-64%
Total	18,260,699	7,603,500	7,862,800	2,703,900	-64%

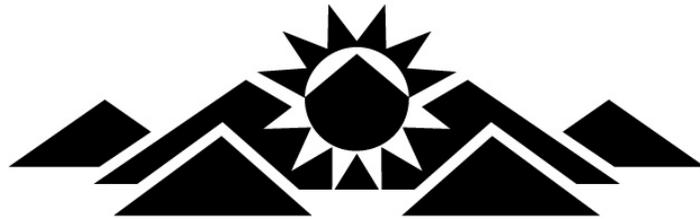
Transfers

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 City Council policies. All transfers to operational funds are made strictly based upon actual need.

General Fund Transfers Out

Transit	864,500
Highway User Revenue Fund	839,400
General Capital Improvement Fund	1,250,000
Total General Fund Transfers	2,953,900

City of Surprise, Arizona



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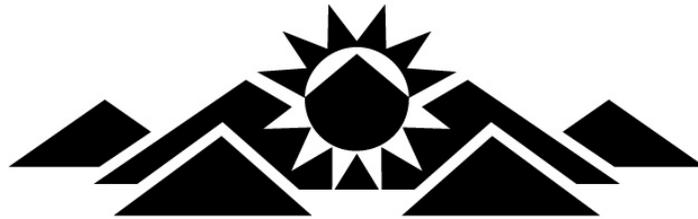
A R I Z O N A

FY2011 Adopted Budget

Community Development

- Economic Development Department
- Community and Economic Development Department
- Neighborhood Revitalization Fund

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Economic Development Department

Description

The Economic Development Department was engaged in building an employment and economic base for the city. This department has now been merged with the Community Development Department to form the new Community and Economic Development Department and now exists as a division.

Budget Summary

During FY2010, the Economic Development Department was consolidated into the Community Development Department as a division and is further detailed in this document under that section.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Personnel	536,275	542,600	536,600	0	-100%
Supplies	15,799	12,600	12,600	0	-100%
Services	151,916	213,800	168,800	0	-100%
Capital	0	35,000	0	0	-100%
Total	703,989	804,000	718,000	0	-100%
<u>By division</u>					
General Ops	703,989	804,000	718,000	0	-100%
Total	703,989	804,000	718,000	0	-100%

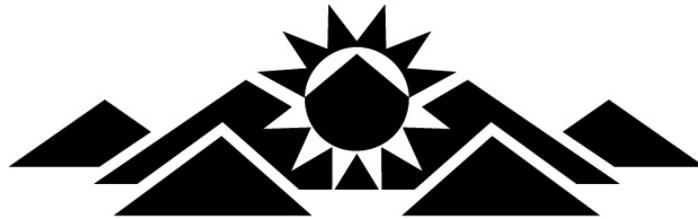
Revenues

By fund source

General Fund	703,989	804,000	718,000	0	-100%
Total	703,989	804,000	718,000	0	-100%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	1	0
Department Director	1	1	1	0
Program Manager	1	1	1	0
Recreation Coordinator	2	2	2	0
Part Time	0.7	0.7	0.7	0
Total	5.7	5.7	5.7	0

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Community and Economic Development Department

Description

The Community and Economic Development Department provides development services, planning and zoning, building safety, code enforcement, neighborhood services, fire safety inspections, welcome center, and economic development. 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.

Activities

The Community and Economic Development Department's activities include:

- Attracting Businesses
- Building Plan Review
- Civic Education
- Code Administration
- Code Enforcement
- Comprehensive Planning
- Design Development
- Development Center
- Development Coordination
- Development Inspections
- Development Review
- General Plan Administration
- Grant Administration
- Growing Businesses
- Private, Local, Regional, National Agency Liaison
- Reinvestment
- Welcome Center

Services

Services provided by the department include:

- Plan review comments and approval
- Education on city functions
- Established regulations
- Education, inspection, and enforcement
- Plans in conformance with the General Plan
- Planning and development information
- Assistance on site design, architecture, urban design, and landscaping
- Single point of contact
- Timely review of proposed development projects
- Development inspections
- Leadership and management
- Resources for assistance and reinvestment
- City representation
- Programming and neighborhood coordination
- Customer service

Customers

Services are provided to the following customers:

- Applicants
- Residents of Surprise
- Businesses of Surprise
- City departments
- Private, local, city, state, and national organizations

Divisions

Administration -

The administration division is responsible for the overall coordination of the department's activities and performance in relation to the organization.

Building Safety -

The building safety division reviews 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.

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.

Economic Development - The economic development division provides services for business attraction, retention, and expansion. The division also provides small business assistance.

Neighborhood Services - Neighborhood services is committed to improving the condition of residential homes. Staff works closely with homeowners, advising on code requirements and various opportunities available for home improvements and enhancements.

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.

Budget Summary

The department's FY2011 budget of \$3,643,300 represents an increase of 20% from the FY2010 amended budget of \$3,027,000. The increase is primarily attributable to a reorganization combining the Economic Development Department into the Community Development Department. In addition, \$50,000 of one-time funding is added to the department for Mayor and City Council redistricting as a result of the 2010 Census.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	3,706,611	2,640,800	2,657,200	2,948,300	12%
Supplies	58,284	68,100	67,800	97,800	44%
Services	186,601	318,100	228,200	570,200	79%
Capital	0	0	8,000	27,000	0%
Total	3,951,497	3,027,000	2,961,200	3,643,300	20%
<u>By division</u>					
Administration	293,119	252,300	252,900	309,000	22%
Building Safety	1,328,099	789,800	793,700	760,900	-4%
Code Enforcement	464,898	647,900	638,700	644,900	0%
Development Services	685,543	472,200	444,800	472,700	0%
Economic Development	0	0	0	353,400	0%
Neighborhood Svcs	0	212,200	235,800	352,400	66%
Planning and Zoning	1,179,838	652,600	595,300	750,000	15%
Total	3,951,497	3,027,000	2,961,200	3,643,300	20%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	1,436,629	1,000,000	1,070,900	680,600	-32%
General Fund	2,514,868	2,027,000	1,890,300	2,962,700	46%
Total	3,951,497	3,027,000	2,961,200	3,643,300	20%

Due to the continued decrease in construction activity from the recession, a senior plans examiner position and a fiscal support assistant position were eliminated from the FY2010 adopted budget. A program coordinator position was transferred from the general fund to the neighborhood revitalization fund for the FY2010 adopted budget to perform work associated with a one-time grant in the neighborhood revitalization fund. This position is returned to the general fund for the FY2011 budget.

Further reductions were made in FY2010, also due to the economy, including the reduction of two senior planner positions and a division manager position. A plans examiner position was transferred in from the Fire Department due to the reorganization of the fire inspection into the Community and Economic Development Department to further streamline the development review process. A position was reclassified from an inspector to a plans examiner to reflect the existing work levels. A manager position

was changed to an assistant department director in anticipation of the reorganization with the Economic Development Department.

Three positions are added to the department for FY2011, two contract-based economic development coordinator positions, and one manager position. The economic development coordinators were added in association with the reorganization of the Economic Development Department into the Community Development Department. The manager position was added at the request of the Mayor and Council at the FY2011 budget retreat for transportation strategic planning. The FY2011 budget also reflects the restoration of the program coordinator position from the neighborhood revitalization fund to the general fund.

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Assistant	2	2	2	2
Administrative Specialist	2	2	2	2
Administrative Support Supervisor	1	1	1	1
Assistant Department Director	0	0	1	1
Assistant Planner	0	0	0	0
Department Director	1	1	1	1
Division Manager	1	1	0	0
Economic Development Coordinator (Contract)	0	0	0	2
Fiscal Support Assistant	3	2	2	2
Fiscal Support Specialist	3	3	3	3
Inspector	6	6	5	5
Manager	1	1	0	1
Planner	5	5	5	5
Plans Examiner	2	2	4	4
Program Coordinator	1	0	0	1
Program Supervisor	1	1	1	1
Senior Analyst	0	0	0	0
Senior Inspector	4	4	4	4
Senior Planner	2	2	0	0
Senior Plans Examiner	1	0	0	0
Part Time	0.5	0.5	1	1
Total	36.5	33.5	32	36

Capital

Capital is programmed for \$27,000 as indicated by the table below and includes carry forward funding for the Chamber of Commerce tenant improvements.

	Project Name	Carry Forward	Budget
Capital			
	Chamber Tenant Improvements	Carry Forward	27,000
	Total		27,000

Accomplishments

- Enhanced customer service by adding software at the development center.
- Continue cross-training for inspectors.
- Encouraging applicants to use "bundled" development review process.
- Improved electronic case management system.
- AZ TechCelerator ribbon cutting with 10+ new businesses.
- New developer of 80+ acres at Skyway Business Park.

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of customers anticipated	---	---	2,800	8,000	3,000
Number of customers assisted	---	---	2,800	7,853	3,000
Average time spent per customer	---	---	30 minutes	14 minutes	30 minutes
Percent of customers assisted within 15 minutes of sign in	---	---	95%	95%	95%

**New measure, data not available*

- **Objective:** Maintain customer wait times for case intake less than 30 minutes.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of case intakes anticipated	---	---	2,000	4,350	2,500
Number of case intakes completed	---	5,412	2,000	4,169	2,500
Average time spent per case intake	---	9 minutes	30 minutes	17 minutes	30 minutes
Percent case intakes completed within 30 minutes	---	89%	92%	92%	95%

**New measure, data not available*

- **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 20 new companies start a business in Surprise.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Small Business Inquiries	98	52	70	85	80
Small Business Technical Assists	55	40	42	50	40
Small Business Start-up successes	43	26	25	27	24
Local Business Retention/Expansion successes	8	2	5	5	4

- **Department Goal:** Increase employment and retail opportunities for Surprise residents.
 - **Objective:** Attract 1 significant employer and 1 significant retailer to Surprise.

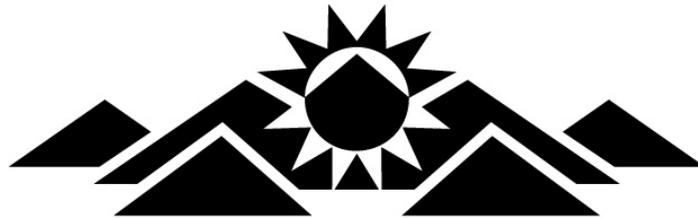
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Large business and retail inquiries	137	111	100	106	100
Large business and retail site visits	12	7	8	9	10
Large business and retail successes	1	2	1	1	2
Large business and retail inquiries	137	111	100	106	100

- **Department Goal:** Develop a business incubator that helps start-up companies become commercially viable.
 - **Objective:** Build AZ TechCelerator to 14 program tenants with at least 10 tenants meeting goal.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
AZ TechCelerator inquiries	N/A*	N/A*	N/A*	70	50
AZ TechCelerator technical assists	N/A*	N/A*	N/A*	48	25
AZ TechCelerator events/programs	N/A*	N/A*	N/A*	7	4
AZ TechCelerator program tenants	N/A*	N/A*	N/A*	11	14

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

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Neighborhood Revitalization Fund

Description

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

Budget Summary

The neighborhood revitalization fund has an adopted budget of \$4,091,100 which is a 122% increase over the FY2010 amended budget. The city was awarded Neighborhood Stabilization Program (NSP) grant funds for the purchase, renovation, and sale of foreclosed homes. The initial program funds were awarded in FY2010 with the proceeds from home sales being received in FY2010 and FY2011. The timing of home purchases/sales accounts for the increase in the budget.

In addition, one full time equivalent position (FTE) was programmed in this fund in FY2009. In FY2010, a second FTE was transferred to this fund from the general fund to assist with the administration on the NSP grant. This position is returned to the general fund for FY2011.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Personnel	76,906	144,400	81,100	64,900	-55%
Supplies	62	0	0	0	0%
Services	602,814	1,695,900	3,648,800	4,026,200	137%
Contingency	0	1,100	0	0	-100%
Total	679,782	1,841,400	3,729,900	4,091,100	122%

<u>By department</u>					
Community Initiatives	482,640	0	-290,400	0	0%
Community Development	197,141	1,840,300	4,020,300	4,091,100	122%
General Operations	0	1,100	0	0	-100%
Total	679,782	1,841,400	3,729,900	4,091,100	122%

Revenues

<u>By fund source</u>					
Charges for Services/Other	498,325	1,843,400	4,020,300	4,091,100	122%
Fund Balance	181,457	0	0	0	0%
Total	679,782	1,843,400	4,020,300	4,091,100	122%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Program Coordinator		1	2	2
Total		1	2	2

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Purchased 15 properties to sell with financial assistance to qualified buyers under the Neighborhood Stabilization Program.
- Completed 10 rehabilitations under the Emergency Repair Program with grant funds awarded through the Arizona Department of Housing.
- Completed a Senior Center flooring project using Community Development Block Grant-Recovery (CDBG-R) funding.

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.

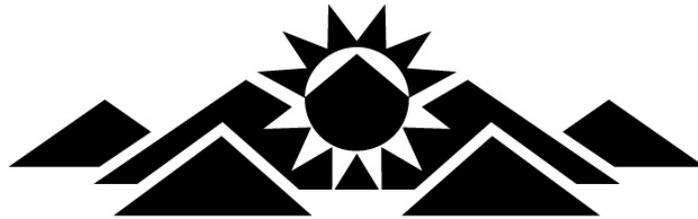
- **Department Goal:** Increase the number of residents served in neighborhood programs.
 - **Objective:** Create neighborhood reinvestment programs that are easily accessible.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Homes improved through grant funds	42	37	29	25	22
Grant amounts awarded for neighborhood revitalization activities	\$700,000	\$736,000	\$1,860,000	\$2,005,500	\$573,588

Public Safety

- Fire Department
- Firefighter's Pension Fund
- Police Department
- Surprise City Court
- Municipal Court Enhancement Fund

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget



Fire Department

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.

Activities

The Fire Department's activities include:

- Administrative Services
- All Hazard Emergency Response
- Automatic Aid Consortium Participant
- Crisis Response Volunteer Program
- Emergency Operations Center Management
- Emergency Medical Services
- Fire Investigations
- Lockbox
- Personal Protective Equipment Inspections
- Records Management
- Safety Inspections
- Self Contained Breathing Apparatus Maintenance and Replacement
- Smoke Detector Installs/Replacements
- Training Department

Services

Services provided by the department include all hazard emergency service and response; fiscal, departmental, and agency oversight; and prevention, education, and support.

Customers

Services are provided to the following customers:

- City Departments
- Surprise Fire Department personnel
- Citizens of Surprise
- Businesses of Surprise
- Guests of Surprise
- Victims of fire incidents

Divisions

Administration -

Responsible for the administrative and support functions of the department.

Community Services -

Offers a variety of fire and life safety programs that directly benefit the community.

Crisis Response -

Manages volunteers who provide on-scene victim assistance and support.

Emergency Medical Services -

Maintains all emergency medical supplies and equipment and researches new patient care technologies.

Operations -

Responsible for all field operations and will provide emergency service to the city 24 hours per day, seven days a week.

Fire Prevention -

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

Support Services -

Ensures stations and apparatus remain fully equipped and all personal protective equipment remains functional.

Training -

Coordinates all individual training programs in addition to inter-agency and multi-company drills and Training Academy curriculum.

Budget Summary

During FY2010 a number of positions including a plans examiner, a fiscal support specialist, and an inspector were transferred from the Fire Department to the Community and Economic Development Department to further streamline the development review process. Also during FY2010, the administrative support supervisor position was reclassified to a program coordinator position.

The FY2011 budget is programmed for \$14,432,600, a net increase of 4% from the FY2010 amended budget. The community services division budget was reduced in FY2010 to help manage the city's general fund shortfall. This reduction included the elimination of an administrative specialist. In addition, the community services division program specialist position was eliminated during FY2010 and was later restored at the budget retreat by the Mayor and City Council for FY2011.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
By category					
Personnel	12,334,932	11,612,500	12,030,000	12,328,000	6%
Supplies	547,917	605,400	602,400	497,100	-18%
Services	1,019,851	1,184,100	1,217,300	1,357,500	15%
Capital	78,192	530,000	280,000	250,000	-53%
Total	13,980,891	13,932,000	14,129,700	14,432,600	4%

By division					
Administration	903,540	1,358,100	1,377,400	1,706,200	26%
Community Svcs	157,293	61,300	125,400	129,100	111%
Crisis Response	112,358	111,500	112,000	117,300	5%
EMS	82974.46	110300	108500	123,100	12%
Fire Ops	11,407,993	11,339,700	11,422,800	11,604,900	2%
Prevention	635,297	381,400	382,400	267,700	-30%
Support Svcs	411,661	400,600	428,000	321,800	-20%
Training	269,774	169,100	173,200	162,500	-4%
Total	13,980,891	13,932,000	14,129,700	14,432,600	4%

Revenues

By fund source					
Charges for Services/Other	665,164	1,369,500	823,500	1,358,200	-1%
General Fund	13,315,727	12,562,500	13,306,200	13,074,400	4%
Total	13,980,891	13,932,000	14,129,700	14,432,600	4%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	0	0
Administrative Support Supervisor	1	1	0	0
Administrative Technician	2	2	2	2
Assistant Department Director	2	2	2	2
Battalion Chief	4	4	4	4
Department Director - Fire Chief	1	1	1	1
Division Manager	1	1	1	1
Fire Captain	25	25	25	25
Fire Engineer	24	24	24	24
Firefighter	54	54	54	54
Fiscal Support Specialist	1	1	0	0
Inspector	3	2	1	1
Maintenance & Operations Technician	1	1	1	1
Plans Examiner	1	1	0	0
Program Coordinator	0	0	1	1
Program Specialist	1	1	0	1
Program Supervisor	1	1	1	1
Senior Analyst	1	1	1	1
Service Worker/Groundskeeper	1	1	1	1
Total	125	124	119	120

Capital

Capital is programmed as indicated by the table below in the amount of \$250,000 for purchase of an Urban Area Security Initiative (UASI) grant funded chemical, biological, radiological, nuclear, and high yield explosive (CBRNE) response vehicle. The vehicle is an all hazard response vehicle geared for large scale emergency management.

Project Name	Carry Forward	Budget
Capital		
UASI - Fire CBRNE Vehicle	Carry Forward	250,000
Total		250,000

Accomplishments

- Completed an Insurance Services Office (ISO) audit and received an ISO Class 3 public protection classification.
- Implemented electronic patient care records increasing records management efficiencies.
- Implemented advanced life support supply replenishment system with ambulance service provider.
- Leveraging cutting-edge technologies to improve patient outcomes (Lifepak 15).
- Added two advanced heart monitors significantly improving patient outcomes via real-time data transmission to base hospital.

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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of target training hours per fire fighter	240	240	240	240	250
Number of training hours	31,770	26,280	29,000	27,321	27,000
Percent of target hours attained	124.8%	110%	120%	107%	100%

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
ISO rating*	5	5	3	3	3

- **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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of total calls	11,000	10,718	11,250	11,176	11,500
Percent of time 5 minute response attained [*]	38.0%	39.4%	42.0%	39.9%	42.0%
90 th percentile response time ^{**}	8:43	7:55	7:45	7:47	7:45
Operating expenses per call	\$1,236	\$1,234	\$1,221	\$1,190	\$1,150

** % 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.*

Firefighter's Pension Fund

Description

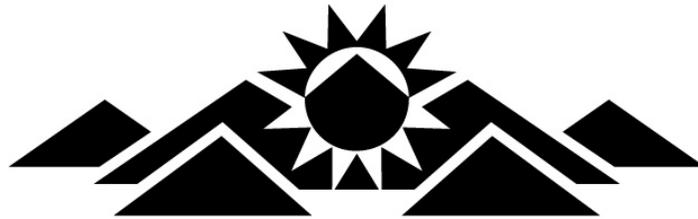
The firefighter's pension fund is established to temporarily hold or collect resources on behalf of a third party (firefighters).

Budget Summary

The firefighter's pension fund has been programmed with the expenditures equal to anticipated revenues. Revenues 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.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	0	98,100	0	97,900	0%
Total	0	98,100	0	97,900	0%
<u>By department</u>					
General Operations	0	98,100	0	97,900	0%
Total	0	98,100	0	97,900	0%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	789	1,000	0	0	-100%
Fund Balance	0	97,100	0	97,900	1%
Total	789	98,100	0	97,900	0%

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Police Department

Description

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

Activities

The Police Department's activities include:

- Administration/Professional Standards
- Animal Control
- Communications
- Crime Prevention
- Criminal Investigations
- Jail Transport
- Park Ranger
- Patrol
- Property and Evidence Management
- Public Information
- Records
- Recruitment
- Sex Offender Registration/Notification
- Technical Services
- Traffic Enforcement
- Training
- Victim Advocacy

Services

Services provided by the department include:

- Internal investigations and audits
- Community services
- Response to Police, Fire, and medical assistance requests
- Professional assessments and information
- Investigations
- Mandated court transportation and jail booking
- Proactive patrols and response to calls for service
- Organized and maintainable items of property and evidence
- Information to the media and public
- Police reports/records
- Viable candidates for vacant positions
- Public notification
- Technical support
- Enforcement and education
- Training
- Notifications and referral

Customers

Services are provided to the following customers:

- Department administration
- Animals
- The public
- The media
- Citizens of Surprise
- Victims
- In custody arrestees
- Department personnel
- Other government agencies

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. This division is recorded in administration in the table below.

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. This division includes communications and tech services as reported in the table below.

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. This division is recorded under patrol in the table below.

Budget Summary

The Police Department's FY2011 operating budget of \$19,465,600 represents an increase of 9% from the FY2010 amended budget of \$17,795,800. The increase is primarily due to the reclassification of \$665,000 in jail services expenses from general operations to the Police Department. The reclassification of these expenses to the Police Department aligns the expenses with the activity occurring in the department.

In addition, an expense of \$312,400 is added to the services budget for the new photo enforcement contract. The offsetting revenue of \$840,000 is added to the City Court budget where the revenue will be received.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	16,242,571	16,515,700	15,793,000	17,022,800	3%
Supplies	792,403	646,900	598,900	596,900	-8%
Services	597,466	607,300	607,300	1,820,700	200%
Capital	102,318	25,900	700	25,200	-3%
Total	17,734,758	17,795,800	16,999,900	19,465,600	9%
<u>By division</u>					
Administration	2,858,771	2,657,500	2,624,100	3,438,900	29%
Communications	1,892,472	1,996,700	1,675,700	1,983,300	-1%
Investigations	2,361,066	2,275,800	2,617,200	2,818,100	24%
Patrol	10,099,304	10,288,600	9,501,200	10,639,400	3%
Tech Svcs	523,144	577,200	581,700	585,900	2%
Total	17,734,758	17,795,800	16,999,900	19,465,600	9%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	931,922	872,900	924,300	947,000	8%
General Fund	16,802,835	16,922,900	16,075,600	18,518,600	9%
Total	17,734,758	17,795,800	16,999,900	19,465,600	9%

Two police officer positions were position changed in FY2010 to a senior human resources consultant and to an assistant city attorney I&II to provide specialized assistance to the department. The total personnel budgeted in FY2011 remains unchanged from FY2010.

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	2	2	2
Administrative Support Supervisor	1	1	1	1
Administrative Technician	6	6	6	6
Analyst	1	1	1	1
Animal Control Officer	3	3	3	3
Assistant City Attorney I & II	0	0	1	1
Assistant Department Director	3	3	3	3
Community Services Officer	6	6	6	6
Department Director	1	1	1	1
Division Manager	5	5	6	6
Forensic Technician	1	1	1	1
Information Technology Administrator	1	1	1	1
Information Technology Technician	1	1	1	1
Manager	1	1	1	1
Police Officer	109	109	107	107
Police Sergeant	16	16	15	15
Program Coordinator	1	1	1	1
PS Communications Officer	19	19	19	19
PS Communications Supervisor	5	5	5	5
Senior Analyst	2	2	2	2
Senior Human Resources Consultant	0	0	1	1
Senior IT Administrator	1	1	1	1
Training Coordinator	1	1	1	1
Transportation Officer	2	2	2	2
Total	187	188	188	188

Capital

Capital is programmed for \$25,200 as indicated by the table below and includes carry forward funding for a traffic enforcement technology enhancement grant for the purchase of four video camera systems for police motorcycles.

Project Name	Carry Forward	Budget
Capital		
Traffic Enforcement Technology Enhancement	Carry Forward	25,200
Total		25,200

Accomplishments

- Revised the strategic plan to reflect current staffing.
- Expanding neighborhood involvement, increasing citizen participation in crime prevention.
- Enhancing traffic enforcement technology with photo radar, in car cameras.

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.
 - **Objective:** Provide public awareness of Victim Services programs.
 - **Objective:** Participate in city HOA Connection program and conduct interactive community meetings to increase awareness of neighborhood issues.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of risk assessments conducted	50	62	74	105	150
Number of victim services provided	776	618	750	898	750
Number of times crime mapping website accessed	---*	---*	---*	5,450	6,000
Cost per service provided	\$272	\$330	\$272	\$224	\$249

*New measure, data not available

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of complaints received	37	27	20	32	15
Number of complaints processed	37	27	20	32	15
Number of complaints resulting in training, policy change, corrective action	97%	85%	60%	43%	50%
Cost per service provided	\$2,778	\$3,807	\$5,140	\$3,212	\$6,853

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

Performance Measure	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of calls for service	88,322	97,688	107,054	95,117	105,760
Number of report actions*	25,153	27,123	28,264	24,216	25,771
Number of directed patrols	7,881	11,266	12,000	11,198	12,000
Cost per action*	\$244	\$226	\$217	\$254	\$238

* Arrests, reports, accident reports, and citations issued

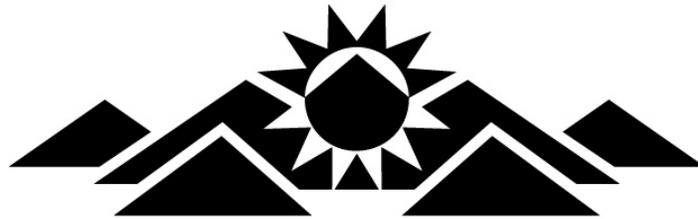
- **Department Goal:** Make a positive impact on traffic related incidents.
 - **Objective:** Increase traffic safety through public awareness and education.
 - **Objective:** Conduct focused traffic related campaigns.

Performance Measure	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of traffic stops by support services	7,395	7,152	7,500	6,528	7,500
Number of citation issued by support services	6,156	6,265	6,375	5,789	6,375
Percent of time citations are issued	83%	87%	87%	88%	87%
Number of traffic related campaigns	12	13	15	21	25
Cost per citation	\$74	\$73	\$71	\$79	\$71

- **Department Goal:** Continue active recruitment.
 - **Objective:** Maintain 95% filled positions by the end of the year.

Performance Measure	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of positions to be filled	23	10	10	10	10
Number of personnel hired	39	16	10	8	10
Percent of positions maintained full by end of fiscal year	95%	97%	98%	80%	95%

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Surprise City Court

Description

The Surprise City Court's primary function is to fairly and impartially adjudicate all cases filed in the court and to effectively obtain compliance with the court's 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.

Activities

The Surprise City Court's activities include Administration, Judicial, and Operations.

Services

Services provided by the department include:

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

Customers

Services are provided to internal and external customers.

Budget Summary

The Surprise City Court's budget of \$2,178,700 represents an 8% increase from the FY2010 amended budget. The increase is primarily due to the reallocation of public defenders expenses (\$237,400) from the general operations budget to the court budget where the contract is managed. There is a net decrease in personnel with the elimination of the associate judge full time equivalent (FTE) position and increased funds for additional pro tem judges recorded as an increase in part time FTE.

In FY2011, \$840,000 of revenue is programmed in the court budget where revenues from the city's newly approved photo radar program will be recorded. These revenues will be offset by a corresponding expense in the Police Department. Outside of the photo radar revenue, the court budget is balanced with revenues equal to expenses and has reduced its reliance on general fund revenue sources.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	1,848,334	1,832,200	1,840,300	1,748,700	-5%
Supplies	36,948	35,800	34,900	35,100	-2%
Services	333,777	149,500	137,300	394,900	164%
Total	2,219,059	2,017,500	2,012,500	2,178,700	8%
<u>By division</u>					
JCEF	54,023	10,000	0	37,000	270%
General Ops	2,165,035	2,007,500	2,012,500	2,141,700	7%
Total	2,219,059	2,017,500	2,012,500	2,178,700	8%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	1,769,474	1,868,700	1,986,200	2,915,700	56%
General Fund	449,585	148,800	26,300	0	-100%
Total	2,219,059	2,017,500	2,012,500	2,915,700	45%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	1	1	1	1
Administrative Specialist	7	7	8	8
Administrative Support Supervisor	2	2	2	2
Administrative Technician	7	6	6	6
Assistant Analyst	1	1	0	0
Associate Judge	1	1	1	0
Division Manager	1	1	1	1
Executive Administrative Specialist	1	1	1	1
Presiding Judge	1	1	1	1
Program Manager	1	1	1	1
Part Time	0.3	0.8	0.8	1.1
Total	23.3	22.8	22.8	22.1

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- Participant in a new statewide web-cast training for court staff.
- Working with Supreme Court to pilot a new statewide case management system – fall 2010.

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	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of court visitors	57,746	64,203	66,000	64,000	68,000
Number of surveys distributed	---	---	500	200	500
Number of surveys returned	---	99	200	197	200
Percent of court users surveyed with a positive experience	---	79%	80%	65%	80%

*New measure, data not available

Strategic Plan Focus Area: Organizational Issues

Focus Area Goal: Achieve organizational excellence.

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

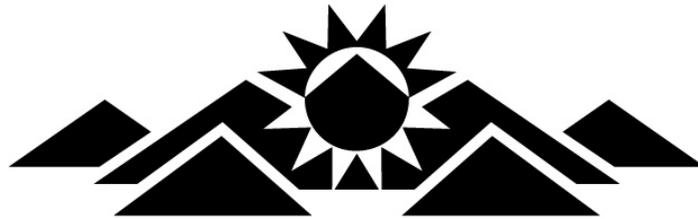
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Total number of cases filed	17,647	19,369	19,000	22,000	20,000
Number of cases audited	---*	2,500	3,800	4,590	4,000
Percent of cases meeting conformance criteria for timely retrieval	---*	80%	85%	90%	85%
Percent of cases accurate and complete	---*	85%	85%	87%	85%

*New measure, data not available

- **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.
 - Resolve 85% or better of all Driving Under the Influence cases (DUI’s) within 120 days.
 - Resolve 93% or better of all DUI’s within 180 days.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of criminal cases filed	5,573	4,879	5,000	3,699	5,500
Number of criminal cases resolved	4,636	4,039	4,200	5,197	4,700
Percent of criminal cases resolved	83%	83%	84%	140%	85%
Percent of DUI’s resolved within 120 days	62.87%	70.81%	85.00%	85.03%	85.00%
Percent of DUI’s resolved within 180 days	88.64%	92.88%	93.00%	95.34%	93.00%

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Municipal Court Enhancement Fund

Description

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

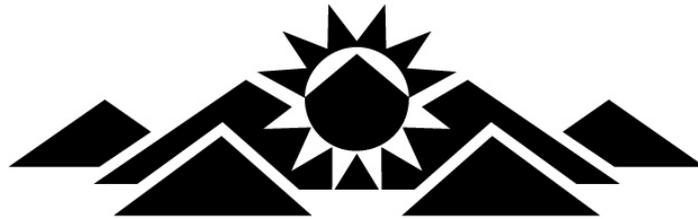
Budget Summary

Programmed resources are based upon actual collections and expenditures in the prior year. For FY2011, \$100,000 has been programmed for security costs. The remaining \$76,800 is programmed as a contingency. In FY2010, approximately \$43,000 was expended for computer programmer services related to the AZTEC case-management software system and Wizard programs used by the court.

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.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Supplies	307	0	0	0	0%
Services	35,381	150,000	100,000	100,000	-33%
Capital	0	43,000	43,000	0	-100%
Contingency	0	178,900	0	76,800	-57%
Total	35,688	371,900	143,000	176,800	-52%
<u>By department</u>					
City Court	35,688	328,900	100,000	176,800	-46%
Information Services	0	43,000	43,000	0	-100%
Total	35,688	371,900	143,000	176,800	-52%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	104,595	80,000	0	0	-100%
Fund Balance	0	291,900	143,000	176,800	-39%
Total	104,595	371,900	143,000	176,800	-52%

City of Surprise, Arizona



SURPRISE

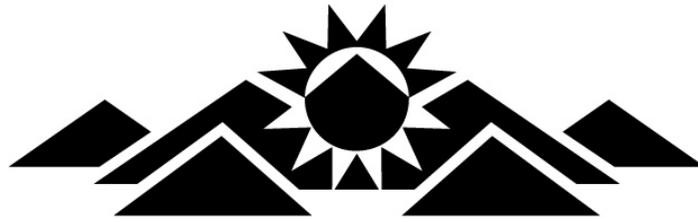
ARIZONA

FY2011 Adopted Budget

Community and Recreation Services

- Community and Recreation Services Department
- Campus Operations Fund
- Community Initiatives Department
- 10% Set-Aside Fund
- Tourism Fund

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget



Community and Recreation Services Department

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 was merged with the general fund for FY2011 and is included in the information below.

Activities

The Community and Recreation Services Department activities include:

- Adaptive Recreation
- Administration
- Adult Sports
- Aquatics
- Asset Replacement
- Business Services and Promotions
- Campus Operations
- Disability Advocate
- Library
- Off Site Special Interest Classes
- Park Maintenance
- Recreation Centers
- Special Events
- Special Programs
- Teens
- Tennis
- Tournaments
- Youth Sports

Services

The following services are provided by the department:

- Oversight of personnel, budget, resources, and policy
- Human resources support, internal and external customer service, fiscal management and departmental marketing and promotions
- Year-round lessons, leagues, drop-in and tournament play
- A variety of quality, affordable special events
- Maintenance practices
- Quality, cost-effective, safe, and enjoyable recreational programs, activities, sports, and facilities
- An introduction to sports
- Promotion of branded, sanctioned, and recognized venues that offer a competitive choice
- Operational, organizational and daily general facility maintenance support
- Materials, programming, public use internet/computers, information resources, research collections and a variety of public outreach opportunities

Customers

Services are provided to department staff, Surprise residents of all ages and abilities, and Surprise visitors.

Divisions

Administration -

The administration division provides managerial support to all of Community and Recreation Services, including 63 full time employees and 33.2 full time equivalents (FTE) in part time employee support. Provides fiscal oversight for an operating budget of \$12.5 million and revenues of \$3.7 million.

Aquatics -

The aquatics division manages the Surprise Aquatic Center and the Hollyhock Community Pool.

Campus Operations -

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

Community Promotions -

The community promotions division provides marketing and promotion of the department and all aspects of business services.

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.

Park Maintenance - The park maintenance division manages 15 park and recreation center locations that include nearly 400 acres.

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.

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 4th of July celebration. The division also manages the Surprise Tennis and Racquet Complex operations.

Budget Summary

The table below shows an increase of 28% from the FY2010 amended budget. The FY2011 increase shown in the table is due to a change in accounting practices, which merged activities formerly accounted for in the campus operations fund into the general fund. The combined budgets of campus operations and the general fund actually decrease from the FY2010 amended budget of \$13,429,300 to the FY2011 budget of \$12,473,800 for a 7% reduction.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	4,697,385	4,673,200	4,972,200	6,007,600	29%
Supplies	1,248,424	1,414,000	1,444,400	1,725,600	22%
Services	2,982,771	3,321,500	3,276,500	4,740,600	43%
Capital	430,083	364,600	272,800	0	-100%
Total	9,358,663	9,773,300	9,965,900	12,473,800	28%
<u>By division</u>					
Administration	264,228	555,200	526,500	488,700	-12%
Aquatics	724,333	566,200	601,700	550,100	-3%
Campus Operations	0	0	0	3,157,500	0%
Community Promo	154,632	142,100	142,600	143,700	1%
Library	164,517	176,000	180,200	162,800	-8%
Park Maintenance	2,543,268	2,749,800	2,656,500	2,568,900	-7%
Recreation	3,462,708	3,848,800	4,069,800	3,661,000	-5%
Special Events	552,372	454,500	485,900	486,400	7%
Tennis	1,492,604	1,280,700	1,302,700	1,254,700	-2%
Total	9,358,663	9,773,300	9,965,900	12,473,800	28%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	2,032,196	2,089,700	2,233,800	3,786,000	81%
General Fund	7,326,467	7,683,600	7,732,100	8,687,800	13%
Total	9,358,663	9,773,300	9,965,900	12,473,800	28%

Reductions were made in FY2010 and FY2011 to assist with balancing the city's operating shortfall. Full time equivalent positions (FTE) were reduced by 5.8 FTE including the elimination of four service worker/groundskeepers, one program supervisor, and one part time benefitted recreation aide position. Other changes reduced hours at the Surprise Tennis and Racquet Complex and at the Hollyhock Library, reduced the total part time hours, and reduced the printed distribution of the Surprise Recreation Times publication. Reductions to part time hours at the Senior Center were offset by an increase in volunteer hours. In addition, the 4th of July special event was restructured to incorporate a revenue generating baseball game.

Fiscal year 2010 mid-year reductions were made to the Sierra Montana Recreation Center open recreation hours and to open swim hours at the Surprise Aquatic Center and the Hollyhock Community Pool. These reductions were restored by Mayor and City Council at the FY2011 budget retreat with offsetting revenue from sponsorships.

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 30% of all operational costs and 58% of indirect costs.

The FY2011 adopted personnel reflects the change in accounting methods that now captures Campus Operations in the General Fund under Community and Recreation Services.

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	3	3	3	3
Administrative Technician	2	2	2	2
Analyst	1	1	1	1
Department Director	1	1	1	1
Division Manager	4	4	4	6
Fiscal Support Supervisor	1	1	1	1
Maintenance & Operations Supervisor	1	1	0	2
Maintenance & Operations Technician Manager	9 3	9 2	9 2	14 2
Program Assistant	0	0	0	0
Program Supervisor	2	2	1	1
Recreation Aide	1.8	1.8	1	1
Recreation Coordinator	7	7	6	6
Recreation Specialist	1	1	2	2
Recreation Supervisor	5	5	5	5
Sr Maintenance & Operations Technician	8	8	9	13
Service Worker/Groundskeeper	2	2	0	4
Part Time	34.6	26.2	25	33.2
Total	86.4	77	72	97.2

Capital

No capital items have been programmed for this fiscal year.

Accomplishments

- The Community and Recreation Services Department delivered over 2,200 recreation and special events programs servicing over 246,300 participants.
- Successfully promoted and implemented the second annual Cancer Treatment Centers of America Tennis Championships attracting over 10,800 fans, an increase of 8% from the previous year.
- Hosted five national United States Tennis Association (USTA) Tournaments attracting over 1,700 participants; generating an economic impact of over \$816,500.
- Successfully implemented the 3rd Annual Youth Leadership Summit attracting over 100 youth leaders within the Surprise Community.
- Successfully kicked off the 1st Youth Leadership Council program with the "Great Race"; the Leadership Council is represented by 30 Surprise teens who will participate in a year-long leadership development program.

- Over 1,000 teens participated in the 5th Quarter at Sierra Montana; a program providing teens with organized recreation activities at Sierra Montana Recreation Center. 5th Quarter is immediately following varsity football and basketball games.
- Introduced “Second Sundays in the Park” in the spring featuring themed activities and entertainment on the second Sunday of each month during the spring.
- Hosted the 50K Race Walk Championships and World Cup Trials and the 20K Race Walk Western Regional Championships attracting over 50 of the most elite race walkers in the world.
- Received the 2010 Arizona Parks and Recreation Association Adaptive Recreation Program of the Year for the department’s Adaptive Outreach Prom.
- Recruited and trained over 1,220 youth sports volunteer coaches totaling 43,100 donated hours (a monetary value of over \$898,600 based on the 2009 National Average of Independent Sector Dollar Value of Volunteer Hour).
- Continued coordination of over 750 Surprise Sundancer volunteers who contributed 35,560 volunteer hours; a value to the city of over \$741,400 (based on the 2009 National Average of Independent Sector Dollar Value of a Volunteer Hour).
- The Community and Recreation Services Department submitted and received grant funding from the American Recovery and Reinvestment Act of 2009 for Congregate Meals, Christopher Reeve Foundation and the United States Tennis Association, Arizona Diamondbacks and the Arizona Office of Tourism EZ Marketing Grant totaling over \$45,200.
- In partnership and coordination with Surprise Tourism Committee, the department adopted the city’s first Tourism Strategic Plan.
- In partnership and coordination with the Teen Advisory Board, the department adopted the Teen Advisory Board Strategic Plan.
- Constructed, implemented, and currently programming the LED messaging board for the campus within budget and established guidelines. The board is located on Bell and Bullard and promotes city of Surprise events, activities, and special notices.

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of programs offered	16	18	21	20	24
Number of participants	8,458	7,714	8,071	7,744	8,200
Revenue	\$406,966	\$393,249	\$409,498	\$421,221	\$425,000
Direct expenses of offering the program (per participant)	\$89.04	\$94.33	\$67.03	\$79.99**	\$69.51
Direct cost to the city per participant (after revenues applied)	\$40.92	\$43.34	\$16.30	\$25.59**	\$17.68
Revenue recovery (net revenue less expenses)	54%	54%	75%	68%	75%

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

- **Objective:** Provide adult sports at a 100% revenue recovery rate or greater.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of seasons offered	10	19	27	32	32
Number of participants	1,336	3,993	4,064	3,744	3,848
Revenue	\$41,090	\$73,450	\$94,205	\$115,245	\$115,300
Direct expenses of offering the program (per participant)	\$12.87	\$16.01	\$21.40	\$26.66**	\$22.66
Cost/(Revenue) to the city	(\$2.09)	(\$6.44)	(\$9.42)	(\$4.12)**	(\$7.30)
Revenue recovery (net revenue less expenses)	116%	140%	168%	109%	132%

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

- **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:** Increase attendance by 10%.
 - **Objective:** Achieve 100% revenue recovery.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of sessions offered	N/A	7	5	5	7
Number of participants	N/A	10,051	10,823	10,819	12,000
Percent increase in attendance	N/A	N/A	7%	7%	10%
Percent of revenue recovery	N/A	89%	103%	96%	100%
Direct cost per participant	N/A	\$66.77	\$70.11	\$60.39	\$62.29

*Not Applicable: first tournament was in FY2009

- **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 parks at an average level of service of 2.5 or better.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Total park acres	258	329	392.5	392.5	392.5
Actual hours of parks maintenance	69,374	66,782	66,600	61,150	66,600
Maintenance cost per acre	---	\$12,545	\$10,015	\$9,722	\$10,015
Average level of service	---	1.6	2.2	2.3	2.2

*New measure, data not available

- **Objective:** Realize cost savings per stadium attendee at \$3.00 or greater through the use of volunteer staff.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of calendar days the stadium is in use	138	133	135	104	140
Stadium attendance (all uses)	251,464	255,300	259,300	263,629	268,800
Total volunteer hours	44,387	37,492	40,000	35,560	42,000
Cost savings per stadium attendee through the use of volunteer staff	\$3.57	\$2.97	\$3.12	\$2.73	\$3.16



Campus Operations Fund

Description

The campus operations fund was 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. In FY2011, a change in accounting practices merged the activities formerly accounted for in the campus operations fund into the general fund.

Budget Summary

Campus Operations is now reported on the Community and Recreation Services Department page.

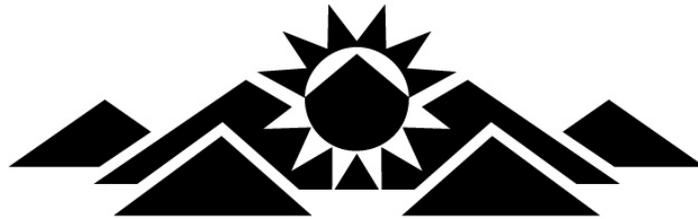
Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
By category	Actual	Amended	Final	Adopted	Adopted
Personnel	1,736,497	1,422,800	1,422,800	0	-100%
Supplies	480,063	367,000	367,000	0	-100%
Services	1,218,248	1,866,200	1,366,200	0	-100%
Capital	347,901	0	0	0	0%
Total	3,782,709	3,656,000	3,156,000	0	-100%
By department					
Community and Rec Svcs	3,782,709	3,656,000	3,156,000	0	-100%
Total	3,782,709	3,656,000	3,156,000	0	-100%

Revenues

By fund source	FY2009	FY2010	FY2010	FY2011	
Charges for Services/Other	1,488,378	1,799,500	1,501,100	0	-100%
Transfer In	2,088,248	1,460,100	1,928,900	0	-100%
Fund Balance	206,083	396,400	0	0	-100%
Total	3,782,709	3,656,000	3,430,000	0	-100%

Personnel	FY2009	FY2010	FY2010	FY2011
	Actual	Adopted	Amended	Adopted
Division Manager	2	2	2	0
Maintenance & Operations Supervisor	2	2	2	0
Maintenance & Operations Technician	5	5	5	0
Sr Maintenance & Operations Technician	5	4	4	0
Service Worker/Groundskeeper	6	6	4	0
Part Time	10.6	5.6	5.6	0
Total	30.6	24.6	22.6	0

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget



Community Initiatives Department

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

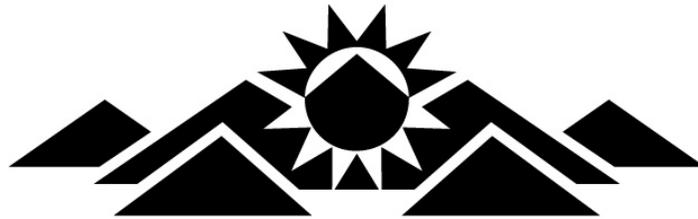
- Administration- The administrative division is now reporting to the Community and Recreation Services Department.
- Human Services- The human services division is now reporting to the Community and Recreation Services Department.
- Neighborhood Services- The neighborhood services division is now reporting to the Community Development Department.
- Senior Services- The senior services function has been assumed by the Recreation Division of the Community and Recreation Services 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.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	1,000,189	0	0	0	0%
Supplies	121,544	0	0	0	0%
Services	137,747	0	0	0	0%
Total	1,259,479	0	0	0	0%
<u>By division</u>					
Administration	417,309	0	0	0	0%
Human Svcs	170,925	0	0	0	0%
Neighborhood Svcs	279,265	0	0	0	0%
Sr. Svcs	391,979	0	0	0	0%
Total	1,259,479	0	0	0	0%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	79,545	0	0	0	0%
General Fund	1,179,934	0	0	0	0%
Total	1,259,479	0	0	0	0%

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

10% Set-Aside Fund

Description

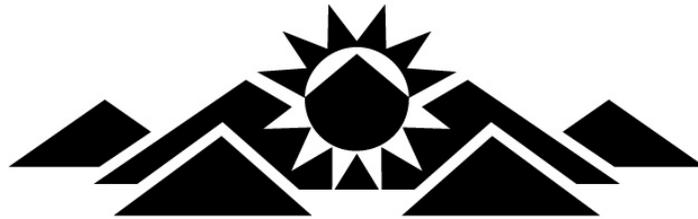
The 10% set-aside fund is established to provide a dedicated funding source equal to 10% of the city's primary property tax levy for the development and improvement of any area of the city that has a current revitalization plan to ensure all residents share the benefits of growth within the city of Surprise.

Budget Summary

During FY2009, the Mayor and City Council suspended transfers to the 10% set-aside. All funds that were not encumbered were returned to the general fund during FY2010. No expenditures or revenues are anticipated in the fund for FY2011.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	30,179	0	0	0	0%
Transfer Out	824,200	0	3,100	0	0%
Total	854,379	0	3,100	0	0%
<u>By department</u>					
General Operations	854,379	0	3,100	0	0%
Total	854,379	0	3,100	0	0%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	50,835	0	0	0	0%
Fund Balance	803,545	0	3,100	0	0%
Total	854,379	0	3,100	0	0%

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Tourism Fund

Description

The tourism fund is established to expenses and revenue associated with the dedicated 1.52% transient lodging tax (bed tax). The fund is a newly established special revenue fund for FY2011. The city of Surprise Tourism Board recommended on January 5, 2010, as part of the on-going strategic plan development, a 1.52% increase to the transient lodging tax. The Mayor and City Council approved the increase on January 28, 2010 with Ordinance No. 2010-04.

Budget Summary

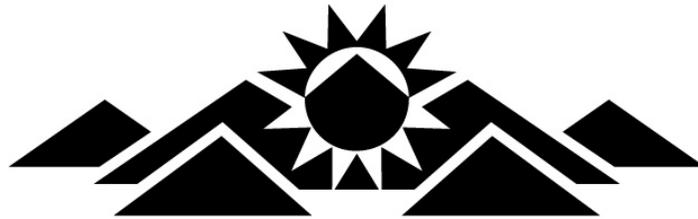
The tourism fund has an adopted budget of \$219,200. The additional revenue generated from the 1.52% increase to the transient tax will be utilized to fund potential strategic plan projects, programs and events identified by the Tourism Board and presented to the Mayor and Council for approval.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Contingency	0	0	0	132,200	0%
Transfer Out	0	0	0	87,000	0%
Total	0	0	0	219,200	0%
<u>By department</u>					
General Operations	0	0	0	219,200	0%
Total	0	0	0	219,200	0%
Revenues					
<u>By fund source</u>					
Bed Tax	0	0	0	219,200	0%
Fund Balance	0	0	0	0	0%
Total	0	0	0	219,200	0%

Capital

No capital items have been programmed for this fiscal year.

City of Surprise, Arizona



SURPRISE

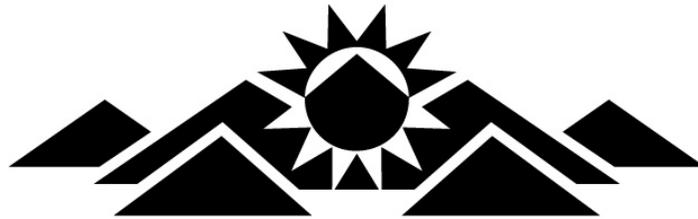
ARIZONA

FY2011 Adopted Budget

Public Works

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

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget



Transportation Department Highway User Revenue Fund

Description

The highway user revenue fund (HURF) is established to track non-transit transportation related activities. HURF is the only fund other than the general fund required by state law. The former Transportation Department, funded by HURF, was responsible for transportation planning for all modes in the city with emphasis on regional connectivity.

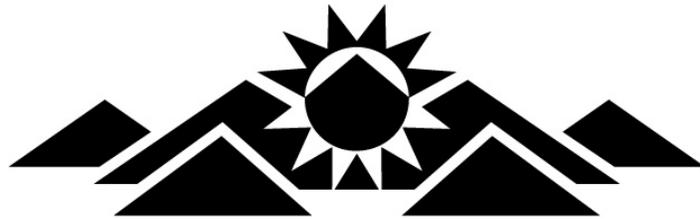
Budget Summary

During FY2010, the Transportation Department was consolidated with the streets division into the Public Works Department. The transportation division is now detailed with the streets division under the highway user revenue fund section of this document.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Personnel	1,341,413	0	0	0	0%
Supplies	334,982	0	0	0	0%
Services	210,850	0	0	0	0%
Total	1,887,245	0	0	0	0%
<u>By department</u>					
Transportation	1,887,245	0	0	0	0%
Total	1,887,245	0	0	0	0%
 Revenues					
<u>By fund source</u>					
State Shared	1,715,798	0	0	0	0%
Charges for Services/Other	171,446	0	0	0	0%
Total	1,887,245	0	0	0	0%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	2	0	0	0
Assistant Department Director	0	0	0	0
Associate Civil Engineer	2	0	0	0
Civil Engineer	1	0	0	0
Civil Engineering Supervisor	0	0	0	0
Department Director	1	0	0	0
Division Manager	1	0	0	0
Maintenance & Operations Specialist	2	0	0	0
Maintenance & Operations Supervisor	1	0	0	0
Maintenance & Operations Technician	2	0	0	0
Program Coordinator	1	0	0	0
Program Supervisor	0	0	0	0
Project Manager	0	0	0	0
Senior Civil Engineer	1	0	0	0
Sr Maintenance & Operations Technician	3	0	0	0
Senior Planner	1	0	0	0
Service Worker/Groundskeeper	2	0	0	0
Total	20	0	0	0

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 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 Public Works Department is responsible for planning, coordinating, and some operating of public transportation programs to meet the city's transit needs.

Activities

Activities include: Administration Management Services, Customer Service, and Public Transit.

Services

Services provided by the Public Works – Transit Division include the following:

- Public transit and commuter express services

Customers

Services are provided to the citizens of Surprise and the members of the public working in the community.

Budget Summary

The transit fund budget is programmed this year for \$1,279,500. Excluding contingency and capital, this represents an operating budget increase of 11% from last fiscal year. The increase is primarily due to increases for the express route contract service and the programming of operating costs for a new park and ride facility that will provide parking access to the express route customers. The park and ride facility is detailed in the Capital Improvements section of this document.

As indicated in the table below there was a 100% reduction in state shared revenues due to the elimination of Local Transportation Assistance Fund (LTAF), formerly distributed to the city by the state. Even though this revenue source was eliminated, the Mayor and City Council approved continuing the Dial-a-Ride Transit service at the same level as last year.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	521,412	527,400	527,400	534,800	1%
Supplies	67,974	58,500	58,500	60,500	3%
Services	289,187	293,200	341,200	377,300	29%
Capital	0	0	0	192,000	0%
Contingency	0	183,700	0	114,900	-37%
Total	878,573	1,062,800	927,100	1,279,500	20%
<u>By department</u>					
Community Initiatives	878,573	0	0	0	0%
General Operations	0	183,700	0	0	-100%
Public Works	0	879,100	927,100	1,279,500	46%
Total	878,573	1,062,800	927,100	1,279,500	20%
Revenues					
<u>By fund source</u>					
State Shared	443,564	317,400	262,700	0	-100%
Charges for Services/Other	328,469	24,000	22,000	154,900	545%
Transfer In	0	0	174,000	864,500	0%
Fund Balance	106,540	721,400	468,400	260,100	-64%
Total	878,573	1,062,800	927,100	1,279,500	20%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Division Manager	1	0	0	0
Program Assistant	8	8	8	8
Program Supervisor	1	1	1	1
Part Time	1.1	1.1	1.1	1.1
Total	11.1	10.1	10.1	10.1

Capital

Capital is programmed for \$192,000 as indicated by the table below and includes funding for vehicle replacements. These funds are now programmed in the specific department where the vehicles will be utilized, in lieu of past practices under which these funds were programmed in a centralized vehicle replacement fund. Grant funding is anticipated for the vans with offsetting revenue of \$132,900.

Project Name	Carry Forward	Budget
Capital		
Vehicle Replacement		192,000
Total		192,000

Accomplishments

- Dial-a-Ride was accident-free during revenue service, logging over 159,000 miles without 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.
- Reduced customer complaints by implementing staff training to improve customer service.

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:** Continue to reduce operating costs, accidents, and increase on-time performance and overall efficiency.

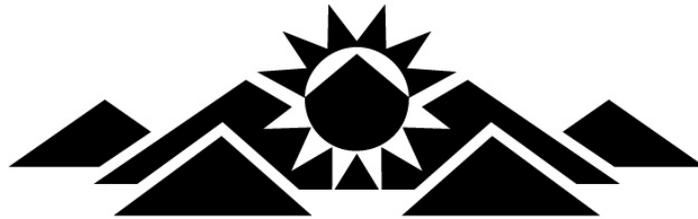
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Total Dial-a-Ride Boarding's	20,075	19,336	20,000	22,402	22,500
On-time performance	99.4%	99.4%	99%	98.9%	99%
Miles logged with no accidents	151,954	153,008	160,000	159,696	160,000
Route 571 average daily ridership (east-bound)	---*	91	75	77	80
Route 571 average daily ridership (west-bound)	---*	83	70	70	73
Dial-a-Ride costs per revenue hour	\$64.38	\$81.42	\$60.00	\$65.00	\$60.00

*New measure, data not available

- **Objective:** Continue monthly staff training to improve customer service.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of Dial-a-Ride customer complaints	22	30	36	23	36
Percent of Dial-a-Ride customer complaints	0.1%	0.2%	1%	0.1%	1%

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Public Works Department General Fund

Description

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

Activities

Activities include the following:

- Administration Management Services
- Capital Improvement Project (CIP) – Project Management
- Engineering – Development Services
- Engineering – Inspections
- Fleet – Service Center
- Fleet – Support Services
- Fleet – Vehicle Support Services
- Facilities – Custodial
- Facilities – Electrical
- Facilities – HVAC
- Facilities – Maintenance
- Storm Water Management

Services

Services provided by the Public Works – general fund divisions include the following:

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- Fuel management plans and salvage and auction services
- Making ready all fleet vehicles to required specifications and provide motor pool services
- Vehicle repair, diagnostic services, and preventative and scheduled maintenance
- Engineering development and civil plan reviews, permitting, in-house design, and updates to the engineering design standards
- Construction inspection
- Manage the planning, architectural, and engineering design and construction of city capital projects and provide infrastructure planning
- Cleaning of facilities, day porter services, meeting set-ups, compliance checks for exit signage and fire extinguishers, security escorting and minor building maintenance, window washing, parking lot cleaning, and pest control
- Electrical services for all electrical systems and emergency standby systems
- Heating, ventilation, and cooling services to all city facilities
- Maintenance upkeep of city property including carpentry and minor renovations, mechanical systems, card access, security systems, plumbing, and other property and equipment requiring repair or maintenance on a scheduled, emergency, or reactive basis
- Permit administration and reporting to comply with local, state, and federal laws and regulations related to storm water pollution, surface water quality standards, and erosion control
- Regional representation involving storm water management to monitor changes and updates in federal, state, and county regulations

Customers

Services are provided to the Mayor and City Council, city of Surprise employees, citizens of Surprise, and members of the Public.

Divisions

<u>Engineering Services</u> -	The engineering development services division provides engineering development review, civil engineering plan review, permit issuance, and construction inspection within the public right of way. This division is detailed on the development engineering line of the table below.
<u>Facilities Management</u> -	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.
<u>Vehicle Maintenance</u> -	The vehicle maintenance division maintains and repairs the city's fleet of vehicles and equipment.
<u>Storm Water</u> -	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 \$10,753,200. With the exception of contingency this represents a 5% decrease from the FY2010 amended budget. As indicated by the table below, personnel is reduced by 5% through the reduction in force of three full time equivalent (FTE) positions including a project manager, a senior inspector, and a maintenance and operations technician. In addition, due to the reorganization of the Transportation Department into the Public Works Department, a division manager position was changed to a civil engineering supervisor position and transferred to the highway user revenue fund.

A total of \$701,900 is programmed for supplies representing a 5% increase due primarily to increases in electricity and fuel costs. Services are programmed for \$1,653,400 equating to a net decrease of 13% due primarily to operational efficiency savings and one-time expenditures programmed last year that are not required this fiscal year. The contingency is reserved for vehicle replacements which will be necessary in future fiscal years.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	4,702,420	3,730,100	4,045,300	3,532,000	-5%
Supplies	695,594	666,000	666,200	701,900	5%
Services	1,376,290	1,900,400	1,900,400	1,653,400	-13%
Capital	0	200,000	414,200	911,500	356%
Contingency	0	0	0	3,954,400	0%
Total	6,774,305	6,496,500	7,026,100	10,753,200	66%
<u>By division</u>					
Development Engineering	2,125,636	1,192,000	1,265,500	987,100	-17%
Facilities Management	3,005,792	3,734,400	3,793,100	3,358,100	-10%
Vehicle Maintenance	1,549,528	1,478,400	1,867,900	6,305,300	326%
Storm Water	93,349	91,700	99,600	102,700	12%
Total	6,774,305	6,496,500	7,026,100	10,753,200	66%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	729,800	420,000	420,000	261,000	-38%
General Fund	6,044,504	6,076,500	6,606,100	10,492,200	73%
Total	6,774,305	6,496,500	7,026,100	10,753,200	66%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	3	3	3	3
Associate Civil Engineer	1	1	1	1
Civil Engineer	1	2	2	2
Civil Engineering Supervisor	1	1	1	1
Department Director	1	1	1	1
Division Manager	5	5	4	4
Fiscal Support Specialist	1	1	1	1
Information Technology Administrator	1	1	1	1
Inspector	1	1	1	1
Maintenance & Operations Specialist	9	9	9	9
Maintenance & Operations Supervisor	3	3	2	2
Maintenance & Operations Technician	1	1	1	1
Manager	1	0	0	0
Project Associate	1	0	0	0
Project Manager	3	2	1	1
Senior Civil Engineer	0	1	1	1
Senior Inspector	2	2	1	1
Sr Maintenance & Operations Technician	8	8	8	8
Service Worker/Groundskeeper	6	6	6	6
Utilities Analyst	1	1	1	1
Total	50	49	45	45

Capital

Capital is programmed in the general fund for \$911,500 as indicated by the table below and includes carry forward funding for the recreation campus monument sign and the Bell Road monument sign. Vehicle replacement funds are now programmed in the specific department where the vehicles will be utilized, in lieu of past practices under which these funds were programmed in a centralized vehicle replacement fund.

Project Name	Carry Forward	Budget
Capital		
Recreation Campus Monument Sign	Carry Forward	6,500
Bell Road Monument Sign	Carry Forward	100,000
Vehicle Replacement		805,000
Total		911,500

Accomplishments

- Streamlined development reviews.
- Established a city hall motor pool.
- Maximized fleet usage.
- Initiated a reduction in non public safety fleet size with a target of 5%.
- Expanded and enhanced the Hansen work order system.
- Evaluated energy consumption at City Hall, Public Safety, Special Planning Area 1 Water Reclamation Facility.
- Staff levels were reduced; however, maintained service levels to customers and improved efficiencies.
- Evaluated and established an initial storm water utility operation to provide street sweeping services.

Goals, Objectives, and Performance Measures

Strategic Focus Area: Organizational Effectiveness

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

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Work orders completed (includes equipment)	---	---	175	5,270	5,300
Reduce non public safety fleet size	---	---	0%	5%	0%
Average time to respond to emergency call outs	---	30 Minutes	30 Minutes	30 Minutes	30 Minutes
Average time spent on vehicle set-ups	---	90 days	90 days	120 days	120 days
Operating costs per job for preventative maintenance	---	\$75	\$75	\$75	\$80

**New measure, data not available*

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
HVAC - major repair services – on time completion	---	99%	99%	99%	99%
HVAC - minor repair services – on time completion	---	99%	99%	92%	99%
Electrical - work orders completed	---	150	350	375	300
Electrical - on time completion	---	99%	99%	99%	99%
Electrical - average response time for emergency requests	---	30 minutes	30 minutes	15 minutes	30 minutes
Facility support - turnaround time for work orders completed	---	---	1 week	9 days	1 week
Maintenance - work order requests	1,221	1,200	2,300	1,521	1,600
Maintenance - on time completion	---	99%	99%	99%	99%
Custodial - cost per square foot for city custodial services	\$0.51	\$0.55	\$0.90	\$0.86	\$0.81
Custodial - cost per square foot for contracted custodial services	\$1.03	\$1.00	\$0.42	\$0.53	\$0.53

**New measures, data not available*

- **Department Goal:** Project Management will complete all projects targeted for FY2011 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:** Improve the percentage of projects that meet the target time frames for completion established at the beginning of the fiscal year.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Percent increase in total construction contract awards due to change orders	2.9%	0.65%	5%	4.71%	5%
Percent of projects that remain on schedule	---	---	90%	71%	90%
Percent of warranty issues identified and resolved during fiscal year	---	---	90%	91%	90%
Average dollar per square foot paid back to general fund	\$19.00	\$8.61	\$5.00	\$1.44	\$1.00

**New measures, data not available*

- **Department Goal:** Improve public's knowledge of the review process to reduce the number of third and subsequent reviews required, increase the number of approvals upon first review, and maintain staff presence on active construction sites.
 - **Objective:** Reduce the number of "third and subsequent submittals approved" by increasing approvals in the "initial submittal approval."
 - **Objective:** Maintain inspector percent of time on construction sites at 63%.
 - **Objective:** Maintain inspection of 17% of active construction sites daily.

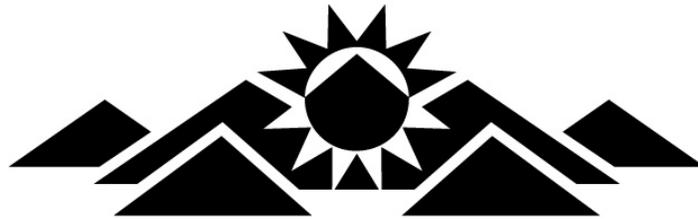
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Commercial improvement plans submitted/reviewed	417*	473	200	140	**
Subdivision improvement plans submitted/reviewed	433*	107	120	97	**
Commercial reports submitted/reviewed	242*	129	60	41	**
Subdivision reports submitted/reviewed	73*	26	35	5	**
Commercial construction permits issued	379	206	300	156	**
Subdivision construction permits issued	165	93	100	109	**
Plan review - number of sheets reviewed	---	3,663	2,000	1,765	2,000
Inspections – number of permits issued for civil inspection	---	436	250	265	300
Inspections - fee collected for civil inspection	---	501,000	---	48,000	50,000
Inspection - percent of time on site	63%	64%	65%	58%	65%
Inspection - percent of sites inspected daily	17%	11%	15%	14%	20%

**New measure, data not available*

**FY2008 figures include a backlog of plans and reports reviewed due to the addition of new plan types*

*** FY2010 last year these measures will be tracked*

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Public Works Department Highway User Revenue Fund

Description

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

Activities

Activities include the following:

- Administrative – Management Services
- Capital Improvement Projects (CIP) – Project Management
- Minor Construction & Repair
- Pavement Preservation
- Right of Way (ROW) Maintenance
- Street Repair
- Street Sweeping
- Support Services
- Traffic Management
- Traffic Signals
- Traffic Signs and Markings
- Transportation Enhancement

Services

Services provided by the Public Works – HURF divisions include the following:

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

Customers

Services are provided to the Mayor and City Council, city of Surprise employees, citizens of Surprise, and members of the public.

Divisions

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.

Transportation Division -

The transportation division is responsible for the transportation planning for all modes in the city with emphasis on regional connectivity. Additionally, the department oversees all aspects of traffic engineering.

Budget Summary

The FY2011 operating budget is programmed at \$8,089,600. With the exception of contingency and capital this represents a 2.5% decrease over the FY2010 amended budget. Personnel decreases in FY2011 due to the transfer of 4.0 full time equivalent positions (FTE) to the newly created storm water operations fund for the second half of the fiscal year.

A number of position changes were made with the reorganization of the Transportation Department into the Public Works Department during FY2010. These changes include the reclassification of a department director to an assistant department director, an associate civil engineer to a program supervisor, and a division manager to a senior planner. In addition a division manager in the general fund was changed to a civil engineering supervisor and transferred to HURF. Lastly, a reduction in force in FY2010 resulted in the elimination of an addition associate civil engineer.

Although there was a slight decrease of 3% in services, supplies increased by 22% due primarily to the programming of additional funds for the purchase and installation of traffic signal pre-emption devices used during emergency incident response and due to overall cost increases in electricity and operational supplies.

Capital decreases by 41% this fiscal year and is outlined in the capital table below. The contingency amount programmed for \$1,778,600 is for future vehicle/equipment replacement based on replacement schedules. These funds are now programmed in the specific department where the vehicles will be utilized, in lieu of past practices under which these funds were programmed in a centralized vehicle replacement fund.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	2,379,712	3,248,500	3,248,500	2,977,900	-8%
Supplies	389,468	734,400	734,400	926,200	26%
Services	1,273,241	2,207,900	2,207,900	2,134,900	-3%
Capital	4,227,437	463,900	485,100	272,000	-41%
Contingency	0	0	0	1,778,600	0%
Total	8,269,859	6,654,700	6,675,900	8,089,600	22%
<u>By department</u>					
Community and Rec Svcs	561,390	0	0	0	0%
Public Works	7,708,468	6,654,700	6,675,900	8,089,600	22%
Total	8,269,859	6,654,700	6,675,900	8,089,600	22%
Revenues					
<u>By fund source</u>					
State Shared	3,580,138	5,334,200	5,039,500	5,194,300	-3%
Charges for Services/Other	12,880	23,000	0	5,300	-77%
Transfer In	3,373,200	1,246,400	4,134,300	839,400	-33%
Fund Balance	1,303,641	51,100	0	2,050,600	3913%
Total	8,269,859	6,654,700	9,173,800	8,089,600	22%

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	3	3	3
Assistant Department Director	0	0	1	1
Associate Civil Engineer	0	2	0	0
Civil Engineer	0	0	0	0
Civil Engineering Supervisor	0	0	1	1
Department Director	0	1	0	0
Division Manager	1	2	1	1
Maintenance & Operations Specialist	0	2	2	2
Maintenance & Operations Supervisor	3	4	4	3
Maintenance & Operations Technician	13	14	14	11
Program Coordinator	1	2	2	2
Program Supervisor	0	0	1	1
Project Manager	0	0	0	0
Senior Civil Engineer	0	0	0	0
Sr Maintenance & Operations Technician	6	8	8	8
Senior Planner	0	1	1	1
Service Worker/Groundskeeper	7	7	7	7
Total	32	46	45	41

Capital

Capital is programmed for \$272,000 as indicated by the table below and includes funding for vehicle and equipment replacement.

Project Name	Carry Forward	Budget
Capital		
Vehicle Replacement		70,000
Equipment Replacement		202,000
Total		272,000

Accomplishments

- Revamped the Street Light Improvement District (SLID) application and processing.
- Established pavement marking rehabilitation to meet national highway safety standards.
- Streamlined development reviews.
- Staff levels were reduced; however, maintained service levels to customers and improved efficiencies.

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

Performance Measures	FY2008 Actual	FY2008 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of calls requesting graffiti removal	37	24	30	56	60
Average days to respond to graffiti calls	1	1	1	1	1

*New measure, data not available

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Turnaround for completed work orders	---	---	3 days	3 days	2 days
Percent of streets in satisfactory condition	---	---	76%	78%	78%
Road rehabilitation expenditures per paved lane mile	---	---	40,000	35,000	\$40,473
Number of lane miles swept	20,460	21,230	26,312	26,312	26,400
Number of times a cycle of sweeping all residential streets was completed	20	21	26	23	24
Number of times a cycle of sweeping all arterial streets was completed	26	26	26	23	24
Percent of street sweeping work orders completed within 30 days	---	---	100%	100%	95%

**New measure, data not available*

- **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.
 - **Objective:** Review traffic control plans within two business days.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Number of traffic impact analysis reviewed	50	28	40	17	20
Number of traffic control plans approved	448	471	---	280	300
Percent of traffic control plans reviewed within 2 business days	---	---	---	92%	95%

**New measure, data not available*

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
High collision intersections analyzed	31	35	35	30	30
Number of intersection counts performed	---	67	---	70	70
Number of intersection warrants performed	40	88	---	75	70
Number of intelligent transportation system reports reviewed	---	---	---	235	500

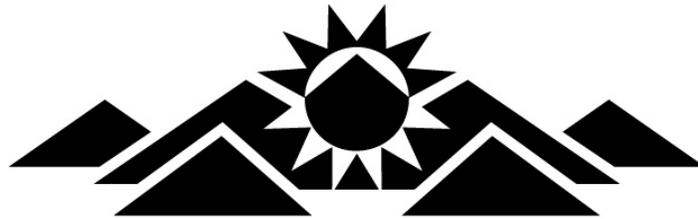
**New measure, data not available*

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

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Lane miles completed	60	69	---*	150	175
Number of signs requested by a customer	---*	---*	---*	1,442	1,250
Number of signs fabricated	---*	998	---*	2,520	2,500
Cost per fabrication completed	---*	---*	---*	\$27.59	\$27.50

**New measure, data not available*

City of Surprise, Arizona



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FY2011 Adopted Budget

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 City 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.

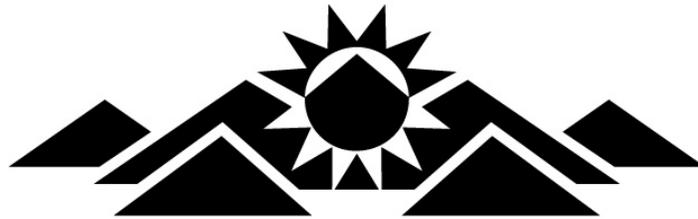
Budget Summary

Currently there are 85 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.

	FY2009	FY2010	FY2010	FY2011	Amended to
Expenditures	Actual	Amended	Final	Adopted	Adopted
<u>By category</u>					
Services	2,014,694	2,628,500	2,158,900	2,822,500	7%
Total	2,014,694	2,628,500	2,158,900	2,822,500	7%
<u>By department</u>					
Public Works	2,014,694	2,628,500	2,158,900	2,822,500	7%
Total	2,014,694	2,628,500	2,158,900	2,822,500	7%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	93,351	0	47,000	40,200	0%
Property Tax	2,186,412	3,998,800	2,972,700	2,906,500	-27%
Fund Balance	0	0	0	-124,200	0%
Total	2,279,763	3,998,800	3,019,700	2,822,500	-29%

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



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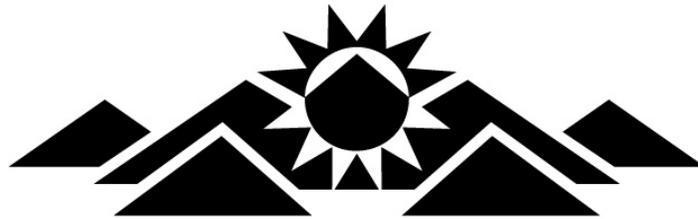
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FY2011 Adopted Budget

Utilities

- Water Replenishment Operations Fund
- Water Replenishment Development Fee Fund
- Water Operations Fund
- Water Systems Development Fee Fund
- Wastewater Operations Fund
- Wastewater System Development Fee Fund
- Sanitation Operations Fund
- Storm Water Operations Fund

City of Surprise, Arizona



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Water Replenishment Operations Fund

Description

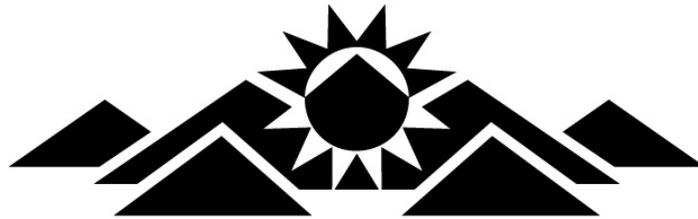
The water replenishment operations fund is established as an enterprise fund established to account for the provision of water replenishment services to users. Previously, the Public Works Department managed this fund to store water utilizing replenishment facilities located throughout the Phoenix Active 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. All personnel have been moved to the water and sewer operations funds.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
	Actual	Amended	Final	Adopted	Adopted
<u>By category</u>					
Personnel	105,306	0	0	0	0%
Supplies	8,181	0	0	0	0%
Services	1,785,679	0	0	0	0%
Depreciation	55182.17	0	0	0	0%
Transfer Out	4,386,923	0	0	0	0%
Total	6,341,271	0	0	0	0%
<u>By department</u>					
Public Works	6,341,271	0	0	0	0%
Total	6,341,271	0	0	0	0%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	430,617	0	0	0	0%
Transfer In	3,529,470	0	0	0	0%
Fund Balance	2,381,184	0	0	0	0%
Total	6,341,271	0	0	0	0%

City of Surprise, Arizona



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FY2011 Adopted Budget

Water Replenishment Development Fee 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 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The development fee rate is \$2,100 in Special Planning Area (SPA) 1 and \$796 in SPA 2-6 per single family residential permit. These remain unchanged from the last revision adopted by the Mayor and City Council in FY2008.

The water replenishment budget of \$3,760,900 is a decrease of 9% from the FY2010 amended 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. A debt service payment on a Water Infrastructure and Finance Authority (WIFA) loan is programmed in the amount of \$94,600 along with \$12,500 to update the development impact fee study.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Supplies	0	0	0	0	0%
Services	0	151,800	49,900	61,900	-59%
Capital	0	2,996,400	452,700	1,339,600	-55%
Debt Service	0	0	0	94,600	0%
Contingency	0	963,800	0	2,264,800	135%
Transfer Out	3,550,087	0	0	0	0%
Total	3,550,087	4,112,000	502,600	3,760,900	-9%
<u>By department</u>					
Finance	0	12,500	0	12,500	0%
General Operations	0	888,800	0	2,264,800	155%
Water Services-Replenishment	3,550,087	3,210,700	502,600	1,483,600	-54%
Total	3,550,087	4,112,000	502,600	3,760,900	-9%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	331,673	224,300	256,600	205,900	-8%
Transfer In	0	0	0	0	0%
Fund Balance	3,218,414	3,887,700	246,000	3,555,000	-9%
Total	3,550,087	4,112,000	502,600	3,760,900	-9%

As budgeted, anticipated resources of this fund exceed current year expenditures by \$2,264,800. 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 a carry forward amount of \$1,339,600 for the installation of a 16 inch reclaim line at Parkview Place and Greenway Road. 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 Forward	Budget
Capital			
	SPA 1 16" Reclaim Ln - Parkview & Greenway (WIFA)	Carry Forward	1,339,600
	Total		<u>1,339,600</u>

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
<u>22522 - WATER REPLENISHMENT DEVELOPMENT FUND</u>					
SOURCES:					
Development Fees	134,800	137,800	133,300	129,200	125,600
Interest Earnings	71,100	45,300	47,100	48,700	48,400
TOTAL SOURCES	205,900	183,100	180,400	177,900	174,000
USES:					
Capital Project Expenditures	-	-	-	(100,000)	(1,000,000)
Carry Forward Expenditures	(1,389,000)	-	-	-	-
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
DEBT:					
WIFA Loan	(94,600)	(91,200)	(91,100)	(91,100)	(91,100)
TOTAL USES	(1,496,100)	(91,200)	(103,600)	(191,100)	(1,103,600)
NET ACTIVITY	(1,290,200)	91,900	76,800	(13,200)	(929,600)
BEGINNING FUND BALANCE	3,555,000	2,264,800	2,356,700	2,433,500	2,420,300
ENDING FUND BALANCE	2,264,800	2,356,700	2,433,500	2,420,300	1,490,700
Restricted	1,245,900	-	-	-	-
Operating Reserve	-	-	-	-	-
Unreserved/Undesignated	1,018,900	2,356,700	2,433,500	2,420,300	1,490,700
Ending Fund Balance	2,264,800	2,356,700	2,433,500	2,420,300	1,490,700

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

22522 Water Replenishment Development Fee SPA 1

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Water Services - Replenishment						
SPA 1 Effluent Storage Reservoir Covers	\$0	\$0	\$0	\$100,000	\$1,000,000	\$1,100,000
Total - Water Replenishment Development Fee SPA 1	\$0	\$0	\$0	\$100,000	\$1,000,000	\$1,100,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Replenishment

SPA 1 Effluent Storage Reservoir Covers

Project Number : To Be Determined

Project Start Date : 7/1/2013

Council District : Mesquite

Project Complete Date : 6/30/2015

*Funding Source : 22522 - Water Replenishment
Development Fee SPA 1*

*Project Location : 136th Avenue and Cactus
Road*

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$1,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,100,000	

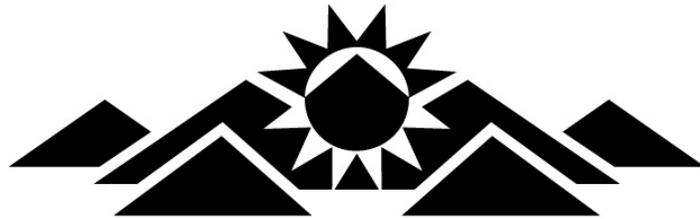
<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$100,000	\$1,000,000	\$0	\$1,100,000

Project Description

Design and construction of covers over the remaining lined reclaimed reservoir that is located at the SPA 1 South WRF (Water Reclamation Facility). Currently, the reclaimed reservoir is lined and uncovered, which presents the operation and maintenance challenges of maintaining the water quality.

Projected Annual Operating Costs	
Personnel	\$1,100
Other Operating	\$3,500
Total	\$4,600

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Water Operations Fund

Description

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

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 city serves about one-third of total customers. The department provides for the coordination of these entities in providing quality service to the residents of Surprise.

Activities

Activities include the following:

- Administration Management Services
- Collection Pipeline Operations
- Customer Service
- Distribution Pipeline Operations
- Environmental
- General Operations
- Support Services
- Utility – Capital Improvement Projects (CIP) – Development Review and Project Management
- Utility Locating

Services

Services provided by the Public Works general fund divisions include the following:

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- Maintenance, process engineering, administrative support services to drinking and reclaimed water systems
- Operational and maintenance to the drinking and reclaimed water pipeline infrastructure systems
- Development reviews and management and planning of architectural and engineering design and construction of city capital projects
- Centralized call center to provide one location for customer services
- Utility locating services to provide legal compliance with the Arizona Blue Stake laws requiring all facility owners to accurately mark all underground facilities within specified time frames
- Environmental regulatory compliance in such areas as cross connection controls, conservation and resource management, biosolids, pretreatment, quality control and assurance, & data administration

Customers

Services are provided to the Mayor and City Council, city of Surprise employees, citizens of Surprise, and members of the public.

Divisions

<u>Administration</u> -	Maintains all the centralized administrative functions.
<u>Operations</u> -	Oversees all the day-to-day operations of the division.
<u>CIP – Utilities</u> -	Responsible for city related water infrastructure construction projects and utility locations.
<u>Customer Service</u> -	Responds to customer's water infrastructure needs.
<u>Utility Locating</u> -	Handles all the utility locating - blue stake activities.
<u>Environmental</u> -	Guarantees compliance with government regulations regarding water quality and supply.

Budget Summary

The water operations fund operating budget of \$12,613,800 increases 18% over the FY2010 amended budget. The 5% increase in personnel costs is attributed to increase in full time equivalent (FTE) positions of 1.34. Due to the reorganization of a maintenance and operations supervisor position from the wastewater operations fund to the water operations fund. In addition, 0.33 FTE of a senior accountant/tax auditor position in the Finance Department is transferred from the general fund to the enterprise funds for FY2011. This position performs utility accounting functions that are a direct result of water, wastewater, and sanitation operations.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	1,591,702	2,370,900	2,155,100	2,495,500	5%
Supplies	421,608	892,700	752,550	1,485,300	66%
Services	6,373,948	5,548,000	4,809,250	6,109,600	10%
Capital	68,949	694,900	526,200	444,000	-36%
Contingency	0	16,400	0	129,300	688%
Transfer Out	1,153,100	1,134,800	1,576,000	1,950,100	72%
Total	9,609,306	10,657,700	9,819,100	12,613,800	18%
<u>By department</u>					
Finance	0	0	25,500	39,900	0%
General Operations	0	16,400	1,576,000	1,950,100	11791%
Public Works	10,827,894	11,906,300	8,217,600	10,623,800	-11%
Total	10,827,894	11,922,700	9,819,100	12,613,800	6%
<u>Revenues</u>					
<u>By fund source</u>					
Charges for Services/Other	12,870,748	10,875,900	9,513,500	12,651,000	16%
Transfer In	9,375,355	0	91,600	0	0%
Fund Balance	0	1,046,800	214,000	-37,200	-104%
Total	22,246,103	11,922,700	9,819,100	12,613,800	6%

The increase in supplies and services is primarily due to the programming of funds for a water meter replacement program, a ground water modeling study, and additional electricity costs for the Litchfield booster pump. The large increase in contingency is for vehicle and equipment replacement reserve, previously programmed in a centralized vehicle and equipment replacement fund.

As indicated, \$1,950,100 is transferred out from the water operations fund to the general fund. Costs incurred by the general fund in performing work on behalf of the water operations fund is recovered by a transfer for indirect costs of \$1,453,900 in FY2011. Franchise fees are assessed to all utility companies operating within the city of Surprise, including the Surprise water operations. The franchise fees are programmed as a transfer of \$296,200 for FY2011. The final transfer results from the addition of \$200,000 payment in lieu of property tax assessment initiated in FY2011. Payments in lieu of property taxes are assessed on properties exempt from property taxes to recover the general government services provided to the property (e.g. public safety).

All water system enterprise fund expenditures are funded by fees charged to the users of the system under a tiered rate structure. It is anticipated the Mayor and City Council will review these rates during the first half of the fiscal year and new rates will be established for the second half of the fiscal year.

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	0.33	0.33	0.33	0.34
Administrative Technician	2	2	2	2
Analyst	1	1	1	1
Division Manager	1	1	1	1
Information Technology Administrator	1	1	1	1
Inspector	1	1	1	1
Lead Utility Technician	2	2	2	2
Maintenance & Operations Specialist	1	1	1	1
Maintenance & Operations Supervisor	1	1	1	2
Maintenance & Operations Technician	4	4	3	3
Manager	1	1	1	1
Project Manager	2	2	2	2
Senior Accountant/Senior Tax Auditor	0	0	0	0.33
Sr Maintenance & Operations Technician	3	3	3	3
Senior Utilities Technician	3	3	3	3
Utilities Analyst	5	5	5	5
Utilities Supervisor	1	1	1	1
Utilities Technician	2	2	3	3
Total	31.33	31.33	31.33	32.67

Capital

Capital items programmed in this fund total \$444,000 and include carry forward items in the amount of \$168,700 for the water treatment plant technical assessment and Supervisory Control and Data Acquisition (SCADA) upgrades and system expansion. New capital projects include site and security improvements, reclaimed water connections, and a water quality Environmental Protection Agency (EPA) grant.

Project Name	Carry Forward	Budget
Capital		
Water Treatment Plant Tech Assessment	Carry Forward	152,000
SCADA - Upgrades - System Expansion	Carry Forward	16,700
Water Quality EPA Grant		80,300
Site & Security Improvements		150,000
Reclaim Water Connections		45,000
Total		444,000

Accomplishments

- Produced an annual water audit to insure compliance with Arizona Department of Water Resources to ensure the city is within 10% water loss limits.
- Constructed recharge wells to reduce future Central Arizona Project (CAP) costs of \$500,000 annually.
- Streamlined development reviews.
- Staff levels were reduced; however, maintained service levels to customers and improved efficiencies.

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 in a safe, efficient, and cost effective manner.
 - **Objective:** Operate all water supply systems and manage capital projects timely and efficiently by improving service response times while reducing or maintaining current costs.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Millions of gallons of water pumped per day	---*	6.3	6.3	6.55	6.5
Cost per thousand gallons of drinking water delivered	---*	---	\$1.30	\$1.03	\$1.20
Percent of preventative maintenance to total maintenance for process related equipment	---*	---	80%	80%	80%
Electrical usage (kilowatt-hour) per million gallons of water delivered	---*	3,030	3,030	2,912	3,030
Acre feet of reclaimed water delivered to customers	---*	80	327	100	300

* New measure, data not available

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

22511 Water Operations

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Water Services - Water Operations						
Site & Security Improvements	\$200,000	\$250,000	\$350,000	\$0	\$500,000	\$1,300,000
SPA 1 Ashton Ranch WSF - Chlorine Upgrade	\$0	\$0	\$100,000	\$1,000,000	\$0	\$1,100,000
SPA 1 Ashton Ranch WSF Integration Upgrades	\$0	\$0	\$250,000	\$0	\$0	\$250,000
SPA 1 Booster Station Upgrades @ Bell Road Lake	\$0	\$0	\$0	\$0	\$125,000	\$125,000
SPA 1 Mountain Vista Well #2	\$100,000	\$1,850,000	\$0	\$0	\$0	\$1,950,000
SPA 1 Rancho Gabriela WSF - Arsenic Treatment	\$0	\$0	\$0	\$0	\$200,000	\$200,000
SPA 2 Desert Oasis WSF - Arsenic Treatment	\$0	\$200,000	\$2,000,000	\$0	\$0	\$2,200,000
Water Quality EPA Grant	\$80,300	\$0	\$0	\$0	\$0	\$80,300
Total - Water Operations	\$380,300	\$2,300,000	\$2,700,000	\$1,000,000	\$825,000	\$7,205,300

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

Site & Security Improvements

Project Number : 21110

Project Start Date : 7/1/2010

Council District : Citywide

Project Complete Date : 6/30/2016

Funding Source : 22511 - Water Operations

Project Location : Citywide

Cost Detail

Land	\$0	Design Services	\$375,000	Construction	\$1,925,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$2,300,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$200,000	\$250,000	\$350,000	\$0	\$500,000	\$1,000,000	\$2,300,000

Project Description

Design and construction of site and security improvements for the water and wastewater facilities based on the security master plan. Items such as intrusion alarms, security cameras, block walls, etc. will be installed.

Projected Annual Operating Costs	
Personnel	\$24,700
Other Operating	\$35,000
Total	\$59,700

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Ashton Ranch WSF - Chlorine Upgrade

Project Number : To Be Determined

Project Start Date : 7/1/2012

Council District : Mesquite

Project Complete Date : 6/30/2014

Funding Source : 22511 - Water Operations

Project Location : 15151 W. Greenway Road

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$1,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,100,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$100,000	\$1,000,000	\$0	\$0	\$1,100,000

Project Description

Design and construction of additional on-site chlorine generation system capable of supplying the entire Ashton Ranch Water Supply Facility (WSF) with chlorine. This project will provide for chlorine generation that will replace the liquid chlorine associated with the arsenic treatment system.

Projected Annual Operating Costs	
Personnel	\$40,000
Other Operating	\$34,000
Total	\$74,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Ashton Ranch WSF Integration Upgrades

Project Number : To Be Determined

Project Start Date : 7/1/2012

Council District : Mesquite

Project Complete Date : 6/30/2013

Funding Source : 22511 - Water Operations

Project Location : 15151 W. Greenway Road

Cost Detail

Land	\$0	Design Services	\$25,000	Construction	\$225,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$250,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$250,000

Project Description

Integrate the Ashton Ranch Water Supply Facility (WSF) components into one unified plant with a central control center. In an effort to reduce chlorine costs, the project includes tying the newly completed chlorine generation system to the existing arsenic process equipment. This project also includes the installation of security cameras, and alarm and recording equipment to improve security.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$20,000
Total	\$20,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Booster Station Upgrades @ Bell Road Lake

Project Number : To Be Determined

Project Start Date : 7/1/2014

Council District : Palm

Project Complete Date : 6/30/2016

Funding Source : 22511 - Water Operations

Project Location : Bell Road Lake

Cost Detail

Land	\$0	Design Services	\$250,000	Construction	\$1,500,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,750,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$125,000	\$1,625,000	\$1,750,000

Project Description

The existing irrigation pump station was constructed in the mid 1980's at the same time as the Bell Road Lake storage reservoir. The pumping capacity of the existing pump station is not known for certain. There are two existing vertical turbine pumps (one 25 horsepower and one 15 horsepower) capable of pumping up to a combined total of 1.0 MGD (million gallons per day). The new reclaimed water pump station will be designed to have a pumping capacity of 5 MGD through multiple vertical turbine pumps.

Projected Annual Operating Costs	
Personnel	\$20,800
Other Operating	\$228,100
Total	\$248,900

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Mountain Vista Well #2

Project Number : 21111

Project Start Date : 7/1/2010

Council District : Mesquite

Project Complete Date : 6/30/2012

Funding Source : 22511 - Water Operations

Project Location : Mountain Vista Ranch

Cost Detail

Land	\$0	Design Services	\$200,000	Construction	\$1,750,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,950,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$100,000	\$1,850,000	\$0	\$0	\$0	\$0	\$1,950,000

Project Description

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

Projected Annual Operating Costs	
Personnel	\$20,800
Other Operating	\$228,100
Total	\$248,900

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Rancho Gabriela WSF - Arsenic Treatment

Project Number : 20532

Project Start Date : 7/1/2014

Council District : Mesquite

Project Complete Date : 6/30/2016

Funding Source : 22511 - Water Operations

Project Location : Rancho Gabriela Development

Cost Detail

Land	\$0	Design Services	\$200,000	Construction	\$2,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$2,200,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$200,000	\$2,000,000	\$2,200,000

Project Description

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

Projected Annual Operating Costs	
Personnel	\$59,900
Other Operating	\$167,900
Total	\$227,800

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 2 Desert Oasis WSF - Arsenic Treatment

Project Number : 20671

Project Start Date : 7/1/2011

Council District : Acacia

Project Complete Date : 6/30/2013

Funding Source : 22511 - Water Operations

Project Location : 16849 W. Jomax Road

Cost Detail

Land	\$0	Design Services	\$200,000	Construction	\$2,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$2,200,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$200,000	\$2,000,000	\$0	\$0	\$0	\$2,200,000

Project Description

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

Projected Annual Operating Costs	
Personnel	\$59,900
Other Operating	\$167,900
Total	\$227,800

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

Water Quality EPA Grant

Project Number : 21002

Project Start Date : 10/1/2009

Council District : To Be Determined

Project Complete Date : 6/30/2011

Funding Source : 22511 - Water Operations

Project Location : To Be Determined

Cost Detail

Land	\$0	Design Services	\$500,000	Construction	\$80,300
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$580,300	

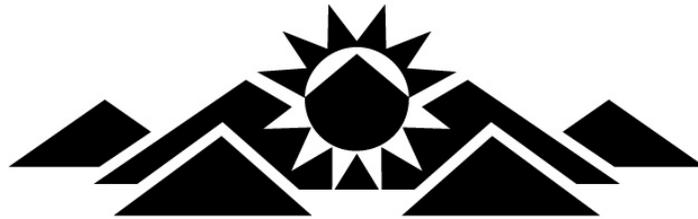
<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$500,000	\$80,300	\$0	\$0	\$0	\$0	\$0	\$580,300

Project Description

Through a shared EPA (Environmental Protection Agency) grant, this project is intended to improve water quality, supervisory control and data acquisition (SCADA), and asset management for the existing City water infrastructure. To accomplish these goals, the project will be handled in two phases. The first is a system wide study to include a detailed sanitary survey, asset inventory, and SCADA standards that will identify future improvements needed. The second phase will be to implement those items identified in the study for SCADA improvements and asset management to include software and training.

Projected Annual Operating Costs	
Personnel	\$7,500
Other Operating	\$20,700
Total	\$28,200

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Water System Development Fee 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 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The water system development fee remains unchanged from FY2008 at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit established July 1, 2007.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Supplies	0	0	0	0	0%
Services	0	12,500	0	12,500	0%
Capital	0	1,568,400	1,529,200	731,900	-53%
Contingency	0	80,900	0	6,100	-92%
Transfer Out	5,303,976	0	0	0	0%
Total	5,303,976	1,661,800	1,529,200	750,500	-55%
<u>By department</u>					
Finance	0	18,400	0	18,600	1%
Public Works	5,303,976	1,643,400	1,529,200	731,900	-55%
Total	5,303,976	1,661,800	1,529,200	750,500	-55%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	110,951	403,900	367,200	733,500	82%
Transfer In	180,900	0	0	0	0%
Fund Balance	5,012,125	1,257,900	1,162,000	17,000	-99%
Total	5,303,976	1,661,800	1,529,200	750,500	-55%

Resources exceed expenditures by \$6,100 which is programmed as unallocated contingency. An update to the development impact fee study is funded with \$12,500. 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.

Revenue resources consist of development fees and interest earnings. An interfund loan in the amount of \$547,800 to cover the fund shortfall for FY2011 is included in the charges for services/other revenue source category.

Capital

Capital items programmed in this fund include carry forwards of \$1,500 for Supervisory Control and Data Acquisition (SCADA) upgrades and system expansion. The city's Central Arizona Project (CAP) allocation is programmed in the amount of \$545,000. The budget of this fund also includes developer reimbursements in the amount of \$185,400 for qualifying capital improvements constructed by developers. All water system capital purchases required due to growth are detailed in the five-year Capital Improvements Plan (CIP).

	Project Name	Carry Forward	Budget
Capital			
	CAP Allocation		545,000
	Water Development Reimbursement		185,400
	SCADA - Upgrades - System Expansion	Carry Forward	1,500
	Total		731,900

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
<u>22512 - WATER SYSTEM DEVELOPMENT FUND</u>					
SOURCES:					
Development Fees	-	-	-	-	-
Development Agreements	-	-	-	-	-
Marley Park - 50 permits FY11	185,400	230,200	234,100	258,400	282,800
Interfund Loan	547,800	-	-	-	-
Interest Earnings	200	-	-	-	-
TOTAL SOURCES	733,400	230,200	234,100	258,400	282,800
USES:					
Capital Project Expenditures	(730,400)	(775,200)	(357,100)	(471,400)	(2,275,800)
Carry Forward Expenditures	(1,500)	-	-	-	-
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
TOTAL USES	(744,400)	(775,200)	(369,600)	(471,400)	(2,288,300)
NET ACTIVITY	(11,000)	(545,000)	(135,500)	(213,000)	(2,005,500)
BEGINNING FUND BALANCE	11,000	-	(545,000)	(680,500)	(893,500)
ENDING FUND BALANCE	-	(545,000)	(680,500)	(893,500)	(2,899,000)
Restricted	-	-	-	-	-
Operating Reserve	-	-	-	-	-
Unreserved/Undesignated	-	(545,000)	(680,500)	(893,500)	(2,899,000)
Ending Fund Balance	-	(545,000)	(680,500)	(893,500)	(2,899,000)

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

22512 Water Development Fee SPA 1

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Water Services - Water Operations						
CAP Allocation	\$545,000	\$545,000	\$123,000	\$123,000	\$123,000	\$1,459,000
SPA 1 Ashton Ranch Subdivision Well #2	\$0	\$0	\$0	\$0	\$90,000	\$90,000
SPA 1 Mountain Gate/Kenly Well	\$0	\$0	\$0	\$90,000	\$1,780,000	\$1,870,000
Water Development Reimbursement	\$185,400	\$230,200	\$234,100	\$258,400	\$282,800	\$1,190,900
Total - Water Development Fee SPA 1	\$730,400	\$775,200	\$357,100	\$471,400	\$2,275,800	\$4,609,900

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

22514 Water Development Fee SPA 3

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Water Services - Water Operations						
SPA 3 Initial Water System	\$0	\$0	\$0	\$0	\$400,000	\$400,000
Total - Water Development Fee SPA 3	\$0	\$0	\$0	\$0	\$400,000	\$400,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

CAP Allocation

Project Number : 29999

Project Start Date : 7/1/2006

Council District : Citywide

Project Complete Date : 6/30/2017

Funding Source : 22512 - Water Development Fee SPA 1 Project Location : Citywide

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$0
FFE	\$0	Other	\$3,601,400	TOTAL COSTS	
				\$3,601,400	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$1,896,400	\$545,000	\$545,000	\$123,000	\$123,000	\$123,000	\$246,000	\$3,601,400

Project Description

Annual repayment costs for the construction of the CAP (Central Arizona Project) canal. Payments are made to Central Arizona Water Conservation District (CAWCD).

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Ashton Ranch Subdivision Well #2

Project Number : To Be Determined

Project Start Date : 7/1/2014

Council District : Mesquite

Project Complete Date : 6/30/2016

Funding Source : 22512 - Water Development Fee SPA 1 Project Location : Bullard Avenue - Ashton Ranch

Cost Detail

Land	\$0	Design Services	\$170,000	Construction	\$1,700,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,870,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$90,000	\$1,780,000	\$1,870,000

Project Description

Design and construction of a 1,500 gpm (gallons per minute) well and well site. Project includes drilling, equipping, and construction.

Projected Annual Operating Costs	
Personnel	\$20,800
Other Operating	\$228,100
Total	\$248,900

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 1 Mountain Gate/Kenly Well

Project Number : *To Be Determined*

Project Start Date : *7/1/2013*

Council District : *Mesquite*

Project Complete Date : *6/30/2015*

Funding Source : *22512 - Water Development Fee SPA 1* **Project Location :** *Mountain Gate Subdivision*

Cost Detail

Land	\$0	Design Services	\$170,000	Construction	\$1,700,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,870,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$90,000	\$1,780,000	\$0	\$1,870,000

Project Description

Design and construction of a 1,500 gpm (gallons per minute) well and well site. Construction to include drilling, equipping, and construction.

Projected Annual Operating Costs	
Personnel	\$20,800
Other Operating	\$228,100
Total	\$248,900

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

Water Development Reimbursement

Project Number : 20655

Project Start Date : 7/1/2005

Council District : Various

Project Complete Date : 6/30/2013

Funding Source : 22512 - Water Development Fee SPA 1 **Project Location :** Various

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$9,062,700
FFE	\$0	Other	\$5,968,900	TOTAL COSTS	
				\$15,031,600	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$13,840,700	\$185,400	\$230,200	\$234,100	\$258,400	\$282,800	\$0	\$15,031,600

Project Description

Reimbursements to developers for development fee eligible projects such as wells, water supply facilities, well sites, water treatment, and oversize of distribution system.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Water Operations

SPA 3 Initial Water System

Project Number : To Be Determined

Project Start Date : 7/1/2014

Council District : Acacia

Project Complete Date : 6/30/2016

Funding Source : 22514 - Water Development Fee SPA 3 **Project Location : 187th Avenue and Deer Valley Road**

Cost Detail

Land	\$300,000	Design Services	\$80,000	Construction	\$770,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,150,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$400,000	\$750,000	\$1,150,000

Project Description

Special Planning Area 3 initial water system that will include land purchase (approx 2 acres), rehab of existing well and a new reservoir and booster pump station for Water Supply Facility.

Projected Annual Operating Costs	
Personnel	\$20,800
Other Operating	\$205,300
Total	\$226,100

Wastewater Operations Fund

Description

The wastewater operations fund is established as an enterprise fund to account for the provision of wastewater 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.

Activities

Activities include the following:

- Administration Management Services
- Collection Pipeline Operations
- Customer Service
- Environmental
- Operations – Desert Oasis
- Operations – Special Planning Area 1
- Operations – Special Planning Area 2
- Support Services
- Utility – Capital Improvement Projects (CIP) – Development Review and Project Management
- Utility Locating

Services

Services provided by the Public Works, wastewater operations division include the following:

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- Maintenance, process engineering, administrative support services to wastewater systems
- Operational and maintenance to the wastewater collections pipeline infrastructure systems
- Development reviews and management and planning of architectural and engineering design and construction of city capital projects
- Centralized call center to provide one location for customer services
- Utility locating services to provide legal compliance with the Arizona Blue Stake laws requiring all facility owners to accurately mark all underground facilities within specified time frames
- Environmental regulatory compliance in cross connection controls, conservation and resource management, biosolids, pretreatment, quality control and assurance, and data administration

Customers

Services are provided to the Mayor and City Council, city of Surprise employees, citizens of Surprise, and members of the public.

Divisions

<u>Administration</u> -	Maintains all centralized administrative functions.
<u>Operations</u> -	Responsible for all the day-to-day operations and oversight of construction activities.
<u>CIP – Utilities</u> -	Responsible for city related sewer infrastructure construction projects and utility locations.
<u>Customer Service</u> -	Responds to customer's wastewater infrastructure needs.
<u>Collections</u> -	Maintains all the collection activities.
<u>Utility Locating</u> -	Handles all the utility locating - blue stake activities.
<u>Environmental</u> -	Guarantees compliance with government regulations regarding environmental issues.

Budget Summary

The wastewater operations fund budget of \$49,003,200 is an increase of 30% from the FY2010 amended budget. The change in personnel is due to the reorganization of a maintenance and operations supervisor position from the wastewater operations fund to the water operations fund. In addition, 0.33 FTE of a senior accountant/tax auditor position in the Finance Department is transferred from the general fund to the enterprise funds for FY2011. This position performs utility accounting functions that are a direct result of water, wastewater, and sanitation operations.

Increases are primarily due to capital expenditures that are programmed this year and an increase in operational costs at the special planning area (SPA) 2 water reclamation facility (WRF). Loans of \$11,766,000 to other capital funds contribute to the increase in capital. The increase in contingency includes the budgeting of funds that will be needed in future years for capital improvements. Also included in the increase in contingency is a vehicle and equipment replacement reserve of \$682,700, previously programmed in a centralized vehicle and equipment replacement fund. The 74% reduction in transfers out reflects the change in replacement accounting practices.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	2,917,971	3,008,700	2,401,200	3,028,200	1%
Supplies	1,436,795	1,656,000	1,745,700	1,815,800	10%
Services	3,777,699	4,394,800	4,099,300	4,340,500	-1%
Capital	10	3,906,000	809,500	18,883,000	383%
Depreciation	3,981,542	5,309,900	0	0	-100%
Contingency	0	12,484,800	0	19,113,100	53%
Transfer Out	2,732,800	6,924,200	1,197,000	1,822,600	-74%
Total	14,846,817	37,684,400	10,252,700	49,003,200	30%
<u>By department</u>					
Finance	0	0	6,800	10,700	0%
General Operations	0	12,484,800	1,197,000	32,019,200	156%
Public Works	14,846,817	25,199,600	9,048,900	16,973,300	-33%
Total	14,846,817	37,684,400	10,252,700	49,003,200	30%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	18,275,543	14,870,900	14,662,800	15,658,500	5%
Transfer In	4,864,224	0	617,500	0	0%
Fund Balance	0	22,813,500	-5,027,600	33,344,700	46%
Total	23,139,767	37,684,400	10,252,700	49,003,200	30%

Major budget changes include conversion of the WRF in SPA1 to an ED7 electricity rate which is estimated to save \$400,000 annually, and the closing of the Desert Oasis treatment plant by mid-year with the operation of SPA 2 treatment plant beginning operations in its place.

A transfer of \$1,822,600 is programmed from the wastewater operations fund to the general fund. Costs incurred by the general fund in performing work on behalf of the water operations fund is recovered by a transfer for indirect costs of \$1,349,000 in FY2011. Franchise fees are assessed to all utility companies operating within the city of Surprise, including the Surprise wastewater operations. The franchise fees are programmed as a transfer of \$223,600 for FY2011. The final transfer results from the addition of \$250,000 payment in lieu of property tax assessment initiated in FY2011. Payments in lieu of property taxes are assessed on properties exempt from property taxes to recover the general government services provided to the property (e.g. public safety).

All wastewater system enterprise fund expenditures are funded by fees charged to the users of the system. As presented, the residential wastewater system user fee charged to single family homes is at a service rate of \$24.78. It is anticipated the Mayor and City Council will review these rates during the first half of the fiscal year and new rates will be established by the second half of the fiscal year.

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	0.33	0.33	0.33	0.33
Administrative Specialist	1	1	1	1
Administrative Technician	3	3	3	3
Assistant Department Director	1	1	1	1
Division Manager	3	3	3	3
Lead Utility Technician	2	2	2	2
Maintenance & Operations Specialist	3	3	3	3
Maintenance & Operations Supervisor	2	2	3	2
Maintenance & Operations Technician	1	1	2	3
Manager	1	1	1	1
Project Manager	1	1	1	1
Senior Accountant/Senior Tax Auditor	0	0	0	0.34
Sr Maintenance & Operations Technician	5	5	5	5
Senior Project Manager	1	1	1	1
Senior Utilities Technician	3	3	3	3
Service Worker/Groundskeeper	2	2	2	2
Utilities Analyst	1	1	1	1
Utilities Supervisor	2	2	1	1
Utilities Technician	6	6	5	5
Part Time	0.7	1	1	0
Total	39.03	39.33	39.33	38.67

Capital

Capital is programmed for \$7,116,800 and is itemized in the following table. As indicated, carry forwards account for \$2,934,200 of items programmed. The majority of this carry forward is associated with phase 1 of the 163rd Avenue sanitary sewer interceptor. Also included are SPA 1 recharge wells at the South Plant, sewer relocations at the Loop 303, and waste water treatment technology assessments. Equipment replacement funds are now programmed in the specific department where the vehicles will be utilized, in lieu of past practices under which these funds were programmed in a centralized vehicle replacement fund.

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 wastewater development fund and are paid for by development fees.

Project Name	Carry Forward	Budget
Capital		
Equipment Replacement		30,000
Waste Water Treatment Tech Assessment	Carry Forward	166,800
SPA 2 163rd Ave Sanitary Sewer Interceptor - Ph I	Carry Forward	1,000,000
SPA 2 163rd Ave Sanitary Sewer Interceptor - Ph I	Carry Forward	1,632,300
SPA 2 163rd Ave Sanitary Sewer Interceptor - Ph I	Carry Forward	100,000
Loop 303 Sewer & Irrigation Line Adj	Carry Forward	35,100
Sewer Relocations at the Loop 303 - ADOT		600,000
SPA 1 Recharge Wells @ South Plant		3,552,600
Total		7,116,800

Accomplishments

- Evaluated energy consumption at Special Planning Area (SPA) 1.
- Conversion of the WRF in SPA 1 to an ED7 electricity rate saved \$400,000 annually.
- Streamlined development review.
- Staff levels were reduced; however, maintained service levels to customers and improved efficiencies.

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.

- **Division Goal:** Operate and maintain the South Water Reclamation Facility, Desert Oasis, SPA2, and SPA3 Water Reclamation Facility in a safe, efficient, and cost effective manner.
 - **Objective:** Operate and maintain all wastewater supply systems safely within regulatory requirements, maintain current service levels, and reduce or maintain current cost levels.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Desert Oasis: operating costs per million gallons of wastewater treated	\$10,100	\$8,621	\$8,621	7,200	\$8,621
Desert Oasis: number of regulatory/permit exceedances	11	4	4	3	3
Desert Oasis: electrical usage (kilowatt-hour) per million gallons treated	16,053	16,390	16,390	16,100	16,390
SPA1: operating and maintenance cost per million gallons of wastewater treated	---	---	\$2,157	\$2,209	\$2,147
SPA1: number of regulatory/permit exceedances	8	2	3	3	2
SPA1: percentage of preventative maintenance to total maintenance for process related equipment	93%	85%	80%	81%	80%
SPA1: electrical usage (kilowatt-hour) per million gallons treated	---	---	5,623	5,325	5,623
SPA2: operating and maintenance cost per million gallons of wastewater treated	N/A	N/A	N/A	N/A	\$12,010
SPA2: Number of regulatory/permit exceedances	N/A	N/A	N/A	N/A	1
SPA2: Electrical usage (kilowatt-hour) per million gallons treated	N/A	N/A	N/A	N/A	\$20,119

**New measure, data not available*

N/A: The SPA2 water reclamation facility will begin operations in FY2011

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

22531 Sewer Operations

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Water Services - Sewer Operations						
Cortessa Wet Well Re-Coating	\$0	\$0	\$100,000	\$0	\$0	\$100,000
Sewer Relocations at the Loop 303 - ADOT	\$600,000	\$0	\$0	\$0	\$0	\$600,000
SPA 1 Fire Protection Upgrade @ South Plant	\$0	\$0	\$0	\$100,000	\$250,000	\$350,000
SPA 1 Recharge Basin Expansion @ South Plant	\$0	\$0	\$0	\$0	\$360,000	\$360,000
SPA 1 Recharge Wells @ South Plant	\$3,552,600	\$0	\$0	\$300,000	\$4,500,000	\$8,352,600
Total - Sewer Operations	\$4,152,600	\$0	\$100,000	\$400,000	\$5,110,000	\$9,762,600

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

Cortessa Wet Well Re-Coating

Project Number : To Be Determined

Project Start Date : 7/1/2012

Council District : None

Project Complete Date : 6/30/2013

Funding Source : 22531 -Sewer Operations

Project Location : Olive Drive and Citrus Road

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$100,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$100,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000

Project Description

Bypass sewer lift station and prepare wet well for new coating of paint and then place back in service.

Projected Annual Operating Costs	
Personnel	\$200
Other Operating	\$100
Total	\$300

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

Sewer Relocations at the Loop 303 - ADOT

Project Number : 21112

Project Start Date : 7/1/2010

Council District : Mesquite

Project Complete Date : 6/30/2011

Funding Source : 22531 -Sewer Operations

Project Location : Peoria Avenue to Mt. View

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$600,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$600,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$600,000	\$0	\$0	\$0	\$0	\$0	\$600,000

Project Description

Relocation of the existing sewer line along SR 303 to accommodate the Arizona Department of Transportation (ADOT) reconstruction project. ADOT will complete the design and construction. The intersection of SR 303 and Greenway Road requires relocation. An area along SR 303 between Greenway Road and Bell road plus the intersections of Clear View and Mountain View may also need relocation.

Projected Annual Operating Costs	
Personnel	\$100
Other Operating	\$400
Total	\$500

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

SPA 1 Fire Protection Upgrade @ South Plant

Project Number : *To Be Determined*

Project Start Date : *7/1/2013*

Council District : *Mesquite*

Project Complete Date : *6/30/2015*

Funding Source : *22531 -Sewer Operations*

Project Location : *136th Avenue and Cactus Road*

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$250,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$350,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$100,000	\$250,000	\$0	\$350,000

Project Description

Design and construct a fire protection system at the Special Planning Area 1 (SPA) South Water Reclamation Facility (WRF) to comply with city standards. Existing buildings at the South Water Reclamation Facility need to have fire protection system upgraded to new city standards.

Projected Annual Operating Costs	
Personnel	\$500
Other Operating	\$400
Total	\$900

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

SPA 1 Recharge Basin Expansion @ South Plant

Project Number : To Be Determined

Project Start Date : 7/1/2014

Council District : Mesquite

Project Complete Date : 6/30/2016

Funding Source : 22531 -Sewer Operations

Project Location : 136th Avenue and Cactus Road

Cost Detail

Land	\$0	Design Services	\$360,000	Construction	\$3,240,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$3,600,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$360,000	\$3,240,000	\$3,600,000

Project Description

Design, permitting, construction management, and construction of 20 acres of recharge basins and extension of the recharge distribution water line (approximately 100 linear feet) at the South Water Reclamation Facility.

Projected Annual Operating Costs	
Personnel	\$208,000
Other Operating	\$72,000
Total	\$280,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

SPA 1 Recharge Wells @ South Plant

Project Number : 21113

Project Start Date : 7/1/2010

Council District : Mesquite

Project Complete Date : 12/30/2016

Funding Source : 22531 -Sewer Operations

Project Location : 136th Avenue and Cactus Road

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$9,552,600
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$9,552,600	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$3,552,600	\$0	\$0	\$300,000	\$4,500,000	\$1,200,000	\$9,552,600

Project Description

Design, permit and construction of 8-12 recharge wells at the South Water Reclamation Facility. Recharge wells are used for recharging of water by pumping effluent water into the ground. After the recharge wells are permitted, water usage credits will be received from Arizona Department of Water Resources.

Projected Annual Operating Costs	
Personnel	\$23,400
Other Operating	\$94,900
Total	\$118,300



Wastewater System Development Fee Fund

Description

The wastewater system development fee fund is established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services caused by growth. Development fees cannot be used to subsidize operational needs. The City provides these services to the entire city.

Budget Summary

Revenues are based upon an estimated issuance of 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The wastewater system development fee remains unchanged from FY2008 at \$3,853 in Special Planning Area (SPA) 1 and \$3,039 in SPA 2-6 per single family residential permit 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.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Supplies	4,558	0	0	0	0%
Services	4,196,571	7,985,000	1,487,100	5,754,700	-28%
Capital	0	33,580,400	16,275,400	6,278,300	-81%
Contingency	0	1,116,500	0	679,100	-39%
Transfer Out	4,689,138	0	1,270,900	0	0%
Total	8,890,267	42,681,900	19,033,400	12,712,100	-70%
<u>By department</u>					
Finance	0	12,500	0	12,500	0%
General Operations	0	2,700	1,270,900	2,700	0%
Public Works	8,890,267	42,666,700	17,762,500	12,696,900	-70%
Total	8,890,267	42,681,900	19,033,400	12,712,100	-70%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	3,943,054	1,337,300	16,199,900	13,015,800	873%
Transfer In	1,074,500	5,476,700	3,581,700	0	-100%
Fund Balance	3,872,713	35,867,900	0	-303,700	-101%
Total	8,890,267	42,681,900	19,781,600	12,712,100	-70%

The budget for the wastewater system development fund of \$12,712,100 decreases 70% from the FY2010 amended budget of \$42,681,900 due to a reduction in CIP projects. Payment to the Municipal Property Corporation (MPC) capital projects fund, in the form of rent, is programmed at \$4,239,600 for debt service on the MPC bond sale and is included in the Services category. An amount of \$12,500 is included to update the development impact fee study. Current year resources of this fund exceed anticipated expenditures by \$679,100. 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).

Revenue resources consist of development fees. An interfund loan in the amount of \$4,417,200 to cover the fund shortfall for FY2011 is included in the charges for services/other revenue source category.

Capital

Capital items programmed for FY2011 total \$6,278,300. The majority of these funds are programmed for the carry forward of prior fiscal year projects including \$6,228,400 for SPA 2 Water Reclamation Facility (WRF). The budget of this fund also includes developer reimbursements in the amount of \$49,900 for qualifying capital improvements constructed by developer. All wastewater system capital projects required due to growth are detailed in the five-year CIP.

	Project Name	Carry Forward	Budget
Capital			
	Sewer Development Reimbursements		49,900
	SPA 2 WRF Plant 1 - 4 MGD	Carry Forward	4,006,200
	SPA 2 WRF Plant 1 - 4 MGD	Carry Forward	2,222,200
	Total		6,278,300

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
<u>22532 - SEWER SYSTEM DEVELOPMENT FUND - SPA 1</u>					
SOURCES:					
Development Fees	954,300	944,900	954,100	938,000	923,500
Interfund Loan	4,417,200	-	-	-	-
TOTAL SOURCES	5,371,500	944,900	954,100	938,000	923,500
USES:					
Capital Project Expenditures	(149,900)	(1,524,900)	(1,124,900)	(49,900)	(249,900)
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
DEBT:					
MPC Debt Service Payment	(4,239,600)	(4,244,700)	(4,226,600)	(8,922,600)	(4,048,000)
TOTAL USES	(4,402,000)	(5,769,600)	(5,364,000)	(8,972,500)	(4,310,400)
NET ACTIVITY	969,500	(4,824,700)	(4,409,900)	(8,034,500)	(3,386,900)
BEGINNING FUND BALANCE	(969,500)	-	(4,824,700)	(9,234,600)	(17,269,100)
ENDING FUND BALANCE	-	(4,824,700)	(9,234,600)	(17,269,100)	(20,656,000)
Restricted	-	-	-	-	-
Operating Reserve	-	-	-	-	-
Unreserved/Undesignated	-	(4,824,700)	(9,234,600)	(17,269,100)	(20,656,000)
Ending Fund Balance	-	(4,824,700)	(9,234,600)	(17,269,100)	(20,656,000)

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

22532 Sewer Development Fee SPA 1

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Water Services - Sewer Operations						
Additional Chlorine Generation Unit	\$0	\$100,000	\$750,000	\$0	\$0	\$850,000
Disinfection Byproduct Reduction	\$100,000	\$500,000	\$0	\$0	\$0	\$600,000
Greenway Road Improvements - Sewer Line	\$0	\$875,000	\$125,000	\$0	\$0	\$1,000,000
Sewer Development Reimbursements	\$49,900	\$49,900	\$49,900	\$49,900	\$49,900	\$249,500
SPA 1 Installation of Centrifuges	\$0	\$0	\$200,000	\$0	\$200,000	\$400,000
Total - Sewer Development Fee SPA 1	\$149,900	\$1,524,900	\$1,124,900	\$49,900	\$249,900	\$3,099,500
Total FY 11-15 CIP	\$11,839,800	\$13,496,500	\$7,680,500	\$5,296,300	\$13,605,700	\$51,918,800

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

Additional Chlorine Generation Unit

Project Number : *To Be Determined*

Project Start Date : *7/1/2011*

Council District : *Mesquite*

Project Complete Date : *6/30/2013*

Funding Source : *22532 -Sewer Development Fee SPA 1* **Project Location :** *136th Avenue and Cactus Road*

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$750,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$850,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$100,000	\$750,000	\$0	\$0	\$0	\$850,000

Project Description

Purchase and installation of an additional sodium hypochlorite generation unit at the Special Planning Area (SPA) 1 Water Reclamation Facility (WRF) for the disinfection of reclaimed water. Due to higher than expected chlorine demands, an additional chlorine generation unit is needed to disinfect increasing flows. Currently, one unit is running at 100% capacity to meet the current wastewater flows. The existing second unit was designed as a backup unit, but as flows increase, it will be used as a duty unit, which will result in the loss of the backup unit.

Projected Annual Operating Costs	
Personnel	\$10,400
Other Operating	\$7,000
Total	\$17,400

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

Disinfection Byproduct Reduction

Project Number : 21114

Project Start Date : 7/1/2010

Council District : Mesquite

Project Complete Date : 6/30/2012

Funding Source : 22532 -Sewer Development Fee SPA 1 **Project Location :** 136th Avenue and Cactus Road

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$500,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$600,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$100,000	\$500,000	\$0	\$0	\$0	\$0	\$600,000

Project Description

Complete process or design change implemented as a result of a completed disinfection byproduct study. Due to permit exceedances of total trihalomethanes (TTHM), a process or facility design change may be needed to comply with the facility Aquifer Protection Permit for the Special Planning Area(SPA) 1 Water Reclamation Facility.

Projected Annual Operating Costs	
Personnel	\$300
Other Operating	\$106,700
Total	\$107,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

Greenway Road Improvements - Sewer Line

Project Number : 20911

Project Start Date : 7/1/2008

Council District : Palm

Project Complete Date : 6/30/2013

Funding Source : 22532 -Sewer Development Fee SPA 1 **Project Location :** Greenway Road (Bullard Avenue to Litchfield Road)

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$1,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,000,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$875,000	\$125,000	\$0	\$0	\$0	\$1,000,000

Project Description

Construct a 12 inch sewer line along Greenway Road from Bullard Avenue to Litchfield Road. The design for this project is complete.

Projected Annual Operating Costs	
Personnel	\$100
Other Operating	\$500
Total	\$600

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

Sewer Development Reimbursements

Project Number : 20656

Project Start Date : 7/1/2006

Council District : Various

Project Complete Date : 6/30/2015

Funding Source : 22532 -Sewer Development Fee SPA 1 Project Location : Various

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$434,700
FFE	\$0	Other	\$2,113,300	TOTAL COSTS	
				\$2,548,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$2,298,500	\$49,900	\$49,900	\$49,900	\$49,900	\$49,900	\$0	\$2,548,000

Project Description

Reimbursements to developers for development fee eligible projects.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Water Services - Sewer Operations

SPA 1 Installation of Centrifuges

Project Number : *To Be Determined*

Project Start Date : *7/1/2012*

Council District : *Mesquite*

Project Complete Date : *6/30/2015*

Funding Source : *22532 -Sewer Development Fee SPA 1* **Project Location :** *136th Avenue and Cactus Road*

Cost Detail

Land	\$0	Design Services	\$40,000	Construction	\$360,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$400,000	

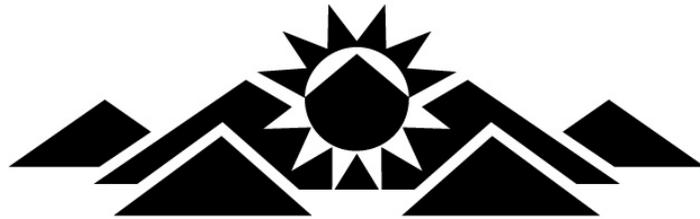
<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$200,000	\$0	\$200,000	\$0	\$400,000

Project Description

All of the underground work, drain lines and conduits are stubbed and completed as part of the South Water Reclamation Facility (WRF) expansion for both centrifuge installations. This request installs new cement platforms, wiring, all electrical components, centrifuges and sludge conveyors, piping from the raw activated sludge feed pumps, and programming from the programmable logic controller (PLC) to SCADA (Supervisory Control and Data Acquisition). The dewatering centrifuge will include the addition of one more feed pump.

Projected Annual Operating Costs	
Personnel	\$109,200
Other Operating	\$381,200
Total	\$490,400

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

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. The City provides this service to most of the city. The remainder is provided by private companies.

Activities

Activities include: Administrative Management Services, Solid Waste – Bulk Waste, Solid Waste – Collections, Solid Waste – Recycling, and Support Services.

Services

Services provided by the Public Works Department, Sanitation Operations Division include the following:

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- General residential trash collection and recycling
- Brush and bulky collection services

Customers

Services are provided to the Mayor and Council, city of Surprise employees, citizens of Surprise, and members of the Public.

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 operations fund budget is programmed at \$11,633,600 which represents an increase of 34% over the FY2010 amended budget. The 7% increase in personnel costs is attributed to increase in full time equivalent (FTE) positions of 0.32. This increase is due to the transfer of a portion of a senior accountant/tax auditor position in the Finance Department from the general fund to the enterprise funds for FY2011. This position performs utility accounting functions that are a direct result of water, wastewater, and sanitation operations.

Supplies decrease by 10% due to the reduction of a one-time Arizona Department of Environmental Quality grant from last fiscal year. Capital increases primarily because current year vehicle and equipment replacement funds are now budgeted and expended in the operating funds in lieu of the centralized vehicle replacement fund as in the prior year. The large increase in contingency of \$3,149,500 is for vehicle and equipment replacement reserve, previously programmed in a centralized vehicle and equipment replacement fund.

As indicated, \$927,800 is transferred out from the sanitation operations fund to the general fund. Costs incurred by the general fund in performing work on behalf of the sanitation operations fund is recovered by a transfer for indirect costs of \$857,800 in FY2011. A sanitation hauler's license fee of \$1,000 per vehicle is assessed on all sanitation companies operating within the city of Surprise, including the Surprise sanitation operations. The sanitation hauler's license fees for the city of Surprise are programmed as a transfer of \$20,000 for FY2011. The final transfer results from the addition of \$50,000 payment in lieu of property tax assessment initiated in FY2011. Payments in lieu of property taxes are assessed on properties exempt from property taxes to recover the general government services provided to the property. The 53% net reduction in this category results from the above increases net against the decrease from the discontinued transfer out for vehicle and equipment replacement.

All sanitation operations fund expenditures are funded by fees charged to the users of the service. As presented the sanitation service user fee charged to single family homes is at a service rate of \$16.63 per month. It is anticipated the Mayor and City Council will review these rates during the first half of the fiscal year and new rates will be established for the second half of the fiscal year.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	2,009,682	2,079,200	1,989,400	2,233,200	7%
Supplies	542,731	793,600	753,000	714,900	-10%
Services	1,303,999	1,564,300	1,405,000	1,570,600	0%
Capital	0	212,000	388,100	463,000	118%
Depreciation	413,448	0	0	0	0%
Contingency	0	2,098,800	0	5,724,100	173%
Transfer Out	1,581,624	1,953,600	623,500	927,800	-53%
Total	5,851,484	8,701,500	5,159,000	11,633,600	34%
<u>By department</u>					
General Operations	0	2,098,800	623,500	3,502,400	67%
Public Works	5,851,484	6,602,700	4,535,500	8,131,200	23%
Total	5,851,484	8,701,500	5,159,000	11,633,600	34%

Revenues

By fund source

Charges for Services/Other	5,643,470	5,911,500	5,741,000	6,098,700	3%
Transfer In	0	0	3,045,700	0	0%
Fund Balance	208,014	2,790,000	0	5,534,900	98%
Total	5,851,484	8,701,500	8,786,700	11,633,600	34%

	FY2009	FY2010	FY2010	FY2011
	Actual	Adopted	Amended	Adopted
Personnel				
Accountant/Tax Auditor	0.34	0.34	0.34	0.33
Administrative Assistant	1	1	0	0
Administrative Technician	1	1	2	2
Division Manager	1	1	1	1
Maintenance & Operations Supervisor	2	2	2	2
Maintenance & Operations Technician	20	20	20	20
Senior Accountant/Senior Tax Auditor	0	0	0	0.33
Sr Maintenance & Operations Technician	3	3	3	3
Service Worker/Groundskeeper	4	4	4	4
Total	32.34	32.34	32.34	32.66

Capital

Capital is programmed for \$463,000 as indicated by the table below and includes carry forward funding for the North Plant restrooms. Vehicle replacement funds are now programmed in the specific department where the vehicles will be utilized, in lieu of past practices under which these funds were programmed in a centralized vehicle replacement fund.

Project Name	Carry Forward	Budget
Vehicle Replacement		431,000
Sanitation North Plant Restroom Improvements	Carry Forward	32,000
Total		463,000

Accomplishments

- Achieved cost savings of 34% over private contracted service for the transport of refuse and wastewater sludge using open 40 yard containers and a roll-off truck.
- Reorganized smart routes for smart growth program, and increased number of collections without an increase in staff.

Goals, Objectives, and Performance Measures

Strategic Focus Area: Quality of Life

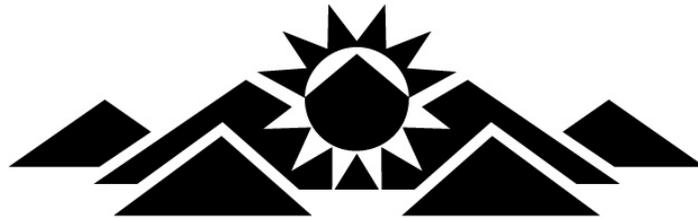
Focus Area Goal: Continue to expand recreational opportunities, environmental sustainability, and maximize opportunities of Compassionate Surprise through increased efficiency and creative partnerships without increasing the overall cost to the city.

- **Department Goal:** Maintain an efficient collections program and expand the recycling and bulk trash programs.
 - **Objective:** Increase overall recycling from drop-off locations.
 - **Objective:** Continue cost savings as a result of the recycling program.
 - **Objective:** Increase bio-solids savings versus using a private contractor.
 - **Objective:** Provide excellent customer service and reduce customer complaints.

Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Collections - pounds per household per month trash	165	159	155	154	160
Collections - annual tons collected trash	31,081	30,764	30,500	30,701	31,898
Collections - average annual households in service area	31,430	32,327	32,777	32,940	33,277
Collections - households per collection drivers	1,849	2,020	2,049	2,207	2,077
Recycling - pounds per household per month recyclables	39	37	34	34	34
Recycling - annual tons collected from drop off locations	---	223	350	354	385
Recycling – tons curbside recycling program	7,451	7,242	6,750	6,851	7,000
Recycling – revenue + disposal savings	\$216,079	\$223,950	\$213,000	266,585	280,630
Roll off tons collected	207	2,259	3,783	6,693	10,495
Bulk – bio-solids savings over private contractor	---	---	\$30,827	70,725	129,195
Support services – total collections and work orders	3,271,228	3,365,096	3,412,223	3,425,760	3,459,365
Support services – missed pickups/customer complaints	---	37	26	24	20

*New measure, data not available

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

Storm Water Operations Fund

Description

The storm water operations fund is a new enterprise fund established this fiscal year to account for the provision of street sweeping services associated with storm water operations. The Public Works Department manages this fund to provide the city and the customers with street sweeping services to minimize the amount of dirt and other residue that accumulates on the streets from running off and constricting the drainage flow into the storm water systems during storms.

Activities

Activities include Administration Management Services, Environmental, Street Sweeping, and Storm Water Management.

Services

Services provided by the Public Works, storm water enterprise fund include:

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- Environmental regulatory compliance in cross connection controls, conservation and resource management, biosolids, pre-treatment, quality control and assurance, and data administration
- Regional representation involving storm water management to monitor changes and updates in federal, state, and county regulations

Customers

Services are provided to the Mayor and City Council, city of Surprise employees, citizens of Surprise, and members of the public.

Budget Summary

A new storm water operations fund is established this fiscal year to provide for street sweeping services associated with storm water operations. As indicated by the table below the initial amount programmed to staff this activity is \$250,000. Four full time equivalent positions are budgeted in this fund for FY2011. The Mayor and City Council are expected to adopt the fee for service when the utility fees are presented for action later this fiscal year.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Personnel	0	0	0	250,000	0%
Total	0	0	0	250,000	0%
<u>By department</u>					
Public Works	0	0	0	250,000	0%
Total	0	0	0	250,000	0%

Revenues

By fund source

Charges for Services/Other	0	0	0	250,000	0%
Total	0	0	0	250,000	0%

Personnel

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Maintenance & Operations Supervisor	0	0	0	1
Maintenance & Operations Technician	0	0	0	3
Total	0	0	0	4

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:** Review applicable storm water rules and regulations and provide comments within the regulatory timeframe.
 - **Objective:** Provide labor costs related to compliance and regulatory reviews and maintain a wide distribution of storm water publications to educate the mayor and council, city staff, and the public regarding the program.

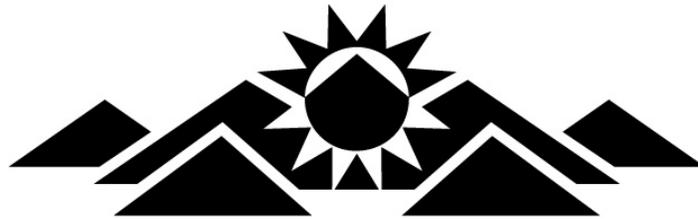
Performance Measures	FY2008 Actual	FY2009 Actual	FY2010 Target	FY2010 Estimate	FY2011 Target
Percent of storm water rules reviewed and commented on within regulatory timeframe	---	---	100%	100%	100%
Labor cost for storm water regulatory review	---	---	\$60,000	\$66,048	\$60,000
Number of new state, county and federal storm water rules and regulations	---	---	---	11	2
Number of storm water publications distributed	---	---	350	344	500

**New measure, data not available*

Capital Purchases/Projects

- Capital Overview
- General Capital Fund
- General Government Development Fee Fund
- Police Development Fee Fund
- Parks and Recreation Development Fee Fund
- Public Works Development Fee Fund
- Fire and EMS Development Fee Fund
- Library Development Fee Fund
- Transportation Improvement Fund
- Roads of Regional Significance Development Fee Fund
- Vehicle Replacement Fund
- Municipal Property Corporation Fund
- Community Facilities District Funds

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Capital Improvement Plan

FY2011– FY2015

The city of Surprise has transitioned from a small agricultural community to one of the fastest growing communities in the nation. During fiscal year 2010, the estimated population grew to 109,500, triple the 2000 census tabulation of approximately 30,000 residents. It is estimated that the population will increase to over 121,000 people by the end of FY2015.

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 works with the Mayor and City Council and all departments throughout the Capital Improvement Plan (CIP) process to develop the adopted CIP. The CIP process runs in conjunction with the operating budget process and both culminate with the adoption of the recommended budget and CIP by the Mayor and City Council in June.

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

The proposed CIP is very limited due to a lack of revenues and minimal growth. During the course of the FY 2011, staff will be working with the Mayor and City Council to develop a more comprehensive CIP strategic plan and funding strategy.

Funding

The CIP is broken down into four major functions:

1. General CIP
2. Transportation CIP
3. Development Fee Funds
4. Water and Wastewater

1. General CIP Fund

Projects in this fund are paid for primarily by using a portion of construction sales tax and third party funding (e.g. grants). As such, because of the recession, construction sales tax revenues have declined significantly, resulting in fewer projects being funded. As a result, projects have been selected that are fully or partially paid for with third party funding (e.g. grants) so as to maximum the use of City funds. The major projects include:

- CRS Asset Replacement: \$1.0 million
- IT Asset Replacement: \$375,000
- Bell Road Sidewalks (East of Grand): \$1.2 million
- Bell Road Sidewalks (West of Grand): \$1.2 million
- Dove Valley Parkway: \$1.0 million
- Martin Acres Flood Control: \$60,000
- Pave Dirt Shoulders: \$600,000
- Paving Settlement West of 219th Avenue: \$2.0 million

2. Transportation CIP Fund

Projects in this fund are primarily funded by a 1.5% dedicated construction sales tax and third party funding (e.g. grants). Again, because of reduced construction sales taxes, fewer projects can be funded. Projects were also selected based on our ability to match third party funds and maximize the use of City funds. The major projects include:

- Park and Ride: \$710,000
- Street Preservation and Maintenance: \$7.0 million
- El Mirage Road (Northern Avenue to Bell Road): \$300,000
- Greenway Road (Litchfield Road to Bullard Avenue): \$2.4 million

3. Development Fee Funds

Each of the eight development fee funds records projects specifically related to that activity. The eight funds are:

1. General Government Development Fund
2. Police Development Fund
3. Parks and Recreation Development Fund
4. Public Works Development Fund
5. Fire and EMS Development Fund
6. Library Development Fund
7. Roads of Regional Significance Development Fund, SPA 2, 4, 6
8. Roads of Regional Significance Development Fund, SPA 3 and 5

There are only a few projects because of the lack of growth and new construction (both residential and commercial) caused by the recession and current economic climate. The following projects are included:

- Westgate Operation/Administration Building: \$310,000 (Public Works Development Fund)
- Installation of Fiber Optics: \$3.0 million (Public Works Development Fund)
- Traffic Signals: \$2.0 million (Public Works Development Fund)
- Fire Department Radio System Upgrade: \$1,350,000 (Fire and EMS Development Fund)
- Library #3: \$1.0 million (Library Development Fund)

4. Water and Wastewater

These CIP programs are paid for by a combination of rates and development fees. The major projects include:

Water

- Site & Security Improvements: \$1.3 million
- Special Planning Area (SPA) 1 Ashton Ranch Water Supply Facility (WSF) Chlorine Upgrade: \$1.1 million
- SPA 1 Ashton Ranch WSF Integration Upgrades: \$250,000
- SPA 1 Booster Station Upgrades @ Bell Road Lake: \$125,000
- SPA 1 Mountain Vista Well #2: \$1.9 million
- SPA 1 Rancho Gabriela WSF – Arsenic Treatment: \$200,000
- SPA 2 Desert Oasis WSF – Arsenic Treatment: \$2.2 million
- Water Quality EPA Grant: \$80,000
- CAP Allocation: \$1.4 million
- SPA 1 Ashton Ranch Subdivision Well #2: \$90,000
- SPA 1 Mountain Gate/Kenly Well: \$1.9 million
- SPA 3 Initial Water System: \$400,000

Wastewater

- SPA 1 Effluent Storage Reservoir Covers: \$1.1 million
- Cortessa Wet Well Re-Coating: \$100,000
- Sewer Relocations at the Loop 303 – ADOT: \$600,000
- SPA 1 Fire Protection Upgrade @ South Plant: \$350,000
- SPA 1 Recharge Basin Expansion @ South Plant: \$360,000
- SPA 1 Recharge Wells @ South Plant: \$8.3 million
- Additional Chlorine Generation Unit: \$850,000
- Disinfection Byproduct Reduction: \$600,000
- Greenway Road Improvements Sewer Line: \$1.0 million
- Installation of Centrifuges: \$400,000

Capital & Operational Finances

In keeping with the city's policy of sustainability, approved capital projects stress continuation of current service levels. Surprise citizens deserve, and have come to expect the high level of service provided by the city. In order to maintain this high level of service, the city has committed many of its one-time sources of funds to pay for capital and infrastructure needs.

The operational costs associated with the massive amount of capital built by the city of Surprise have been felt over the last couple years. With each new completed project there are staffing, maintenance, supply, and other service costs that must be 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.

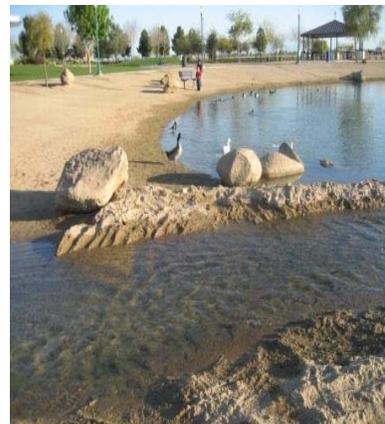
The majority of approved capital projects are directly related to maintaining the current level of service. New residents who move to Surprise will be greeted with a high level of service and amenities. The Mayor, City Council, and City Management have pledged to do what is required to ensure this level of service is sustainable.

CIP Development

The following section provides information that served as the background for the development of the CIP.

What should be addressed in this planning effort?

- Financial responsibility.
- Improved transportation.
- Expansion of public safety facilities.
- Coordination with utilities.
- Allocation of funding for advanced organizational planning.
- Maintaining the necessary "tools" to provide quality customer service.
- Expansion of parks and recreation facilities.
- Economic development implications.
- Environmental issues.
- Community aesthetics and image.
- Public input.
- Sustainability for Surprise.



Community Park

Capital Project Definition

In order to distinguish between true capital items and operating items, the following capital project definition was developed:

Projects included in the Surprise CIP will be those with a cost of at least \$100,000 with a useful life of at least three years. All other projects shall be included in departmental operating budgets. Vehicles are to be handled through a separate process.

The CIP is to be used as a guide in decision-making. The CIP is intentionally developed in the most apolitical environment possible with the full knowledge that the final decisions will be made in the political arena. The CIP is an objective basis for making decisions in a very subjective environment.

The process for the CIP's development is divided into three key components, culminating in the presentation of a Capital Improvement Plan to the Mayor and City Council for approval.

1. Needs Assessment. Future needs are outlined utilizing the General Plan and taking growth patterns into consideration.
2. Financial Analysis. Examination of the city's recent revenues, expenditures, current debt, and bonding capacity are included in the financial analysis.
3. Capital Improvement Plan Policies. The plan document includes policies, an implementation section, and outlines how the CIP will be updated on an annual basis.

1. Needs Assessment

The needs assessment encompasses all of the anticipated needs for the community within the definition of capital projects for the next five years.

During the plan development process, an inclusive capital project list is created. However, additional needs will be identified on a continuing basis and will be included in the annual update process. Some unanticipated needs will occur during the budget year and will be weighed against needs already identified in the annually adopted CIP.

Information on each capital project fund includes a fund description, a revenue and expenditure budget summary, and a table showing FY2011 capital items. This information is followed by the capital projects adopted for the Capital Improvement Plan in the five year period. Each project is listed by the responsible department/division name and project expenditures are shown by fiscal year with a total by project for all years.

Following the list of projects in the five year plan is the detail information for each project. Each project page provides cost detail, project description, project location including the City Council district most directly impacted, recommended funding source, and anticipated ongoing operating costs. Below the cost detail section, the timeline of the project is restated by year. These are not in any prioritized order. The project number is for identification purposes only.

2. Financial Analysis

When attempting to determine what resources are available to fund capital improvements, it is important to carefully examine the current financial condition of the city as well as possible funding alternatives. Like most communities, the city of Surprise will most likely always have more needs than financial resources. In developing the CIP, a complete financial analysis is conducted. Funding options, current revenue trends, the community's borrowing capacity, and current debt are reviewed.

Funding Options

The city of Surprise has been funding capital improvement projects for many years. The key to implementing the CIP is consistent, systematic funding. This is becoming more and more difficult with today's political climate, shrinking revenue sources, and the demands presented by Surprise's growth potential.

The following options were considered when analyzing potential funding sources for CIP Projects.

- **Pay-As-You-Go Out of Current Revenues.** The city currently receives the bulk of its revenues through local sales taxes, state sales tax, and state income tax. A component of the local sales tax is construction related taxes. \$1,250,000 of the taxes collected on construction activity are dedicated to capital purchases. The city also receives funding from state fuel taxes and the Arizona Lottery. These funds are restricted for transportation related expenditures.
- **Municipal Bonds.** The city can issue bonds for capital projects. Municipal bonds are paid back over a period of time with interest. The city's ability to bond is discussed in more detail in the bonding capacity section. The issuance of municipal bonds must be approved by the voters.
- **Certificates of Participation/Municipal Property Corporations.** These are funding mechanisms used by many municipal governments that allow the municipality to borrow funds without voter approval. The debt is paid back much like a bond – over time with interest. The city of Surprise qualifies as having Municipal Property Corporation status, so this option is available.
- **Lease-Purchase Agreements.** A method of financing capital projects that lessens the up-front costs to the municipality. While interest is paid, the payoff period is typically a shorter period than bonds and the municipality will own the project at the termination of the agreement.
- **Improvement Districts.** This financing method is used to raise capital for projects in which the residents who benefit from the improvements pay for them over time (e.g. street light improvement district).
- **Development Impact Fees.** Fees imposed on new development to defray the impact and additional costs the development places on municipal infrastructure and services. The city currently has an Impact Fee Ordinance that applies fees to new development.
- **Grants.** Federal, state, and county grants are available to finance capital projects. Many of these grants require the municipality to participate either financially or through "in kind" matches. The city is the recipient of various federal, state, and county grants and pursues grant funding as opportunities arise.
- **User Fees.** Fees paid by service users to maintain existing facilities and develop additional capacity. Utilities such as water, sewer and sanitation fall under this category.

Current Revenue Trends

Surprise currently has a 2.2% sales tax over the state and county sales taxes. The city has a hotel/motel and restaurant tax of 1.0% over the standard sales tax and a construction sales tax of 1.5% over the standard rate. A transient lodging tax (bed tax) of 1.52% was approved January 28, 2010 and is dedicated to strategic plan development.

Local sales taxes collected have grown from \$6 million in 1998 to projected revenues of \$28 million in Fiscal-Year 2011. The city has a primary property tax rate of \$0.67 per \$100 net assessed valuation in FY2011. This rate is an increase of 0.11 above last year's rate. The city also has several Special Assessment Districts for street light expenditures.

Assessed Valuation in the community has risen dramatically in the past decade reflecting the community's rapid growth. Net Assessed Valuation in 1990 was \$45,758,320 and showed relatively no growth through 1996 where levels reached \$48,450,094. Current secondary assessed valuation is \$1,129,041,072, which is a decrease from \$1,353,294,533 last year.

Borrowing Capacity

While it is the desired goal of any organization – a municipality or even a family – to finance purchases without borrowing (pay-as-you-go), sometimes financing is necessary. Surprise has used various financing methods in the past to purchase vehicles and equipment and finance the development of other municipal services.

The most commonly utilized large project municipal financing method in the United States of America is the General Obligation Bond (G.O. Bond). This is the most inexpensive way to finance projects because the bond's repayment is based on the full taxing authority of the municipality and backed up by real property. Voters would have to approve any property taxes (secondary) instituted to support the issuance of G.O. Bonds.

At some point, the voters may be asked to approve additional property tax to support the issuance of G.O. Bonds for desired community projects. The State of Arizona places limits on this type of financing. Before planning to finance future capital improvement through this mechanism, it is important to know how much authority is available under state statutes.

Under Arizona Law, Article IX, Section 8, municipalities may issue G.O. Bonds for purposes of water, wastewater, artificial light, open space preserves, parks and recreational facilities, public safety, law enforcement, fire and emergency services facilities, streets, and transportation facilities up to an amount not exceeding 20 percent of the secondary assessed value. Based on Surprise's secondary assessed valuation of \$1,129,041,072, a total of \$225,808,200 could be borrowed utilizing G.O. Bonds. The city currently has no outstanding G.O. Bonds debt in the 20 percent category.

In addition, Arizona law allows municipalities to issue G.O. Bonds for all other purposes not listed above up to an amount not exceeding six percent of the valuation. This would allow Surprise to bond for \$67,742,500 under this category. The city currently has no outstanding G.O. Bonded debt in the six percent category.

Surprise's other debt does not count against these figures although the overall financial position of the city would be considered by lending institutions.

Current Debt

As of June 30, 2010, the city of Surprise held the following debt obligations over and above normal operating accounts payable. The total amount and year of debt retirement are indicated.

Municipal Property Corporation Debt

Current Balance: \$91,790,000
Debt Retirement Date: 07/01/2032

3. Capital Improvement Plan Policies

Policies

When implementing a plan of this complexity and magnitude, it is important to adhere to operating policies and procedures to ensure success. The following policies have been adopted as part of the Surprise Capital Improvement Plan.

- Regional considerations and intergovernmental relationships will be evaluated as projects are developed.
- Legal mandates will be monitored and projects to satisfy the mandates will be developed.
- The five-year CIP will be updated annually.
- Pay-as-you-go financing will be the preferred funding mechanism of the CIP.

- Should borrowing be necessary, dedicated revenue streams will be accounted for as to not jeopardize the long-term implementation of the CIP.
 - Efforts will be continuously made to maintain and improve the city's credit rating.
 - Capital project and improvement districts financed through debt instruments shall not be financed for more than the anticipated useful life of the project.
 - Department Directors and Managers will meet with the Chief Information Officer as part of the CIP update process to discuss and coordinate purchases in communications equipment and systems and computer hardware and software to ensure citywide compatibility.
 - The city shall periodically review user fees and adjust accordingly to ensure that the fees adequately cover the cost of operation, maintenance, and future expansion.
 - The city shall periodically review development impact fees and adjust accordingly to ensure new growth continues to pay its fair share of impact on the community.
 - The city shall work aggressively with developers to ensure future development pays for itself and is not a burden on existing residents.
 - Projects will be developed to accommodate coordination with economic development efforts.

Implementation

The success of a plan or a planning process is measured by the degree of its implementation. Since resources are limited, it is crucial for the city of Surprise to follow a consistent, objective path to allocate funding for future capital improvements needs.

The following implementation program outlines the specific steps necessary to implement the CIP and perform the annual update.



Trenching

General Implementation Guidelines

- The Surprise five-year CIP is adopted by the Mayor and City Council and is published and widely distributed. The CIP is updated annually and reviewed and adopted by the Mayor and City Council along with the operating budget each year.
- Department directors are responsible for preparing monthly reports on the status of current year capital projects. The reports are posted monthly on the city's website www.surpriseaz.gov.
- Citizen input is sought periodically to determine the desires of the public. Attitudes and circumstances change and informed decision making requires that the city have an up-to-date awareness of what the public's attitudes are toward community facilities and services and how to pay for them.

Update Process

Updating the CIP takes place annually along with the development of the city's annual budget. The annual update includes projects by funding source for presentation to the Mayor and City Council.

The prior year process is reviewed annually to discuss the plan's process and implementation. Project worksheets are updated in the budget database by the responsible department. The project information includes: project name and department, description, council district location, funding source(s), cost detail by category and year, and estimated ongoing operational costs.

Projects are evaluated and prioritized using three funding categories.

1. **Prioritized Funding Category:** Projects competing for general fund and certain dedicated funding sources. The majority of projects are in this category.
2. **Enterprise Fund Category:** Utility Projects funded from a dedicated funding source, which are not able to compete for general fund monies.
3. **Developer Funded:** Projects funded and constructed by developers that do not compete for general fund monies. These projects are included in the 5-year CIP to recognize the vast amount of infrastructure that is being put into the ground which the city will assume responsibility for upon completion.



City Hall

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

At the direction of the Mayor and City Council, the city of Surprise dedicates the first \$1,250,000 of construction related sales tax collections to operating expenses. The remaining construction sales tax is considered a one-time revenue source and is dedicated for capital expenses in this fund. The dedicated sales tax amount for FY2011 is \$1,250,000 and is shown as a transfer in. Payment on the Municipal Property Corporation (MPC) lease for the City Hall project is programmed as rent at \$468,000 as included in the services category of expenditures.

	FY2009	FY2010	FY2010	FY2011	Amended to
Expenditures	Actual	Amended	Estimate	Adopted	Adopted
<u>By category</u>					
Personnel	0	0	2,500	0	0%
Supplies	98,929	0	3,900	0	0%
Services	570,608	21,655,100	806,500	1,294,600	-94%
Capital	24,743,482	5,289,800	2,114,300	4,715,900	-11%
Transfer Out	13,729,400	3,079,300	3,669,300	0	-100%
Total	39,142,419	30,024,200	6,596,500	6,010,500	-80%
<u>By department</u>					
Community and Rec Svcs	0	283,000	283,000	200,000	-29%
Fire-Emergency Services	43,567	44,800	44,800	46,000	3%
General Operations	14,187,600	24,303,000	4,363,500	468,000	-98%
Information Services	64,216	2,100	0	75,000	3471%
Police	147,987	0	0	0	0%
Public Works	24,699,049	5,391,300	1,905,200	5,221,500	-3%
Total	39,142,419	30,024,200	6,596,500	6,010,500	-80%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	-134,853	5,467,400	24,400	2,893,100	-47%
Transfer In	20,697,500	8,939,400	5,544,300	1,250,000	-86%
Fund Balance	18,579,771	15,617,400	1,027,800	1,867,400	-88%
Total	39,142,419	30,024,200	6,596,500	6,010,500	-80%

Revenue sources consist of the construction sales tax allocation, grant revenue, and interest earnings. An interfund loan in the amount of \$171,900 to cover the fund shortfall for FY2011 is included in the charges for services/other revenue source category. Grant revenue for the City Hall Solar project is programmed at \$787,600. Other intergovernmental revenue includes \$234,000 for the Jerry Street project, \$60,000 for Martin Acres, and \$1,602,300 for the Paving Settlement project.

Capital

Capital is programmed in the general fund for \$4,715,900 as indicated by the table below and includes carry forward funding for Bell Road landscaping/lighting, Jerry Street Flood Drainage, City Hall, a solar project, traffic signals, and a sewer and irrigation line along SR 303.

Project Name	Carry Forward	Budget
Capital		
IT Asset Replacement		75,000
800Mhz radio payment to city of Phoenix		46,000
CRS Asset Replacement Program		200,000
Bell Road Landscaping/Lighting	Carry Forward	10,400
Bell Road Landscaping/Lighting	Carry Forward	699,200
Jerry Street Flood Drainage	Carry Forward	260,000
City Hall	Carry Forward	385,900
City Hall Solar	Carry Forward	742,000
City Hall Solar	Carry Forward	10,000
Traffic Signals	Carry Forward	247,300
Paving Settlement West of 219th Ave		2,028,300
Loop 303 Sewer & Irrigation Line Adj	Carry Forward	11,800
Total		4,715,900

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
<u>21112 - GENERAL CAPITAL FUND</u>					
SOURCES:					
Construction Sales Tax	1,250,000	1,367,900	1,493,500	1,623,400	1,758,000
Intergovernmental Contributions	2,683,900	2,851,100	570,000	-	-
Interfund Loan	171,900	-	-	-	-
Interest Earnings	37,300	-	6,900	22,100	40,100
TOTAL SOURCES	4,143,100	4,219,000	2,070,400	1,645,500	1,798,100
USES:					
Capital Project Expenditures	(2,813,300)	(3,357,500)	(845,000)	(275,000)	(275,000)
Carry Forward Expenditures	(2,683,200)	-	-	-	-
Non-Project Capital Expenditures	(46,000)	(47,300)	-	-	-
DEBT:					
MPC Payment	(468,000)	(469,300)	(464,600)	(470,000)	(469,800)
TOTAL USES	(6,010,500)	(3,874,100)	(1,309,600)	(745,000)	(744,800)
NET ACTIVITY	(1,867,400)	344,900	760,800	900,500	1,053,300
BEGINNING FUND BALANCE	1,867,400	-	344,900	1,105,700	2,006,200
ENDING FUND BALANCE	-	344,900	1,105,700	2,006,200	3,059,500
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	-	344,900	1,105,700	2,006,200	3,059,500
Ending Fund Balance	-	344,900	1,105,700	2,006,200	3,059,500

City of Surprise FY 2011 - 2015 Capital Improvement Plan

21112 General Capital Fund

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
C&R - Parks Maintenance						
CRS Asset Replacement	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
IS - IT						
IT Asset Replacement	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
PW - TE General						
Bell Road Sidewalks (East of Grand Avenue)	\$200,000	\$1,000,000	\$0	\$0	\$0	\$1,200,000
Bell Road Sidewalks (West of Grand Avenue)	\$100,000	\$1,175,000	\$0	\$0	\$0	\$1,275,000
Dove Valley Parkway (163rd to 179th)	\$150,000	\$875,000	\$0	\$0	\$0	\$1,025,000
Martin Acres Flood Control	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Pave Dirt Shoulders	\$0	\$32,500	\$570,000	\$0	\$0	\$602,500
Paving Settlement West of 219th Avenue	\$2,028,300	\$0	\$0	\$0	\$0	\$2,028,300
Total - General Capital Fund	\$2,813,300	\$3,357,500	\$845,000	\$275,000	\$275,000	\$7,565,800

CAPITAL PROJECT DETAIL

FY2011 - FY2020

C&R - Parks Maintenance

CRS Asset Replacement

Project Number : 21101

Project Start Date : 7/1/2011

Council District : Various

Project Complete Date : 6/30/2015

Funding Source : 21112 - General Capital Fund

Project Location : Various

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$1,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,000,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$0	\$1,000,000

Project Description

Provide funding for an asset replacement plan. This plan will address replacement of equipment in the areas of aquatics, parks, and campus. Assets are replaced as they reach the end of their servicable life or have been made obsolete due to changes in technology or work practices.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

IS - IT

IT Asset Replacement

Project Number : 21102

Project Start Date : 7/1/2010

Council District : Palm

Project Complete Date : 6/30/2015

Funding Source : 21112 - General Capital Fund

Project Location : Various

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$0
FFE	\$375,000	Other	\$0	TOTAL COSTS	
				\$375,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$0	\$375,000

Project Description

Provide funding for an asset replacement plan. This plan will address replacement of equipment such as servers, network equipment, large printers, and phones. Assets are replaced as they reach the end of their servicable life or have been made obsolete due to changes in technology or work practices.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Bell Road Sidewalks (East of Grand Avenue)

Project Number : 21103

Project Start Date : 7/1/2010

Council District : Palo Verde

Project Complete Date : 6/30/2012

Funding Source : 21112 - General Capital Fund

Project Location : Grand Avenue to Avenue of the Arts

Cost Detail

Land	\$500,000	Design Services	\$200,000	Construction	\$500,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,200,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$200,000	\$1,000,000	\$0	\$0	\$0	\$0	\$1,200,000

Project Description

Design and construction of ten foot wide multi-purpose concrete sidewalks along the south side of Bell Road. The sidewalks will start from Grand Avenue to Sierra Dawn Boulevard and progress from Sierra Dawn Boulevard to Avenue of the Arts. The project scope will include right-of-way acquisition. This project is slated to receive federal funding from Congestion Mitigation in Air Quality (CMAQ) in an amount of \$1,000,000 in FY2012.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Bell Road Sidewalks (West of Grand Avenue)

Project Number : 21104

Project Start Date : 7/1/2010

Council District : Various

Project Complete Date : 6/30/2012

Funding Source : 21112 - General Capital Fund

Project Location : 141st Avenue to SR 303

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$1,175,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,275,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$100,000	\$1,175,000	\$0	\$0	\$0	\$0	\$1,275,000

Project Description

Design and construction of a new sidewalk along Bell Road. The project entails demolition of the existing asphalt paved sidewalk and replacement with a new four inches thick and six feet wide concrete sidewalk with Americans with Disabilities Act (ADA) ramps. The sidewalk will be located between 141st Avenue and SR 303 along the north and south side of Bell Road. This project is slated for federal funding from Congestion Mitigation in Air Quality (CMAQ) in an amount of \$892,500 in FY2012.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Dove Valley Parkway (163rd to 179th)

Project Number : 21105

Project Start Date : 8/1/2010

Council District : Acacia

Project Complete Date : 6/30/2012

Funding Source : 21112 - General Capital Fund

Project Location : Dove Valley Parkway

Cost Detail

Land	\$0	Design Services	\$150,000	Construction	\$875,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,025,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$150,000	\$875,000	\$0	\$0	\$0	\$0	\$1,025,000

Project Description

Design and construction of two miles (one mile in each direction) from 163rd Avenue to 179th Avenue. The project includes low water crossings at current wash locations. The project will be federally funded under the pave dirt roads PM-10 (Particulate Matter) program of Maricopa Association of Government (MAG). The City will be responsible for funding 6% of the project, with MAG covering the remaining 94% of the project costs.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$58,600
Total	\$58,600

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Martin Acres Flood Control

Project Number : 21106

Project Start Date : 7/1/2010

Council District : Acacia

Project Complete Date : 6/30/2016

Funding Source : 21112 - General Capital Fund

Project Location : US60 and Norwich Rd

Cost Detail

Land	\$750,000	Design Services	\$60,000	Construction	\$1,475,500
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$2,285,500	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$60,000	\$0	\$0	\$0	\$0	\$2,225,500	\$2,285,500

Project Description

This is a reimbursement to Maricopa County Flood Control. The project is a flood control study followed by the removal of existing homes and other platted parcels from the floodplain/floodway. This will be accomplished with new flood control infrastructure between US 60 and the McMicken Dam. It is anticipated that the regional drainage system will be constructed in several phases. The first phase will collect storm water at US 60 and route it through Martin Acres to an existing wash ¼ mile south of Norwich Road. The total project cost is \$4,571,000 with Maricopa County Flood Control as a cost share partner with an estimated funding match of \$2,285,500.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Pave Dirt Shoulders

Project Number : To Be Determined

Project Start Date : 7/1/2011

Council District : To Be Determined

Project Complete Date : 6/30/2013

Funding Source : 21112 -General Capital Fund

Project Location : Various

Cost Detail

Land	\$0	Design Services	\$70,000	Construction	\$532,500
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$602,500	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$32,500	\$570,000	\$0	\$0	\$0	\$602,500

Project Description

Pavement along 4 miles of dirt shoulders along various arterial roads with significant traffic. Five feet of pavement will be placed on each identified shoulder to prevent the generation of dust from traffic that drives on the present dirt shoulders. This project will be federally funded under the pave dirt road PM-10 (particulate matter) program from Maricopa Association of Governments (MAG). The City is responsible for 6% of the cost of the project with MAG contributing the remaining 94% of the funding.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Paving Settlement West of 219th Avenue

Project Number : 20903

Project Start Date : 7/1/2009

Council District : Acacia

Project Complete Date : 6/30/2011

Funding Source : 21112 - General Capital Fund

Project Location : Deer Valley Road and 219th Avenue

Cost Detail

Land	\$0	Design Services	\$260,700	Construction	\$2,028,300
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$2,289,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$260,700	\$2,028,300	\$0	\$0	\$0	\$0	\$0	\$2,289,000

Project Description

Design and construction of new pavement and drainage improvement for the subdivision located west of 219th Avenue and north of Sun Valley Parkway. The unpaved roads consist of approximately 3.27 miles. This project will include one lane in each direction and will require an approval from Arizona Department of Transportation (ADOT).

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$220,100
Total	\$220,100

General Government Development Fee Fund

Description

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

Budget Summary

Revenues are based upon an estimated issuance of 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The general government development fee remains unchanged from FY2008 at \$661 per single family residential permit established July 1, 2007.

General Government activity consists solely of \$12,500 in funding to update the development impact fee study.

Expenditures	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
<u>By category</u>					
Supplies	25,933	0	0	0	0%
Services	0	0	0	12,500	0%
Capital	0	0	0	0	0%
Contingency	0	0	0	425,000	0%
Transfer Out	2,007,300	486,800	0	0	-100%
Total	2,033,233	486,800	0	437,500	-10%
<u>By department</u>					
Communications	25,933	0	0	0	0%
Finance	0	0	0	12,500	0%
General Operations	0	486,800	0	425,000	-13%
Public Works	2,007,300	0	0	0	0%
Total	2,033,233	486,800	0	437,500	-10%
 Revenues					
<u>By fund source</u>					
Charges for Services/Other	696,479	480,400	281,200	350,000	-27%
Fund Balance	1,336,754	6,400	0	87,500	1267%
Total	2,033,233	486,800	281,200	437,500	-10%

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21412 - GENERAL GOVERNMENT DEVELOPMENT FUND					
SOURCES:					
Development Fee Revenue	348,200	364,700	381,200	397,700	414,300
Interest Earnings	1,800	8,500	16,000	23,700	32,100
TOTAL SOURCES	350,000	373,200	397,200	421,400	446,400
USES:					
Capital Project Expenditures	-	-	-	-	-
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
TOTAL USES	(12,500)	-	(12,500)	-	(12,500)
NET ACTIVITY	337,500	373,200	384,700	421,400	433,900
BEGINNING FUND BALANCE	87,500	425,000	798,200	1,182,900	1,604,300
ENDING FUND BALANCE	425,000	798,200	1,182,900	1,604,300	2,038,200
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	425,000	798,200	1,182,900	1,604,300	2,038,200
Ending Fund Balance	425,000	798,200	1,182,900	1,604,300	2,038,200

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 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The public safety development fee remains unchanged from FY2008 at \$372 per single family residential permit as established July 1, 2007.

Payment on the Municipal Property Corporation (MPC) lease for the Public Safety Building is programmed as rent at \$487,300 and is included in the services expenditure category. Funding in the amount of \$12,500 is included to update the development impact fee study. The completion of the Police Communications Upgrade to Regional Wireless Cooperative (RWC) project is programmed in FY2011 with a carry forward of \$87,700. Revenue sources consist of development fee revenue and interest earnings. An interfund loan in the amount of \$330,200 to cover the fund shortfall for FY2011 is included in the charges for services/other revenue source category.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	477,100	464,800	25,200	499,800	8%
Capital	531,041	619,100	531,400	87,700	-86%
Transfer Out	1,200,500	0	0	0	0%
Total	2,208,641	1,083,900	556,600	587,500	-46%
<u>By department</u>					
Finance	0	0	0	12,500	0%
Police	2,208,641	1,083,900	556,600	575,000	-47%
Total	2,208,641	1,083,900	556,600	587,500	-46%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	403,718	651,800	491,700	452,000	-31%
Transfer In	0	558,800	0	0	-100%
Fund Balance	1,804,923	0	64,900	135,500	0%
Total	2,208,641	1,210,600	556,600	587,500	-51%

Capital

Capital is programmed for \$87,700 as indicated by the table below and includes carry forward funding for police communications upgrade to the regional wireless cooperative (RWC) system.

Project Name	Carry Forward	Budget
Capital		
Police Communications Upgrade to RWC	Carry Forward	87,700
Total		87,700

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21413 - POLICE DEVELOPMENT FUND					
SOURCES:					
Development Fee Revenue	119,100	128,400	137,700	147,000	156,300
Interfund Loan	330,200	-	-	-	-
Interest Earnings	2,700	-	-	-	-
TOTAL SOURCES	452,000	128,400	137,700	147,000	156,300
USES:					
Capital Project Expenditures	-	-	-	-	-
Carry Forward Expenditures	(87,700)	-	-	-	-
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
DEBT:					
MPC Payment	(487,300)	(488,600)	(483,800)	(489,400)	(489,100)
TOTAL USES	(587,500)	(488,600)	(496,300)	(489,400)	(501,600)
NET ACTIVITY	(135,500)	(360,200)	(358,600)	(342,400)	(345,300)
BEGINNING FUND BALANCE	135,500	-	(360,200)	(718,800)	(1,061,200)
ENDING FUND BALANCE	-	(360,200)	(718,800)	(1,061,200)	(1,406,500)
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	-	(360,200)	(718,800)	(1,061,200)	(1,406,500)
Ending Fund Balance	-	(360,200)	(718,800)	(1,061,200)	(1,406,500)



Parks and Recreation Development Fee Fund

Description

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

Budget Summary

Revenues are based upon an estimated issuance of 150 single family residential permits in FY2011. The parks and recreation development fee remains unchanged from FY2008 at \$2,114 single family residential permit as established July 1, 2007.

For FY2011, \$1,963,300 is programmed in the services expenditure category 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. Development agreement authority for Marley Park is included in the amount of \$3,600 along with \$12,500 to update the development impact fee study. The completion of Surprise Farms Park is programmed in FY2011 with a carry forward in the amount of \$18,200. Revenue resources consist of development fees and interest earnings. An interfund loan in the amount of \$528,300 to cover the fund shortfall for FY2011 is included in the charges for services/other revenue source category.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Supplies	0	0	0	0	0%
Services	1,922,300	1,922,500	22,800	1,979,400	3%
Capital	4,928,127	399,100	380,900	18,200	-95%
Total	6,850,427	2,321,600	403,700	1,997,600	-14%
<u>By department</u>					
Community and Rec Svcs	6,850,427	2,321,600	403,700	1,981,500	-15%
Finance	0	0	0	16,100	0%
Total	6,850,427	2,321,600	403,700	1,997,600	-14%
 Revenues					
<u>By fund source</u>					
Charges for Services/Other	627,634	567,800	554,900	793,200	40%
Transfer In	9,567,200	2,520,500	0	0	-100%
Fund Balance	0	0	0	1,204,400	0%
Total	10,194,834	3,088,300	554,900	1,997,600	-35%

Capital

Capital is programmed for \$18,200 as indicated by the table below and includes carry forward funding for Surprise Farms Park development.

Capital	Project Name	Carry Forward	Budget
	Surprise Farms Park Development	Carry Forward	18,200
Total			18,200

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21414 - PARKS & RECREATION DEVELOPMENT FUND					
SOURCES:					
Development Fee Revenue	237,200	280,900	321,500	362,200	402,800
Marley Park	3,600	3,600	3,600	3,600	3,600
Sub-Total Development Fees	240,800	284,500	325,100	365,800	406,400
Interfund Loan	528,300	-	-	-	-
Interest Earnings	24,100	-	-	-	-
TOTAL SOURCES	793,200	284,500	325,100	365,800	406,400
USES:					
Capital Project Expenditures	-	-	-	-	-
Carry Forward Expenditures	(18,200)	-	-	-	-
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
Development Agreement Expenditures					
Marley Park	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)
DEBT:	-	-	-	-	-
MPC Payment	(1,963,300)	(1,968,700)	(1,949,300)	(1,971,700)	(1,970,800)
TOTAL USES	(1,997,600)	(1,972,300)	(1,965,400)	(1,975,300)	(1,986,900)
NET ACTIVITY	(1,204,400)	(1,687,800)	(1,640,300)	(1,609,500)	(1,580,500)
BEGINNING FUND BALANCE	1,204,400	-	(1,687,800)	(3,328,100)	(4,937,600)
ENDING FUND BALANCE	-	(1,687,800)	(3,328,100)	(4,937,600)	(6,518,100)
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	-	(1,687,800)	(3,328,100)	(4,937,600)	(6,518,100)
Ending Fund Balance	-	(1,687,800)	(3,328,100)	(4,937,600)	(6,518,100)

Public Works Development Fee Fund

Description

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

Budget Summary

Revenues are based upon an estimated issuance of 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The public works development fee remains unchanged from FY2008 at \$998 per single family residential permit as established July 1, 2007.

Development agreement authority is included in the amount of \$29,000 along with \$12,500 to update the development impact fee study. A carry forward amount of \$1,317,500 will complete various existing projects such as fiber optics design and traffic signal installation.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Supplies	97,562	49,600	49,600	16,500	-67%
Services	144,995	70,000	60,000	176,500	152%
Capital	1,848,891	1,845,000	476,200	2,817,500	53%
Contingency	0	0	0	1,827,600	0%
Transfer Out	0	3,459,500	1,041,200	0	-100%
Total	2,091,447	5,424,100	1,627,000	4,838,100	-11%
<u>By department</u>					
Finance	0	0	0	12,500	0%
General Operations	0	1,041,200	1,041,200	1,827,600	76%
Public Works	2,091,447	4,382,900	585,800	2,998,000	-32%
Total	2,091,447	5,424,100	1,627,000	4,838,100	-11%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	982,080	640,600	1,145,500	1,136,000	77%
Transfer In	0	0	0	0	0%
Fund Balance	1,109,368	4,783,500	481,500	3,702,100	-23%
Total	2,091,447	5,424,100	1,627,000	4,838,100	-11%

Capital

Capital is programmed for \$2,817,500 as indicated by the table below and includes carry forward funding for traffic signals, a master computer system for the intelligent transportation system (ITS), and funding for fiber optics. New projects include traffic signals, and fiber optics for Peoria and Litchfield Roads and a portion of the Loop 303.

	Project Name	Carry Forward	Budget
Capital			
	Public Works Yard - Deer Valley	Carry Forward	76,000
	Traffic Signals	Carry Forward	987,400
	Traffic Signals		510,000
	Master Computer System	Carry Forward	169,300
	Fiber Optics - Citywide	Carry Forward	12,500
	Fiber Optics - Peoria (Litchfield to Jackrabbit)	Carry Forward	72,300
	Fiber Optics - Peoria Ave and Litchfield Rd		800,000
	Fiber Optics - Loop 303 (Peoria Ave to Bell Rd)		190,000
	Total		2,817,500

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21415 - PUBLIC WORKS DEVELOPMENT FUND					
SOURCES:					
Development Fee Revenue	362,000	387,000	411,900	436,900	461,800
Contributions	700,000	996,200	753,500	-	-
Interest Earnings	74,000	36,600	42,000	50,200	36,000
TOTAL SOURCES	1,136,000	1,419,800	1,207,400	487,100	497,800
USES:					
Capital Project Expenditures	(1,600,000)	(1,120,000)	(753,500)	(1,200,000)	(670,000)
Carry Forward Expenditures	(1,352,500)	-	-	-	-
Non-Project Capital Expenditures	(29,000)	-	(12,500)	-	(12,500)
Development Agreement Expenditures					
Dysart & Bell/Commerce Park	(29,000)	(29,000)	(29,000)	-	-
TOTAL USES	(3,010,500)	(1,149,000)	(795,000)	(1,200,000)	(682,500)
NET ACTIVITY	(1,874,500)	270,800	412,400	(712,900)	(184,700)
BEGINNING FUND BALANCE	3,702,100	1,827,600	2,098,400	2,510,800	1,797,900
ENDING FUND BALANCE	1,827,600	2,098,400	2,510,800	1,797,900	1,613,200
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	1,827,600	2,098,400	2,510,800	1,797,900	1,613,200
Ending Fund Balance	1,827,600	2,098,400	2,510,800	1,797,900	1,613,200

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

21415 PW Development Fee

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
PW - Project Management						
Westgate Operation/Administration Building	\$0	\$0	\$0	\$0	\$310,000	\$310,000
PW - TE General						
Fiber Optics - Bell Road Phase III (SR 303 to 195th Avenue)	\$100,000	\$1,000,000	\$0	\$0	\$0	\$1,100,000
Fiber Optics - Loop 303 (Peoria Avenue to Bell Road)	\$190,000	\$120,000	\$753,500	\$0	\$0	\$1,063,500
Fiber Optics - Peoria Avenue and Litchfield Road	\$800,000	\$0	\$0	\$0	\$0	\$800,000
PW - TE Signals						
Traffic Signals	\$510,000	\$0	\$0	\$1,200,000	\$360,000	\$2,070,000
Total - PW Development Fee	\$1,600,000	\$1,120,000	\$753,500	\$1,200,000	\$670,000	\$5,343,500

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - Project Management

Westgate Operation/Administration Building

Project Number : To Be Determined

Project Start Date : 12/1/2014

Council District : Palo Verde

Project Complete Date : 6/30/2017

Funding Source : 21415 -PW Development Fee

Project Location : 13430 W. Westgate Drive

Cost Detail

Land	\$0	Design Services	\$330,000	Construction	\$3,750,000
FFE	\$440,000	Other	\$30,000	TOTAL COSTS	
				\$4,550,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$310,000	\$4,240,000	\$4,550,000

Project Description

Operations/administration building for staff currently housed in temporary facility (trailers) at the Westgate Yard. The building will be approximately 20,000 square feet of offices, training rooms, conference rooms, locker rooms, etc.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Fiber Optics - Bell Road Phase III (SR 303 to 195th Avenue)

Project Number : 21107

Project Start Date : 9/1/2010

Council District : Various

Project Complete Date : 6/30/2012

Funding Source : 21415 -PW Development Fee

Project Location : Bell Road (SR 303 to 195th Avenue)

Cost Detail

Land	\$0	Design Services	\$100,000	Construction	\$1,000,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,100,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$100,000	\$1,000,000	\$0	\$0	\$0	\$0	\$1,100,000

Project Description

Design and installation/construction of fiber optics on Bell Road from SR 303 to 195th Avenue for the connection of traffic signals, CCTV (Closed Circuit Television) cameras, and changeable message signs. Maricopa Association of Governments (MAG) funding is approved in FY2012 in the amount of \$996,217.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Fiber Optics - Loop 303 (Peoria Avenue to Bell Road)

Project Number : 21108

Project Start Date : 7/1/2010

Council District : Various

Project Complete Date : 7/1/2013

Funding Source : 21415 -PW Development Fee

Project Location : Loop 303 (Peoria Avenue to Bell Road)

Cost Detail

Land	\$0	Design Services	\$120,000	Construction	\$753,500
FFE	\$0	Other	\$190,000	TOTAL COSTS	
				\$1,063,500	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$190,000	\$120,000	\$753,500	\$0	\$0	\$0	\$1,063,500

Project Description

In conjunction with the construction of the Loop 303 freeway by the Arizona Department of Transportation (ADOT), the City of Surprise has a Joint Project Agreement to have conduit installed with ADOT's fiber optic conduit for the cost of \$190,000 in FY11. In FY12 staff will hire a consultant to design the fiber optic line and Intelligent Transportation System (ITS) devices to inter connect the signals for the crossroads at Loop 303. In FY13, staff has secured Congestion Mitigation and Air Quality (CMAQ) funding for construction of the fiber optic line and ITS devices with Maricopa Association of Governments (MAG). The local share will be the \$190,000 the city uses to install the conduit. The construction cost is all CMAQ federal funding.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Fiber Optics - Peoria Avenue and Litchfield Road

Project Number : 20905

Project Start Date : 12/1/2008

Council District : Mesquite

Project Complete Date : 9/1/2011

Funding Source : 21415 -PW Development Fee

Project Location : Peoria Avenue and Litchfield Road

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$991,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$991,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$191,000	\$800,000	\$0	\$0	\$0	\$0	\$0	\$991,000

Project Description

Design and installation/construction of fiber optics on Peoria Avenue from Litchfield Road to Cotton Lane and Litchfield Road from Greenway Road to Peoria Avenue for the connection of traffic signals, CCTV (Closed Circuit Television) cameras, and changeable message signs. Maricopa Association of Governments (MAG) funding is approved in FY2011 in the amount of \$800,000.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE Signals

Traffic Signals

Project Number : 29999

Project Start Date : 7/1/2010

Council District : Citywide

Project Complete Date : 6/30/2017

Funding Source : 21415 -PW Development Fee

Project Location : Various

Cost Detail

Land	\$0	Design Services	\$102,600	Construction	\$10,765,600
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$10,868,200	

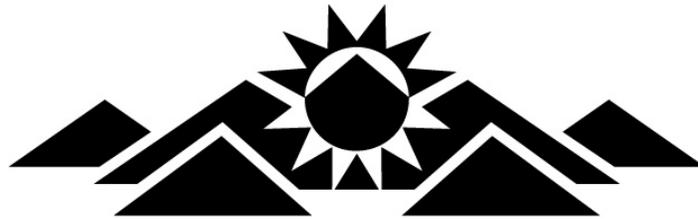
<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$7,238,200	\$510,000	\$0	\$0	\$1,200,000	\$360,000	\$1,560,000	\$10,868,200

Project Description

Design, purchase, construction, and installation of traffic signals at various intersection locations throughout Surprise. \$700,000 in FY2011 is to cover the construction of two signals as warranted by commercial development (Prasada, Marley Park, etc). Funding in FY2014 and beyond is for the construction of signals anticipated to be warranted.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$3,600
Total	\$3,600

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

Fire and EMS Development Fee Fund

Description

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

Budget Summary

Revenues are based upon an estimated issuance of 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The fire and EMS development fee remains unchanged from FY2008 at \$706 per single family residential permit as established July 1, 2007.

Funding in the amount of \$204,300 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 MPC fund. Development agreement authority for Greer Ranch is included in the amount of \$7,100 along with \$12,500 to update the development impact fee study. The charges for services/other revenue source category consists of development fees and an interfund loan in the amount of \$3,968,900 to cover the fund shortfall for FY2011.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Supplies	53,167	0	0	0	0%
Services	200,905	244,800	206,800	223,900	-9%
Capital	1,179,239	0	0	0	0%
Total	1,433,312	244,800	206,800	223,900	-9%
<u>By department</u>					
Finance	0	0	0	19,600	0%
Fire-Emergency Services	1,433,312	244,800	206,800	204,300	-17%
Total	1,433,312	244,800	206,800	223,900	-9%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	791,619	557,400	309,200	4,385,100	687%
Transfer In	4,162,200	-312,600	4,161,200	0	-100%
Fund Balance	0	0	-4,263,600	-4,161,200	0%
Total	4,953,819	244,800	206,800	223,900	-9%

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21416 - FIRE & EMS DEVELOPMENT FUND					
SOURCES:					
Development Fee Revenue	409,100	433,800	451,500	469,100	486,800
Development Agreements					
Greer Ranch	7,100	-	-	-	-
Sub-Total Development Fees	416,200	433,800	451,500	469,100	486,800
Interfund Loan	3,968,900	-	-	-	-
TOTAL SOURCES	4,385,100	433,800	451,500	469,100	486,800
USES:					
Capital Project Expenditures	-	(500,000)	(300,000)	(300,000)	(250,000)
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
Development Agreement Expenditures					
Greer Ranch	(7,100)	-	-	-	-
DEBT:					
MPC Payment	(204,300)	(204,800)	(202,800)	(205,100)	(205,000)
TOTAL USES	(223,900)	(704,800)	(515,300)	(505,100)	(467,500)
NET ACTIVITY	4,161,200	(271,000)	(63,800)	(36,000)	19,300
BEGINNING FUND BALANCE	(4,161,200)	-	(271,000)	(334,800)	(370,800)
ENDING FUND BALANCE	-	(271,000)	(334,800)	(370,800)	(351,500)
Restricted	24,700	24,700	24,700	24,700	24,700
Contingency	-	-	-	-	-
Unreserved/Undesignated	(24,700)	(295,700)	(359,500)	(395,500)	(376,200)
Ending Fund Balance	-	(271,000)	(334,800)	(370,800)	(351,500)

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

21416 Fire & EMS Development Fee

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Fire - Operations						
Radio Purchase - Fire	\$0	\$500,000	\$300,000	\$300,000	\$250,000	\$1,350,000
Total - Fire & EMS Development Fee	\$0	\$500,000	\$300,000	\$300,000	\$250,000	\$1,350,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Fire - Operations

Radio Purchase - Fire

Project Number : To Be Determined

Project Start Date : 7/1/2011

Council District : Citywide

Project Complete Date : 6/30/2016

Funding Source : 21416 - Fire & EMS Development Fee

Project Location : Citywide

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$1,000,000
FFE	\$800,000	Other	\$200,000	TOTAL COSTS	
				\$2,000,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$500,000	\$300,000	\$300,000	\$250,000	\$650,000	\$2,000,000

Project Description

Replace all communication equipment with 800Mhz (megahertz) compliant equivalents. The scope is three-fold. First, approximately \$500,000 will be required to replace all (100) existing radios to 800Mhz models (including spare batteries and chargers). Second, approximately \$300,000 will be required to upgrade or replace all (13) existing MCT (mobile computer terminals), 13 AVL (automatic vehicle locators), and 13 DVR (digital vehicle repeater) installed equipment. Third, the Fire Department is estimating that the city's portion of the required infrastructure expansion at \$1.2 million.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$200,000
Total	\$200,000

Library Development Fee Fund

Description

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

Budget Summary

Revenues are based upon an estimated issuance of 150 single family residential permits in FY2011. The library development fee remains unchanged from FY2008 at \$467 single family residential permit as established July 1, 2007.

Anticipated resources of this fund exceed current year expenditures by \$4,234,600 with that same amount being 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). Funding of \$12,500 is included to update the development impact fee study.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	0	0	0	12,500	0%
Contingency	0	251,400	0	4,234,600	1584%
Transfer Out	0	3,854,300	0	0	-100%
Total	0	4,105,700	0	4,247,100	3%
<u>By department</u>					
Finance	0	3,854,300	0	12,500	-100%
General Operations	0	251,400	0	4,234,600	1584%
Total	0	4,105,700	0	4,247,100	3%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	176,261	166,300	163,500	129,200	-22%
Fund Balance	0	3,939,400	0	4,117,900	5%
Total	176,261	4,105,700	163,500	4,247,100	3%

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21417- LIBRARY DEVELOPMENT FUND					
SOURCES:					
Development Fee Revenue	46,800	58,700	70,600	82,500	94,400
Interest Earnings	82,400	84,700	87,600	90,500	93,900
TOTAL SOURCES	129,200	143,400	158,200	173,000	188,300
USES:					
Capital Project Expenditures	-	-	-	-	(1,050,000)
Non-Project Capital Expenditures	(12,500)	-	(12,500)	-	(12,500)
TOTAL USES	(12,500)	-	(12,500)	-	(1,062,500)
NET ACTIVITY	116,700	143,400	145,700	173,000	(874,200)
BEGINNING FUND BALANCE	4,117,900	4,234,600	4,378,000	4,523,700	4,696,700
ENDING FUND BALANCE	4,234,600	4,378,000	4,523,700	4,696,700	3,822,500
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	4,234,600	4,378,000	4,523,700	4,696,700	3,822,500
Ending Fund Balance	4,234,600	4,378,000	4,523,700	4,696,700	3,822,500

**City of Surprise
FY 2011 - 2015
Capital Improvement Plan**

21417 Library Development Fee

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
C&R - Library						
City Library #3	\$0	\$0	\$0	\$0	\$1,050,000	\$1,050,000
Total - Library Development Fee	\$0	\$0	\$0	\$0	\$1,050,000	\$1,050,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

C&R - Library

City Library #3

Project Number : 20619

Project Start Date : 7/1/2014

Council District : To Be Determined

Project Complete Date : 6/30/2018

Funding Source : 21417 -Library Development Fee

Project Location : To Be Determined

Cost Detail

Land	\$1,050,000	Design Services	\$1,270,800	Construction	\$14,120,000
FFE	\$1,835,600	Other	\$84,700	TOTAL COSTS	
				\$18,361,100	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$0	\$0	\$0	\$0	\$1,050,000	\$17,311,100	\$18,361,100

Project Description

Design and construction of a 25,000 - 30,000 square foot library to be located on 7-10 acres of land. The facility will consist of a lobby, casual reading area, teen area, children's area, computer lab with 100 internet accessible computers, magazine and newspaper areas, best selling browsing area, breakout rooms, administrative offices, and restrooms. The library will be user friendly featuring the latest technology for self check-in and check-out and smart library cards.

Projected Annual Operating Costs	
Personnel	\$800,000
Other Operating	\$816,100
Total	\$1,616,100



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. Revenues and expenditures associated with this dedicated transaction tax are directly related to the rate of growth. The expenditure of these funds is restricted to roadway corridor improvements and construction of new roadways along with the costs incurred to plan roadways and transit infrastructure. Development agreement payments are included in the amount of \$349,400 for infrastructure reimbursements.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
<u>By category</u>	Actual	Amended	Final	Adopted	Adopted
Personnel	0	0	29,700	0	0%
Services	254,775	441,200	454,400	604,600	37%
Capital	14,452,870	12,793,200	3,717,500	7,846,100	-39%
Transfer Out	0	2,419,500	4,460,500	0	-100%
Total	14,707,646	15,653,900	8,662,100	8,450,700	-46%
<u>By department</u>					
Finance	0	0	313,400	349,400	0%
General Operations	0	2,419,500	4,460,500	0	-100%
Public Works	14,707,646	13,234,400	3,884,200	8,101,300	-39%
Total	14,707,646	15,653,900	8,658,100	8,450,700	-46%
 Revenues					
<u>By fund source</u>					
Local Sales Tax	4,358,905	1,440,900	1,855,400	1,704,500	18%
State Shared	0	0	151,000	0	0%
Charges for Services/Other	2,627,794	5,585,700	1,808,700	4,783,200	-14%
Transfer In	0	0	0	0	0%
Fund Balance	7,720,947	8,627,300	4,843,000	1,963,000	-77%
Total	14,707,646	15,653,900	8,658,100	8,450,700	-46%

Revenue resources consist of the dedicated construction sales tax, contributions from the Regional Public Transportation Authority for the Park and Ride project, and interest earnings. An interfund loan in the amount of \$1,801,900 to cover the fund shortfall for FY2011 is included in the charges for services/other revenue source category.

Capital

Capital is programmed for \$7,846,100 as indicated by the table below and includes carry forward funding for numerous roadway improvement projects, the street preservation and maintenance program, and the completion of construction of a park and ride facility.

Project Name	Carry Forward	Budget
Capital		
Dysart Rd Improvements @ Grand Ave	Carry Forward	832,400
Dysart Rd Improvements @ Grand Ave	Carry Forward	133,900
Dysart Rd and Thunderbird Intersection Improvements	Carry Forward	817,900
Dysart Rd and Thunderbird Intersection Improvements	Carry Forward	60,000
Union Hills Dr Widening (111th Ave to 115th Ave)	Carry Forward	475,300
Greenway Rd (Litchfield Rd to Bullard Ave)	Carry Forward	8,800
Bullard Ave (Bell Rd to Paradise Ln)	Carry Forward	1,700
Bullard Ave (Bell Rd to Paradise Ln)	Carry Forward	370,700
Civic Center Pkwy (Bell Rd to Paradise Ln)	Carry Forward	21,900
Park and Ride	Carry Forward	78,300
Park and Ride	Carry Forward	1,929,400
Park and Ride		713,300
Park and Ride	Carry Forward	93,100
Street Preservation and Maintenance Program		1,000,000
Dysart & Thunderbird Intersection Improve	Carry Forward	1,000,000
Geometric Improvements	Carry Forward	9,400
El Mirage Rd (Northern Ave to Bell Rd)		300,000
Total		7,846,100

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21418 - TRANSPORTATION IMPROVEMENT FUND					
SOURCES:					
Dedicated 1.5% Construction Sales Tax	1,704,500	1,865,300	2,036,500	2,213,700	2,397,300
Contributions	2,942,000	-	-	-	-
Interfund Loan	1,801,900	-	-	-	-
Interest Earnings	39,300	-	-	-	-
TOTAL SOURCES	6,487,700	1,865,300	2,036,500	2,213,700	2,397,300
USES:					
Capital Project Expenditures	(2,013,300)	(3,918,900)	(1,500,000)	(1,500,000)	(1,500,000)
Carry Forward Expenditures	(6,088,000)	-	-	-	-
Development Agreement Expenditures					
Del Webb Sales Tax Reimbursement	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Surprise Pointe Sales Tax Reimbursement	(99,400)	(99,400)	(99,400)	(99,400)	(99,400)
DEBT:					
Interfund Loan	1,801,900	-	-	-	-
TOTAL USES	(6,648,800)	(4,268,300)	(1,849,400)	(1,849,400)	(1,849,400)
NET ACTIVITY	(161,100)	(2,403,000)	187,100	364,300	547,900
BEGINNING FUND BALANCE	1,963,000	-	(2,403,000)	(2,215,900)	(1,851,600)
ENDING FUND BALANCE	1,801,900	(2,403,000)	(2,215,900)	(1,851,600)	(1,303,700)
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	-	(2,403,000)	(2,215,900)	(1,851,600)	(1,303,700)
Ending Fund Balance	-	(2,403,000)	(2,215,900)	(1,851,600)	(1,303,700)

City of Surprise FY 2011 - 2015 Capital Improvement Plan

21418 Transportation Improvement Fund

<u>Name</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
PW - Project Management						
Park and Ride	\$713,300	\$0	\$0	\$0	\$0	\$713,300
PW - TE General						
El Mirage Road (Northern Avenue to Bell Road)	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Greenway Road (Litchfield Road to Bullard Avenue)	\$0	\$2,418,900	\$0	\$0	\$0	\$2,418,900
Streets-Operations						
Street Preservation and Maintenance Program	\$1,000,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,000,000
Total - Transportation Improvement Fund	\$2,013,300	\$3,918,900	\$1,500,000	\$1,500,000	\$1,500,000	\$10,432,200

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - Project Management

Park and Ride

Project Number : 20909

Project Start Date : 9/1/2008

Council District : Palo Verde

Project Complete Date : 10/30/2010

Funding Source : 21418 - Transportation Improvement Fund

Project Location : 13327 W. Bell Road

Cost Detail

Land	\$1,492,600	Design Services	\$422,700	Construction	\$2,643,300
FFE	\$0	Other	\$93,100	TOTAL COSTS	
				\$4,651,700	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$3,938,400	\$713,300	\$0	\$0	\$0	\$0	\$0	\$4,651,700

Project Description

Regional Transportation Plan (RTP) of Maricopa Association of Governments (MAG) has outlined that a regional park and ride facility shall be in Surprise to serve existing and future transit routes along Bell Road and Grand Avenue. This project consists of site selection, land purchase, design and construction of a park and ride facility consisting of 230 parking spaces. Additional amenities may include passenger shelters, vertical shade screens, bicycle racks, and seating.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$38,100
Total	\$38,100

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

El Mirage Road (Northern Avenue to Bell Road)

Project Number : 21109

Project Start Date : 7/1/2010

Council District : Various

Project Complete Date : 6/30/2016

Funding Source : 21418 - Transportation Improvement Fund

Project Location : El Mirage Road

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$1,300,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$1,300,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$0	\$300,000	\$0	\$0	\$0	\$0	\$1,000,000	\$1,300,000

Project Description

Reimbursement to Maricopa County Department of Transportation (MCDOT) for the widening of El Mirage Road. The proposed project includes the widening of El Mirage Road between Northern Ave and Grand Ave, and between Greenway Road and Bell Road (city of Surprise portion), as well as a potential crossing of Grand Ave to connect the north and south segments of El Mirage Road.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$75,000
Total	\$75,000

CAPITAL PROJECT DETAIL

FY2011 - FY2020

PW - TE General

Greenway Road (Litchfield Road to Bullard Avenue)

Project Number : 20815

Project Start Date : 11/10/2007

Council District : Palm

Project Complete Date : 2/28/2012

Funding Source : 21418 - Transportation Improvement Fund

Project Location : Greenway Road (Litchfield Road to Bullard Avenue)

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$2,700,000
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$2,700,000	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$281,100	\$0	\$2,418,900	\$0	\$0	\$0	\$0	\$2,700,000

Project Description

Construction of new pavement, sidewalk, bike lane, curb, gutter, streetlights, landscaping, and turn lanes at every quarter mile. The improvements will include roadway improvements to the northern half of Greenway Road from Litchfield Road to Bullard Avenue to match the existing improvements to the east and west. Additional improvements include drainage, and Intelligent Transportation System (ITS) conduit.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$53,300
Total	\$53,300

CAPITAL PROJECT DETAIL

FY2011 - FY2020

Streets-Operations

Street Preservation and Maintenance Program

Project Number : 29999

Project Start Date : 7/1/2006

Council District : Citywide

Project Complete Date : 6/30/2015

Funding Source : 21418 - Transportation Improvement Fund

Project Location : Citywide

Cost Detail

Land	\$0	Design Services	\$0	Construction	\$23,621,100
FFE	\$0	Other	\$0	TOTAL COSTS	
				\$23,621,100	

<u>Prior FYs</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY14</u>	<u>FY 15</u>	<u>FY 16-20</u>	<u>Total</u>
\$16,621,100	\$1,000,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$0	\$23,621,100

Project Description

Road preservation for all city streets including repair, crack sealing, fog seal with seal master, mill and overlay, and reconstruction. This project allocation is used to maintain roads at different levels of repair throughout the life of the road.

Projected Annual Operating Costs	
Personnel	\$0
Other Operating	\$0
Total	\$0

Roads of Regional Significance Development Fee 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 150 single family residential permits and 0.5 million square feet of non-single family residential permits in FY2011. The roads of regional significance development fee remains unchanged from FY2008 at \$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.

The budget of this fund consists of developer reimbursements in the amount of \$1,498,300 for qualifying capital improvements constructed by developers and \$12,600 for a development impact fee study update.

	FY2009 Actual	FY2010 Amended	FY2010 Final	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	0	0	0	12,600	0%
Capital	0	2,244,700	0	0	-100%
Contingency	0	0	0	1,498,300	0%
Total	0	2,244,700	0	1,510,900	-33%
<u>By department</u>					
Finance	0	0	0	12,600	0%
General Operations	0	0	0	1,498,300	0%
Public Works	0	2,244,700	0	0	-100%
Total	0	2,244,700	0	1,510,900	-33%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	375,264	521,500	53,300	29,600	-94%
Fund Balance	0	1,723,200	0	1,481,300	-14%
Total	375,264	2,244,700	53,300	1,510,900	-33%

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21411 - ROADS OF REGIONAL SIGNIFICANCE DEVELOPMENT FUND SPA 2, 4, 6					
SOURCES:					
Development Fee Revenue	-	64,600	129,100	214,400	299,600
Interest Earnings	29,000	29,500	31,400	34,400	39,400
TOTAL SOURCES	29,000	94,100	160,500	248,800	339,000
USES:					
Capital Project Expenditures	-	-	-	-	-
Non-Project Capital Expenditures	(6,300)	-	(6,300)	-	(6,300)
TOTAL USES	(6,300)	-	(6,300)	-	(6,300)
NET ACTIVITY	22,700	94,100	154,200	248,800	332,700
BEGINNING FUND BALANCE	1,451,200	1,473,900	1,568,000	1,722,200	1,971,000
ENDING FUND BALANCE	1,473,900	1,568,000	1,722,200	1,971,000	2,303,700
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	1,473,900	1,568,000	1,722,200	1,971,000	2,303,700
Ending Fund Balance	1,473,900	1,568,000	1,722,200	1,971,000	2,303,700

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
21419 - ROADS OF REGIONAL SIGNIFICANCE DEVELOPMENT FUND SPA 3 & 5					
SOURCES:					
Development Fee Revenue	-	47,600	95,200	158,100	221,000
Interest Earnings	600	500	1,500	3,300	6,500
TOTAL SOURCES	600	48,100	96,700	161,400	227,500
USES:					
Capital Project Expenditures	-	-	-	-	-
Non-Project Capital Expenditures	(6,300)	-	(6,300)	-	(6,300)
TOTAL USES	(6,300)	-	(6,300)	-	(6,300)
NET ACTIVITY	(5,700)	48,100	90,400	161,400	221,200
BEGINNING FUND BALANCE	30,100	24,400	72,500	162,900	324,300
ENDING FUND BALANCE	24,400	72,500	162,900	324,300	545,500
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	24,400	72,500	162,900	324,300	545,500
Ending Fund Balance	24,400	72,500	162,900	324,300	545,500

Vehicle Replacement Fund

Description

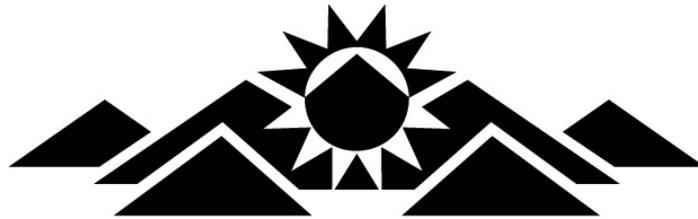
The vehicle replacement fund was established to allow the city to replace vehicles and equipment as they reach the end of useful life. The Fleet Management Division of the Public Works Department administers the fleet replacement program. The city's capital asset policy is the guideline for the replacement timeline with minor exceptions for reserve vehicles. The Fleet Manager and Department Director evaluate vehicles during the budget process and adjustments in the replacement schedule may be made. All vehicles are replaced turn key. Adjustments are made annually for inflation. Replacement funds are not used to upgrade or enhance vehicles.

Budget Summary

Beginning in FY2011, vehicle and equipment replacements are budgeted in the funds directly related to the asset activity. All balances retained for future replacements have been transferred to the other funds and are held in contingency until the actual replacements are made. The availability of these funds is essential to city's ability to replace vehicles as needed in future years.

	FY2009	FY2010	FY2010	FY2011	Amended to
	Actual	Amended	Estimate	Adopted	Adopted
Expenditures					
<u>By category</u>					
Capital	781,057	1,837,500	0	0	-100%
Contingency	0	8,710,000	0	0	-100%
Transfer Out	0	0	11,080,700	0	0%
Total	781,057	10,547,500	11,080,700	0	-100%
<u>By department</u>					
General Operations	0	0	11,080,700	0	0%
Public Works	781,057	10,547,500	0	0	-100%
Total	781,057	10,547,500	11,080,700	0	-100%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	401,260	0	0	0	0%
Transfer In	3,770,500	873,000	0	0	-100%
Fund Balance	0	9,674,500	0	0	-100%
Total	3,770,500	10,547,500	0	0	-100%

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 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 (2000 refunding), 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 and other sources for the retirement of debt.

Expenditures	FY2009	FY2010	FY2010	FY2011	Amended to
	Actual	Amended	Estimate	Adopted	Adopted
<u>By category</u>					
Supplies	149	0	0	0	0%
Services	0	0	4,999,600	0	0%
Capital	14,100	0	0	0	0%
Debt Service	7,142,738	6,686,600	7,132,900	7,362,500	10%
Transfer Out	9,469,000	208,600	3,790,300	0	-100%
Total	16,625,987	6,895,200	15,922,800	7,362,500	7%
<u>By department</u>					
General Operations	16,625,838	6,895,200	15,922,800	7,362,500	7%
Police	149	0	0	0	0%
Total	16,625,987	6,895,200	15,922,800	7,362,500	7%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	7,305,607	6,686,600	7,191,000	7,362,500	10%
Transfer In	0	0	0	0	0%
Fund Balance	0	208,600	8,731,800	0	-100%
Total	7,305,607	6,895,200	15,922,800	7,362,500	7%

FUND BALANCE	FY2011	FY2012	FY2013	FY2014	FY2015
31111 - MUNICIPAL PROPERTY CORPORATION					
SOURCES:					
Contributions	7,362,500	7,376,100	7,327,100	12,058,800	7,182,700
TOTAL SOURCES	7,362,500	7,376,100	7,327,100	12,058,800	7,182,700
USES:					
Capital Project Expenditures	-	-	-	-	-
DEBT:					
MPC Payment	(7,362,500)	(7,376,100)	(7,327,100)	(12,058,800)	(7,182,700)
TOTAL USES	(7,362,500)	(7,376,100)	(7,327,100)	(12,058,800)	(7,182,700)
NET ACTIVITY	-	-	-	-	-
BEGINNING FUND BALANCE	-	-	-	-	-
ENDING FUND BALANCE	-	-	-	-	-
Restricted	-	-	-	-	-
Contingency	-	-	-	-	-
Unreserved/Undesignated	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-



Community Facilities District Fund

Description

Community facilities district (CFD) funds are established by ordinance to provide a centralized location for the collection of taxes from properties directly benefiting from the district. These proceeds are legally restricted to expenditures associated with the construction, development, and ongoing maintenance of infrastructure within the district and the repayment of general obligation bonds. The Mayor and City Council serve as the governing board for the district, which is a separate legal entity with the authority to levy taxes on all properties included in the district.

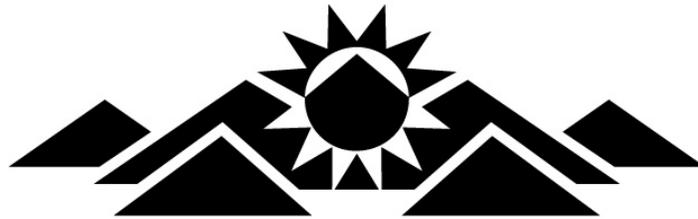
Budget Summary

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. This fund represents the operational expenditures associated with the Marley Park CFD. The debt service portion is represented in the Debt Service Fund.

	FY2009 Actual	FY2010 Amended	FY2010 Estimate	FY2011 Adopted	Amended to Adopted
Expenditures					
<u>By category</u>					
Services	202,320	50,000	81,500	85,000	70%
Capital	2,378,233	20,000,000	0	0	-100%
Debt Service	771,333	0	0	0	0%
Contingency	0	0	0	26,300	0%
Total	3,351,886	20,050,000	81,500	111,300	-99%
<u>By department</u>					
General Operations	923,653	20,050,000	81,500	111,300	-99%
Public Works	2,428,233	0	0	0	0%
Total	3,351,886	20,050,000	81,500	111,300	-99%
Revenues					
<u>By fund source</u>					
Charges for Services/Other	3,259,411	20,050,000	0	0	-100%
Property Tax	769,416	0	81,500	85,000	0%
Fund Balance	0	0	0	26,300	0%
Total	4,028,827	20,050,000	81,500	111,300	-99%

The CFD has been authorized by the board to issue up to \$80.0 million of bonds. A total of \$85,000 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



SURPRISE

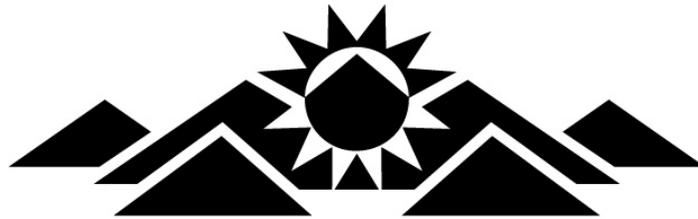
ARIZONA

FY2011 Adopted Budget

Appendix

- Budget Adoption Resolution
- Official Budget Forms
- Tax Levy Resolution
- Budget Transfer Policies and Procedures
- Strategic Plan
- Summary of Major Revenue and Expenditures
- Debt Service Schedule
- Schedule of Personnel
- FY2011 Capital Improvement Operating Costs
- Capital Improvement Plan Acronyms
- Mayor and City Council District Map
- Special Planning Area Map
- Glossary

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2011 Adopted Budget

RESOLUTION 2010-43

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY
OF SURPRISE, ARIZONA ADOPTING THE BUDGET FOR FISCAL
YEAR 2010-2011.**

WHEREAS, in accordance with the provisions of Arizona Revised Statute, Sections §42-17101 *et. seq.*, the Council of the City of Surprise (the "City Council") did, on May 27, 2010, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the City of Surprise, Arizona, and;

WHEREAS, publication has been duly made as required by law of said estimates together with a notice that the City Council would meet on June 10, 2010, at City Hall, City Council chambers for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and;

WHEREAS, in accordance with state law and following due public notice, the City Council met on May 27, 2010, 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;

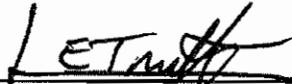
WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Arizona Revised Statute § 42-17051 (A).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Surprise, Arizona, as follows:

Section 1. That the statements and schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the budget of the City of Surprise, Arizona for the fiscal year July 1, 2010 through June 30, 2011.

[SIGNATURES ON FOLLOWING PAGE]

APPROVED AND ADOPTED this 10 day of June, 2010.


L.E. Truitt, Mayor

ATTEST:


Sherry A. Aguilar, City Clerk

APPROVED AS TO FORM:


Michael D. Bailey, City Attorney

Yeas: Mayor Truitt, Vice Mayor Alton, Council Members: Wolcott, Williams, Villanueva, Woodard and Hall.

Nays: _____

OFFICAL BUDGET FORMS

CITY/TOWN OF SURPRISE

Fiscal Year 2011

CITY/TOWN OF SURPRISE

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Fiscal Year 2011

Resolution for the Adoption of the Budget

Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses

Schedule B—Summary of Tax Levy and Tax Rate Information

Schedule C—Summary by Fund Type of Revenues Other Than Property Taxes

Schedule D—Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers

Schedule E—Summary by Department of Expenditures/Expenses Within Each Fund Type

Schedule F—Summary by Department of Expenditures/Expenses

CITY/TOWN OF SURPRISE
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2011

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2010	ACTUAL EXPENDITURES/EXPENSES ** 2010	FUND BALANCE/NET ASSETS*** July 1, 2010**	PROPERTY TAX REVENUES 2011	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2011	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011		TOTAL FINANCIAL RESOURCES AVAILABLE 2011	BUDGETED EXPENDITURES/EXPENSES 2011
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 71,601,300	\$ 72,621,800	\$ 5,453,800	Primary: \$ 7,224,100	\$ 65,044,500	\$	\$	\$ 1,126,800	\$ 2,953,900	\$ 75,895,300	\$ 75,895,300
2. Special Revenue Funds	50,973,000	13,951,500	\$ 3,195,000	Secondary:	37,392,500			1,703,900	87,000	42,204,400	42,204,400
3. Debt Service Funds Available	7,804,600	12,841,900	597,700		8,213,300					8,811,000	8,811,000
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	7,804,600	12,841,900	597,700		8,213,300					8,811,000	8,811,000
6. Capital Projects Funds	48,426,700	8,881,700	10,397,900		16,655,900			1,250,000		28,303,800	28,303,800
7. Permanent Funds	98,100		97,900							97,900	97,900
8. Enterprise Funds Available	96,751,700	41,628,600	42,110,700		48,613,400				1,039,800	89,684,300	89,684,300
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	96,751,700	41,628,600	42,110,700		48,613,400				1,039,800	89,684,300	89,684,300
11. Internal Service Funds	3,526,500	2,076,800	1,641,900		9,816,300					11,458,200	11,458,200
12. TOTAL ALL FUNDS	\$ 279,181,900	\$ 152,002,300	\$ 63,494,900	\$ 7,224,100	\$ 185,735,900	\$	\$	\$ 4,080,700	\$ 4,080,700	\$ 256,454,900	\$ 256,454,900

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

	2010	2011
1. Budgeted expenditures/expenses	\$ 279,181,900	\$ 256,454,900
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	279,181,900	256,454,900
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 279,181,900	\$ 256,454,900
6. EEC or voter-approved alternative expenditure limitation	\$ 279,181,900	\$ 256,454,900

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 2011

	2010	2011
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 6,858,400	\$ 7,368,900
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 6,858,400	\$ 7,224,100
B. Secondary property taxes		
C. Total property tax levy amounts	\$ 6,858,400	\$ 7,224,100
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 6,858,400	
(2) Prior years' levies	152,200	
(3) Total primary property taxes	\$ 7,010,600	
B. Secondary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies		
(3) Total secondary property taxes	\$	
C. Total property taxes collected	\$ 7,010,600	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.5661	0.6735
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.5661	0.6735

B. Special assessment district tax rates
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating 88 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 2011

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2010</u>	<u>ACTUAL REVENUES* 2010</u>	<u>ESTIMATED REVENUES 2011</u>
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 29,435,200	\$ 27,104,800	27,850,000
Auto Lieu	3,259,200	2,975,600	3,066,900
Licenses and permits			
Franchise Licenses	4,058,100	3,819,500	3,961,200
Business Licenses	435,800	524,000	538,100
Intergovernmental			
State	18,517,400	18,240,400	15,613,100
Grants	1,866,000	174,400	616,000
Charges for services			
Building, Engineering & Landscape Charges	1,510,400	1,414,000	898,000
Program Fees	1,765,900	2,092,500	1,878,000
All Other Charges for Services	200,800	335,800	520,600
Fines and forfeits			
Court	1,868,700	1,988,800	2,998,300
Interest on investments			
Investments	589,100	151,600	254,200
Miscellaneous			
Paramedic Reimbursement		252,000	381,300
Tennis		631,100	695,000
Baseball		1,241,100	
Miscellaneous	3,265,500	180,200	2,113,100
Indirect Cost Recovery		2,746,700	3,660,700
Total General Fund	\$ 66,772,100	\$ 63,872,500	\$ 65,044,500

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF SURPRISE
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
SPECIAL REVENUE FUNDS			
Campus Operations			
User Fees	\$ 1,181,500	\$	\$
Other (Rent/Special Events)	618,000		
Total	\$ 1,799,500	\$	\$
Transit (Local Transportation Assistance Fund)			
LTA (Lottery)	\$ 320,700	\$	\$
User Fees	20,000	22,000	22,000
Other (Grants/Interest)	4,000	262,700	132,900
Total	\$ 344,700	\$ 284,700	\$ 154,900
Highway User Revenue Fund			
State Gasoline Tax (HURF)	\$ 5,334,200	\$ 5,039,500	\$ 5,194,300
Other (Grants/Interest)	23,000		5,300
Total	\$ 5,357,200	\$ 5,039,500	\$ 5,199,600
Donations			
Donations	\$	\$ 281,900	\$ 50,000
Total	\$	\$ 281,900	\$ 50,000
Municipal Court Enhancement			
Court Fines	\$ 80,000	\$	\$
Total	\$ 80,000	\$	\$
Neighborhood Revitalization			
Grants	\$ 2,343,300	\$ 4,020,300	\$ 4,091,100
Total	\$ 2,343,300	\$ 4,020,300	\$ 4,091,100
Tourism			
City Sales Tax	\$	\$	\$ 219,200
Total	\$	\$	\$ 219,200
Contingency			
Grants	\$	\$	\$ 24,645,900
Total	\$	\$	\$ 24,645,900
Scholarship			
Other (Interest)	\$ 1,200	\$ 1,700	\$ 100
Total	\$ 1,200	\$ 1,700	\$ 100
Street Light Improvements Districts			
Improvement District Payments	\$ 3,998,800	\$ 3,019,700	\$ 2,946,700
Total	\$ 3,998,800	\$ 3,019,700	\$ 2,946,700
Community Facility Districts			
Other (Property Tax)	\$ 20,050,000	\$ 81,500	\$ 85,000
Total	\$ 20,050,000	\$ 81,500	\$ 85,000
Total Special Revenue Funds	\$ 33,974,700	\$ 12,729,300	\$ 37,392,500

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF SURPRISE
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
DEBT SERVICE FUNDS			
Marley Park CFD			
Marley Park CFD	\$ 909,400	\$ 815,000	\$ 849,800
Investment Earnings	\$	\$	\$ 1,000
Total	\$ 909,400	\$ 815,000	\$ 850,800
Municipal Property Corporation (MPC)			
Other (Rent)	6,686,600	7,191,000	7,362,500
Total	\$ 6,686,600	\$ 7,191,000	\$ 7,362,500
Total Debt Service Funds	\$ 7,596,000	\$ 8,006,000	\$ 8,213,300
CAPITAL PROJECTS FUNDS			
General Capital Projects			
Grants	\$ 812,000	\$ 24,400	\$ 2,683,900
Other (Bonding/Unforeseen/Interest)	5,000,000		37,300
Interfund Loan Proceeds			171,900
Total	\$ 5,812,000	\$ 24,400	\$ 2,893,100
General Government Development			
Development Fees	\$ 480,400	\$ 281,200	\$ 348,200
Other (Grants/Interest)			1,800
Total	\$ 480,400	\$ 281,200	\$ 350,000
Police Development			
Development Fees	\$ 303,000	\$ 142,900	\$ 119,100
Other (Grants/Interest)	348,800	348,800	2,700
Interfund Loan Proceeds			330,200
Total	\$ 651,800	\$ 491,700	\$ 452,000
Parks & Recreation Development			
Development Fees	\$ 567,800	\$ 554,900	\$ 240,800
Other (Grants/Interest)			24,100
Interfund Loan Proceeds			528,300
Total	\$ 567,800	\$ 554,900	\$ 793,200
Public Works Development			
Development Fees	\$ 640,600	\$ 395,500	\$ 362,000
Other (Grants/Interest)		750,000	774,000
Total	\$ 640,600	\$ 1,145,500	\$ 1,136,000
Fire & EMS Development			
Development Fees	\$ 557,400	\$ 309,200	\$ 416,200
Other (Grants/Interest)			
Interfund Loan Proceeds			3,968,900
Total	\$ 557,400	\$ 309,200	\$ 4,385,100
Library Development			
Development Fees	\$ 166,300	\$ 138,900	\$ 46,800
Other (Grants/Interest)		24,600	82,400
Total	\$ 166,300	\$ 163,500	\$ 129,200
Transportation Enhancement			
City Sales Tax	\$ 2,340,900	\$ 1,855,400	\$ 1,704,500
Intergovernmental		151,000	
Other (Grants/Interest)	5,585,700	1,808,700	2,981,300
Interfund Loan Proceeds			1,801,900
Total	\$ 7,926,600	\$ 3,815,100	\$ 6,487,700
Roads of Regional Significance			
Development Fees	\$ 521,500	\$ 53,300	\$ 29,600
Total	\$ 521,500	\$ 53,300	\$ 29,600
Total Capital Projects Funds	\$ 17,324,400	\$ 6,838,800	\$ 16,655,900

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF SURPRISE
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2010</u>	<u>ACTUAL REVENUES* 2010</u>	<u>ESTIMATED REVENUES 2011</u>
PERMANENT FUNDS			
Firefighter's Pension			
Investment Earnings	\$ 1,000	\$	\$
Total	\$ 1,000	\$	\$
Total Permanent Funds	\$ 1,000	\$	\$
ENTERPRISE FUNDS			
Water			
User Fees	\$ 10,335,900	\$ 9,505,600	\$ 9,761,400
Development Fees	628,200	623,700	320,200
Other (Grants/Interest)	540,000	8,000	2,961,000
Interfund Loan Proceeds			547,800
	\$ 11,504,100	\$ 10,137,300	\$ 13,590,400
Sewer			
User Fees	\$ 13,690,900	\$ 14,551,900	\$ 14,769,400
Development Fees	1,337,300	16,199,900	8,585,300
Other (Interest)	1,180,000	110,900	902,400
Interfund Loan Proceeds			4,417,200
	\$ 16,208,200	\$ 30,862,700	\$ 28,674,300
Sanitation			
User Fees	\$ 5,811,500	\$ 5,741,000	\$ 6,043,700
Other (Interest)	100,000		55,000
	\$ 5,911,500	\$ 5,741,000	\$ 6,098,700
Stormwater			
Charges for Services	\$	\$	\$ 250,000
Total Enterprise Funds	\$ 33,623,800	\$ 46,741,000	\$ 48,613,400
INTERNAL SERVICE FUNDS			
Risk Management			
Insurance Premiums	\$ 1,510,200	\$ 1,510,200	\$ 1,502,600
Other (Interest)		259,100	88,600
Total	\$ 1,510,200	\$ 1,769,300	\$ 1,591,200
Employee Healthcare Fund			
Claims/Administration	\$	\$	\$ 8,225,100
Total	\$	\$	\$ 8,225,100
Total Internal Service Funds	\$ 1,510,200	\$ 1,769,300	\$ 9,816,300
TOTAL ALL FUNDS	\$ 160,802,200	\$ 139,956,900	\$ 185,735,900

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF SURPRISE
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2011

FUND	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Indirect Cost Recovery	\$	\$	\$	\$
In Lieu Franchise Fee			519,800	
Sanitation Hauler's License Fee			20,000	
In Lieu Property Tax			500,000	
Tourism			87,000	
General Capital				1,250,000
Transit				864,500
Highway Users Revenue Fund (HURF)				839,400
Total General Fund	\$	\$	\$ 1,126,800	\$ 2,953,900
SPECIAL REVENUE FUNDS				
Transit	\$	\$	\$ 864,500	\$
Highway Users Revenue Fund (HURF)			839,400	
Tourism				87,000
Total Special Revenue Funds	\$	\$	\$ 1,703,900	\$ 87,000
DEBT SERVICE FUNDS				
Surprise Muni Prop Corp	\$	\$	\$	\$
Total Debt Service Funds	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS				
General Capital	\$	\$	\$ 1,250,000	
General Government Development				
Police Development				
Parks & Recreation Development				
Public Works Development				
Fire & EMS Development				
Library Development				
Transportation Improvement				
Total Capital Projects Funds	\$	\$	\$ 1,250,000	\$
PERMANENT FUNDS				
	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Water	\$	\$	\$	\$ 496,200
Sewer				473,600
Sanitation				70,000
Total Enterprise Funds	\$	\$	\$	\$ 1,039,800
INTERNAL SERVICE FUNDS				
Risk Management	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 4,080,700	\$ 4,080,700

CITY/TOWN OF SURPRISE
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2011

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES* 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
GENERAL FUND				
Mayor & Council	\$ 549,900	\$ (2,100)	\$ 520,200	\$ 492,700
City Manager	713,300	128,900	814,900	732,400
Government Relations	381,900	(1,600)	384,900	474,400
City Attorney	1,759,600	(122,800)	1,727,200	1,597,800
City Clerk	729,100	(53,500)	667,700	433,500
Finance	2,386,600	(86,600)	2,789,300	3,285,900
Human Resources	1,234,900	(76,900)	1,157,200	1,241,200
Information Services	4,228,600	(15,500)	4,242,500	4,088,400
Communications	1,063,000	(61,500)	1,044,600	851,800
Management & Budget	513,200	(3,500)	34,800	\$
General Operations	2,492,700	1,961,300	1,996,400	\$
Community Development	5,727,200	(1,896,200)	3,679,200	\$ 3,643,300
City Court	2,033,500	(16,000)	2,012,500	\$ 2,178,700
Police	18,038,000	(196,400)	16,999,900	\$ 19,465,600
Fire-Emergency Services	13,731,000	211,400	14,129,700	\$ 14,432,600
Community and Recreation Services	9,966,600	(213,300)	13,394,700	\$ 12,473,800
Public Works	6,690,500	(194,000)	7,026,100	\$ 6,798,800
Planned Savings			(500,000)	(1,000,000)
Vehicle Replacement Reserve				3,954,400
Contingency			500,000	750,000
Total General Fund	\$ 72,239,600	\$ (638,300)	\$ 72,621,800	\$ 75,895,300
SPECIAL REVENUE FUNDS				
Campus Operations	\$ 3,669,600	\$ 93,600	\$	\$
Vehicle Replacement	10,547,500			\$
Transit	1,066,100		927,100	\$ 1,279,500
Highway User Revenue Fund (HURF)	6,923,900	(94,600)	6,675,900	\$ 8,089,600
Donations	302,600	110,400	233,200	\$ 840,900
Municipal Court Enhancement	371,900		143,000	\$ 176,800
Neighborhood Revitalization	3,583,200	1,709,600	3,729,900	\$ 4,091,100
Tourism				132,200
Scholarship	10,700		2,000	\$ 14,600
Street Light Improvements Districts	2,628,500		2,158,900	\$ 2,822,500
Community Facilities District	20,050,000		81,500	\$ 111,300
Contingency				24,645,900
Total Special Revenue Funds	\$ 49,154,000	\$ 1,819,000	\$ 13,951,500	\$ 42,204,400
DEBT SERVICE FUNDS				
Marley Park CFD	\$ 909,400	\$	\$ 709,400	\$ 1,448,500
Municipal Property Corporation (MPC)	6,686,600	208,600	12,132,500	\$ 7,362,500
Total Debt Service Funds	\$ 7,596,000	\$ 208,600	\$ 12,841,900	\$ 8,811,000
CAPITAL PROJECTS FUNDS				
Capital Projects	\$ 19,375,000	\$ 2,925,600	\$ 2,927,200	\$ 6,010,500
General Government Development				\$ 437,500
Police Development	1,496,600	(412,700)	556,600	\$ 587,500
Parks & Recreation Development	2,810,500	(68,900)	403,700	\$ 1,997,600
Public Works Development	3,474,600	(468,800)	585,800	\$ 4,838,100
Fire & EMS Development	244,800		206,800	\$ 223,900
Library Development	251,400			\$ 4,247,100
Transportation Improvement	17,769,400	(1,215,500)	4,201,600	\$ 8,450,700
Roads of Regional Significance	2,244,700			\$ 1,510,900
Total Capital Projects Funds	\$ 47,667,000	\$ 759,700	\$ 8,881,700	\$ 28,303,800

CITY/TOWN OF SURPRISE
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2011

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES* 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
PERMANENT FUNDS				
Firefighter's Pension	\$ 98,100	\$	\$	\$ 97,900
Total Permanent Funds	\$ 98,100	\$	\$	\$ 97,900
ENTERPRISE FUNDS				
Water				
Operations	\$ 19,435,600	\$ (2,873,900)	\$ 9,085,100	\$ 15,045,800
Indirect Costs			1,189,800	1,453,900
Vehicle Replacement Reserve				129,300
Total	19,435,600	(2,873,900)	10,274,900	16,629,000
Sewer				
Operations	73,302,200	139,900	25,864,800	\$ 40,779,600
Indirect Costs			953,400	1,349,000
Interfund Loans				
Vehicle Replacement Reserve				682,700
Contingency				18,430,400
Total	73,302,200	139,900	26,818,200	61,241,700
Sanitation				
Operations	6,797,500	(49,600)	3,932,000	\$ 4,981,700
Indirect Costs			603,500	857,800
Vehicle Replacement Reserve				3,149,500
Contingency				2,574,600
Total	6,797,500	(49,600)	4,535,500	11,563,600
Stormwater				
Operations				\$ 250,000
Total Enterprise Funds	\$ 99,535,300	\$ (2,783,600)	\$ 41,628,600	\$ 89,684,300
INTERNAL SERVICE FUNDS				
Risk Management	\$ 3,526,500	\$	\$ 2,076,800	\$ 3,233,100
Employee Healthcare Fund				8,225,100
Total Internal Service Funds	\$ 3,526,500	\$	\$ 2,076,800	\$ 11,458,200
TOTAL ALL FUNDS	\$ 279,816,500	\$ (634,600)	\$ 152,002,300	\$ 256,454,900

* 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 2011

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES * 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
Mayor & Council				
General	\$ 549,900	\$ (2,100)	\$ 520,200	\$ 492,700
Department Total	\$ 549,900	\$ (2,100)	\$ 520,200	\$ 492,700
City Manager				
General	\$ 713,300	\$ 128,900	\$ 814,900	\$ 732,400
Department Total	\$ 713,300	\$ 128,900	\$ 814,900	\$ 732,400
Government Relations				
General	\$ 381,900	\$ (1,600)	\$ 384,900	\$ 474,400
Department Total	\$ 381,900	\$ (1,600)	\$ 384,900	\$ 474,400
City Attorney				
General	\$ 1,759,600	\$ (122,800)	\$ 1,727,200	\$ 1,597,800
Department Total	\$ 1,759,600	\$ (122,800)	\$ 1,727,200	\$ 1,597,800
City Clerk				
General	\$ 729,100	\$ (53,500)	\$ 667,700	\$ 433,500
Department Total	\$ 729,100	\$ (53,500)	\$ 667,700	\$ 433,500
Finance				
General	\$ 2,386,600	\$ (86,600)	\$ 2,789,300	\$ 3,285,900
General Government Development				12,500
Police Development				12,500
Parks & Recreation Development				16,100
Public Works Development				12,500
Fire & EMS Development				19,600
Library Development				12,500
Transportation Improvement			313,400	349,400
Roads of Regional Significance				12,600
Water	30,900		25,500	71,000
Sewer	12,500		6,800	23,200
Risk Management			378,000	3,233,100
Department Total	\$ 2,430,000	\$ (86,600)	\$ 3,513,000	\$ 7,060,900
Human Resources				
General	\$ 1,234,900	\$ (76,900)	\$ 1,157,200	\$ 1,241,200
Employee Healthcare Fund				\$ 8,225,100
Department Total	\$ 1,234,900	\$ (76,900)	\$ 1,157,200	\$ 9,466,300
Information Services				
General	\$ 4,228,600	\$ (15,500)	\$ 4,242,500	\$ 4,088,400
General Capital		2,100		75,000
Municipal Court Enhancement	43,000		43,000	
Transportation			4,000	
Department Total	\$ 4,271,600	\$ (13,400)	\$ 4,289,500	\$ 4,163,400
Communications				
General	\$ 1,063,000	\$ (61,500)	\$ 1,044,600	\$ 851,800
Department Total	\$ 1,063,000	\$ (61,500)	\$ 1,044,600	\$ 851,800
Management & Budget				
General	\$ 513,200	\$ (3,500)	\$ 34,800	
Risk Management	3,526,500		1,698,800	
Department Total	\$ 4,039,700	\$ (3,500)	\$ 1,733,600	

CITY/TOWN OF SURPRISE
Summary by Department of Expenditures/Expenses
Fiscal Year 2011

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES * 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
General Operations				
General	\$ 2,492,700	\$ 1,961,300	\$ 1,996,400	\$ (250,000)
General Capital	5,694,200	11,119,200	694,200	468,000
Transit	183,700			
Tourism				132,200
Contingency				24,645,900
Debt Service	909,400		709,400	1,448,500
General Government Development				425,000
Parks & Recreation Development		420,000		
Public Works Development		1,041,200		1,827,600
Library Development	251,400			4,234,600
Transportation Improvement		3,319,500		
Roads of Regional Significance				1,498,300
Water	888,800			2,264,800
Sewer	13,866,800	(1,379,300)		30,199,300
Sanitation	2,085,800			2,574,600
Employee Dependent Scholarship	10,700		2,000	14,600
Firefighters' Pension	98,100			97,900
Municipal Property Corporation	6,686,600	208,600	12,132,500	7,362,500
Street Light Improvement Districts	2,628,500		2,158,900	2,822,500
Marley Park CFD	20,050,000		81,500	111,300
Department Total	\$ 55,846,700	\$ 16,690,500	\$ 17,774,900	\$ 79,877,600
Community Development				
General	\$ 5,727,200	\$ (1,896,200)	\$ 3,679,200	\$ 3,643,300
Donations				5,400
Neighborhood Revitalization	1,385,400	3,907,400	4,020,300	4,091,100
Department Total	\$ 7,112,600	\$ 2,011,200	\$ 7,699,500	\$ 7,739,800
City Court				
General	\$ 2,033,500	\$ (16,000)	\$ 2,012,500	\$ 2,178,700
Municipal Court Enhancement	328,900		100,000	176,800
Department Total	\$ 2,362,400	\$ (16,000)	\$ 2,112,500	\$ 2,355,500
Police				
General	\$ 18,038,000	\$ (196,400)	\$ 16,999,900	\$ 19,465,600
General Capital	183,900	(183,900)		
Donations	302,600		58,200	336,000
Police Development	1,496,600	(412,700)	556,600	575,000
Department Total	\$ 20,021,100	\$ (793,000)	\$ 17,614,700	\$ 20,376,600
Fire-Emergency Services				
General	\$ 13,731,000	\$ 211,400	\$ 14,129,700	\$ 14,432,600
General Capital	44,800		44,800	46,000
Donations			2,900	9,600
Fire & EMS Development	244,800		206,800	204,300
Department Total	\$ 14,020,600	\$ 211,400	\$ 14,384,200	\$ 14,692,500

CITY/TOWN OF SURPRISE
Summary by Department of Expenditures/Expenses
Fiscal Year 2011

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES * 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
Community and Recreation				
General	\$ 9,966,600	\$ (213,300)	\$ 13,394,700	\$ 12,473,800
General Capital	283,000		283,000	200,000
Campus Operations	3,669,600	93,600		
Transit		3,300		
Donations			142,700	356,700
Neighborhood Revitalization	2,197,800	(2,197,800)	(290,400)	
Parks & Recreation Development	2,810,500	(488,900)	403,700	1,981,500
Department Total	\$ 18,927,500	\$ (2,803,100)	\$ 13,933,700	\$ 15,012,000
Arts Commission				
Donations		\$ 110,400	\$ 29,400	\$ 133,200
Department Total		\$ 110,400	\$ 29,400	\$ 133,200
Public Works				
General Fund	\$ 6,690,500	\$ (194,000)	\$ 7,026,100	\$ 10,753,200
General Capital	13,169,100	(8,011,800)	\$ 1,905,200	\$ 5,221,500
Vehicle Replacement	10,547,500		\$	\$
Transit	882,400	(3,300)	927,100	1,279,500
Highway User Revenue Fund (HURF)	6,923,900	(94,600)	6,675,900	8,089,600
Public Works Development	3,474,600	(1,510,000)	585,800	2,998,000
Transportation Improvement	17,769,400	(4,535,000)	\$ 3,884,200	\$ 8,101,300
Roads of Regional Significance	2,244,700			
Water	18,515,900	(2,873,900)	10,249,400	14,293,200
Sewer	59,422,900	1,519,200	26,811,400	31,019,200
Sanitation	4,711,700	(49,600)	4,535,500	8,989,000
Stormwater				250,000
Department Total	\$ 144,352,600	\$ (15,753,000)	\$ 62,600,600	\$ 90,994,500
	<u>279,816,500</u>	<u>\$ (634,600)</u>	<u>\$ 152,002,300</u>	<u>\$ 256,454,900</u>

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

RESOLUTION 2010-44

**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 2010/2011 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 2010/2011 beginning July 1, 2010 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 27, 2010, at least fourteen days prior to the hearing date for this Resolution 2010-44, and;

WHEREAS, the City has computed tax rates per One Hundred Dollars (\$100.00) of valuation to be levied and collected, at \$000.6735 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 \$7,224,115, the maximum levy allowed by law for the fiscal year ending on June 30, 2011.

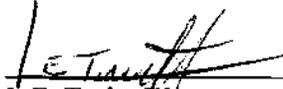
Section 2. That, in addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City, except such property as may be by law exempt from taxation, a secondary 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.

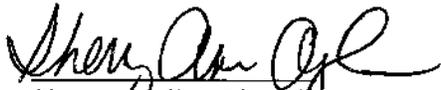
Section 4. Any failure by the Maricopa County officials to properly return the delinquent tax list, irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings nor invalidate any title conveyed by any tax deed, any sale or proceeding 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.

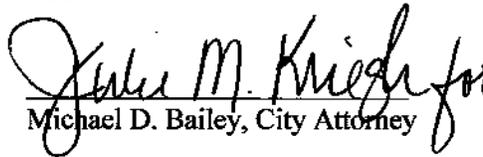
APPROVED AND ADOPTED this 24 day of June, 2010.


L.E. Truitt, Mayor

Attest:

Approved as to form:


Sherry Aguilar, City Clerk


Michael D. Bailey, City Attorney

Yeas: Mayor Truitt, Vice Mayor Alton, Council Members; Wolcott, Williams, Villanueva, Woodard and Hall

Nays: _____

**City of Surprise
Street Light Improvement Districts
Property Tax Levy Requirements
FY2011**

City of Surprise - Lighting Districts

Property Tax Levy Requirements

Fiscal Year 2011

<u>District Name</u>	<u>Assessed Value</u>	<u>Levy Rate FY 11</u>	<u>Levy Amount</u>
Asante Phase 1	\$2,438,000	1.2000	\$29,300
Ashton Ranch I	\$2,913,210	0.4235	\$12,300
Ashton Ranch II	\$3,341,430	0.4139	\$13,800
Ashton Ranch III	\$3,026,890	0.5024	\$15,200
Ashton Ranch IV	\$3,010,520	0.3886	\$11,700
Bell Pointe I	\$5,709,265	0.2189	\$12,500
Bell West Ranch	\$2,510,560	0.2979	\$7,500
Bell West Ranch 1A	\$3,151,757	0.3457	\$10,900
Bell West Ranch 1B	\$2,049,070	0.3436	\$7,000
Bell West Ranch II	\$3,552,970	0.2821	\$10,000
Bell West Ranch III	\$3,259,395	0.2243	\$7,300
Cactus Ward LDS	\$67,956	1.1331	\$800
Canyon Ridge West	\$11,124,220	0.1137	\$12,600
City @ Surprise Ph 1	\$3,931,389	0.1450	\$5,700
Commerce Park East*	\$1,885,635	243.79	\$3,400
Continental at Kingswood Parke	\$4,809,370	0.2517	\$12,100
Cotton Gin	\$2,978,790	0.5177	\$15,400
Countryside	\$8,615,800	0.3693	\$31,800
Coyote Lakes*	\$10,421,115	27.69	\$21,300
Crescent Crown #82	\$5,627,047	0.0567	\$3,200
Desert Oasis Lancer 5 A5B14A	\$3,527,460	0.5812	\$20,500
Desert Oasis No. 1	\$7,413,470	0.1865	\$13,800
Greenway Parc #1	\$3,417,500	0.5159	\$17,600
Greenway Parc #2	\$3,075,310	0.4740	\$14,600
Greenway Parc #3	\$814,830	0.6720	\$5,500
Greer Ranch North PH1	\$4,532,642	0.3309	\$15,000
Greer Ranch North PH2	\$3,545,609	0.1273	\$4,500
Greer Ranch South	\$11,038,729	0.3412	\$37,700
Johnson Townhomes	\$303,480	0.2705	\$800
Kenly Farms	\$3,178,525	0.2929	\$9,300
Kingswood Parke	\$11,834,509	0.3206	\$37,900
Legacy Parc	\$6,270,770	0.3744	\$23,500
Legacy Parc GHI	\$2,745,280	0.4973	\$13,700
Legacy Parc Parcels e, f, & j	\$3,191,440	0.2935	\$9,400
Litchfield Manor	\$14,113,395	0.3838	\$54,200
Marley Park I, p 1-4	\$6,531,040	0.3996	\$26,100
Marley Park Ph 1, P 5, 6	\$3,789,710	0.2507	\$9,500
Marley Park Ph 1, P 7, 8	\$2,709,962	0.2325	\$6,300
Marley Park Ph 2, 9,11,12	\$2,438,498	1.1079	\$27,000
Mountain Vista	\$8,136,377	0.1475	\$12,000
Mountain Vista II	\$7,411,015	0.0486	\$3,600
Mountain Vista III	\$5,355,510	0.3268	\$17,500
Northwest Ranch #1	\$4,301,390	0.1956	\$8,400
Northwest Ranch II	\$5,430,942	0.4636	\$25,200
Orchards 1,2,3,4,5	\$7,613,139	0.3799	\$28,900
Parke Row	\$881,345	0.3025	\$2,700
Quick Trip # 410	\$122,240	1.2000	\$1,500
Rancho Gabriella - Phase I	\$8,639,925	0.3370	\$29,100
Rancho Gabriella 2,3,4A-B	\$18,951,852	0.3199	\$60,600

City of Surprise
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50288274	50288138	50287685	50288230
50288275	50288139	50287686	50288231
50288276	50288140	50287687	50288232
50288280	50288141	50287700	50288250
50288281	50288142	50287701	50288251
50288299	50288143	50287702	50288252
50288300	50288144	50287703	50288253
50288301	50288145	50287292	50288254
50288302	50288146	50287293	50288255
50288303	50288147	50287294	50288256
50288304	50288148	50287295	50288257
50288305	50288149	50287296	50288258
50288306	50288150	50287297	50288332
50288373	50288151	50287299	50288333
50288374	50288152	50287367	50288334
50288375	50288155	50287369	50288335
50288376	50288161	50287374	50288336
50288377	50288186	50287368	50288337
50288378	50288187	50287370	50288338
50288379	50288188	50288053	50288339
50288380	50288189	50288056	50288340
50288381	50288190	50288057	50288341
50288404	50288191	50288058	50288342
50288415	50288192	50288062	50288343
50288471	50288193	50288064	50288344
50288472	50288194	50288065	50288345
50288473	50288195	50288066	50288346
50288474	50288196	50288068	50288347
50288475	50288197	50288069	50288348
50288479	50288198	50288070	50287593
50288480	50288199	50288072	50287594
50288481	50288200	50288073	50287595
50288482	50288201	50287021	50287596
50288483	50288202	50287034	50287597
50288484	50287675	50287035	50287598
50288485	50287677	50287036	50287600
50288486	50287678	50287037	50287601
50288506	50287679	50287038	50287604
50288511	50287680	50287039	50287605
50288521	50287681	50287040	50287606
50288558	50287682	50287041	50287608
50288559	50287683	50288228	50287652
50288137	50287684	50288229	50287653
50287655	50287061	50287826	50288527
50287657	50287062	50287828	50288531
50287658	50287063	50287830	50288532

City of Surprise
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50288214	50287064	50287840	50288535
50287477	50287065	50287841	50288536
50287480	50287066	50287852	50288540
50287482	50287067	50287854	50288542
50287511	50287068	50287855	50288544
50287512	50287069	50287856	50288545
50287515	50288159	50287857	50288546
50287516	50288160	50287858	50288549
50287517	50288162	50287859	50288550
50287520	50288163	50287860	50288553
50287524	50288164	50287861	50288555
50287525	50288165	50287862	50287399
50287526	50288166	50287875	50287513
50287554	50288167	50287876	50287514
50287555	50288168	50287878	50287553
50287556	50288169	50287879	50287400
50287557	50288170	50287880	50287412
50287558	50288171	50287881	50288382
50287560	50288172	50287883	50288384
50287562	50288173	50287884	50288386
50287566	50288174	50288074	50288387
50287042	50288175	50288075	50288389
50287043	50288176	50288076	50288390
50287044	50288177	50288077	50288395
50287045	50288178	50287792	50288397
50287046	50288179	50287671	50288423
50287047	50287793	50287379	50288424
50287048	50287794	50288439	50288435
50287049	50287795	50288440	50288438
50287050	50287796	50288442	50287445
50287051	50287797	50288443	50287446
50287052	50287798	50288444	50287452
50287053	50287799	50288487	50287454
50287054	50287801	50288488	50287456
50287055	50287802	50288490	50287483
50287056	50287803	50288494	50288399
50287057	50287804	50288496	50288405
50287058	50287805	50288502	50288406
50287059	50287806	50288503	50288407
50287060	50287825	50288505	50288408
50288409	50288278	50288045	50288183
50288410	50288279	50288092	50288184
50288411	50287116	50288096	50288185
50288412	50287119	50288233	50287310
50288413	50287122	50288234	50287312
50288414	50287697	50288235	50287313

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Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50288416	50287698	50288236	50287314
50288417	50287699	50288237	50287316
50288418	50287484	50288349	50287317
50288419	50287485	50288350	50287318
50288437	50287486	50288351	50287319
50288448	50287534	50288352	50287329
50288449	50287535	50288353	50287334
50288450	50287536	50288354	50287338
50288451	50287538	50288355	50287371
50288452	50287539	50288356	50287372
50288453	50287540	50288357	50287373
50288454	50287117	50288358	50288217
50288455	50287118	50288359	50288218
50288460	50287120	50287478	50288219
50288469	50287121	50287479	50288220
50288497	50287123	50287481	50288221
50288498	50287124	50287519	50288222
50288500	50287125	50287523	50288223
50288507	50287518	50287559	50288224
50288508	50287521	50287561	50288225
50288509	50287166	50287563	50288226
50288510	50287167	50288061	50288227
50288512	50287168	50288063	50288360
50288515	50287169	50288093	50288361
50288516	50287170	50288094	50288362
50288517	50287171	50288095	50288363
50288518	50287172	50287199	50288364
50288519	50287173	50287307	50288365
50288520	50287174	50287309	50287198
50288393	50287175	50288153	50287602
50288428	50287182	50288154	50287603
50288476	50287183	50288156	50287607
50288477	50287184	50288157	50287609
50288478	50287185	50288158	50287661
50288537	50287186	50288180	50287662
50288538	50287187	50288181	50287663
50288277	50288001	50288182	50287664
50287665	50287146	50287160	50287789
50287666	50287147	50287161	50287790
50287667	50287148	50287162	50287800
50288116	50287149	50287163	50287808
50288117	50287150	50287164	50287809
50288118	50287151	50287165	50287842
50288394	50287152	50287308	50287872
50288396	50287188	50287646	50287885
50288398	50287189	50287592	50287886

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Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50288400	50287190	50287647	50287759
50288402	50288539	50287669	50287763
50288403	50288098	50287216	50288385
50288420	50287522	50287218	50288392
50288421	50287564	50287224	50288401
50288422	50287565	50287225	50288431
50288425	50287815	50287226	50288432
50288426	50287816	50287253	50288433
50288427	50287817	50287259	50288436
50288430	50287834	50287260	50288551
50288541	50287835	50287276	50287590
50288543	50287836	50287277	50287591
50288552	50287837	50287281	50287599
50288554	50287838	50287306	50287610
50287126	50287847	50287315	50287643
50287127	50287848	50287321	50287644
50287128	50287849	50287323	50287648
50287129	50287853	50287325	50287649
50287130	50287864	50287326	50287650
50287131	50287865	50287330	50287651
50287132	50287866	50287336	50287654
50287133	50287867	50287337	50287656
50287134	50287868	50287761	50287660
50287135	50287869	50287765	50287668
50287136	50287870	50287767	50288238
50287137	50287871	50287769	50288239
50287138	50287873	50287770	50288240
50287139	50287153	50287771	50288241
50287140	50287154	50287772	50288242
50287141	50287155	50287773	50288243
50287142	50287156	50287775	50288244
50287143	50287157	50287776	50288245
50287144	50287158	50287777	50288246
50287145	50287159	50287779	50288247
50288248	50288328	50288501	50287095
50288249	50288329	50288504	50287096
50288259	50288330	50288513	50287097
50288260	50288331	50288514	50287098
50288261	50288010	50288522	50287099
50288262	50288027	50288523	50287100
50288263	50288030	50288524	50287101
50288264	50288031	50288525	50287102
50288265	50288033	50288526	50287103
50288266	50288036	50288528	50287104
50287024	50288052	50288529	50287105
50287025	50288054	50288530	50287106

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Assessor Parcel Numbers (APN)

50287026	50288055	50288533	50287107
50287027	50288059	50288534	50287070
50287028	50288060	50288547	50287071
50287029	50288383	50288548	50287072
50287030	50288388	50288556	50287073
50287031	50288391	50288557	50287074
50287032	50288429	50288067	50287075
50287033	50288434	50288078	50287076
50287176	50288441	50288079	50287077
50287177	50288445	50288081	50287078
50287178	50288446	50288082	50287079
50287179	50288447	50288022	50287080
50287180	50288456	50288023	50287081
50287181	50288457	50288024	50287082
50287827	50288458	50288025	50287083
50287829	50288459	50288026	50287084
50287831	50288461	50288028	50287085
50287832	50288462	50288029	50287086
50287833	50288463	50288032	50287087
50287839	50288464	50288035	50287221
50287843	50288465	50288050	50287223
50287844	50288466	50288051	50287263
50287845	50288467	50288080	50287275
50287846	50288468	50288071	50287278
50287850	50288470	50287088	50287320
50287851	50288489	50287089	50287328
50287874	50288491	50287090	50287335
50287877	50288492	50287091	50287361
50288267	50288493	50287092	50287362
50288326	50288495	50287093	50287222
50288327	50288499	50287094	50287264
50287333	50287888	50288085	50287460
50287227	50287889	50288086	50287461
50287749	50287890	50288087	50287462
50287750	50287891	50288088	50287463
50287751	50287892	50288089	50287464
50287752	50287893	50288090	50287465
50287753	50287894	50287611	50287466
50287754	50287895	50287613	50287467
50287755	50287896	50287614	50287487
50287756	50287897	50287617	50287488
50287757	50287898	50287620	50287489
50287758	50287899	50287621	50287490
50287760	50288002	50287623	50287491
50287762	50288003	50287624	50287492
50287764	50288004	50287627	50287493

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Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50287766	50288005	50287628	50287494
50287768	50288006	50287630	50287495
50287774	50288007	50287631	50287496
50287778	50288011	50287637	50287497
50287780	50288012	50287638	50287498
50287781	50288013	50287639	50287504
50287782	50288014	50287640	50287505
50287783	50288015	50287641	50287506
50287784	50288016	50287642	50287507
50287785	50288017	50287645	50287508
50287786	50288018	50287381	50287509
50287787	50288019	50287382	50287533
50287788	50288020	50287383	50287814
50287791	50288021	50287385	50287688
50287807	50288034	50287386	50287689
50287810	50288037	50287442	50287690
50287811	50288038	50287443	50287691
50287812	50288039	50287444	50287692
50287813	50288040	50287447	50287693
50287819	50288041	50287448	50287694
50287820	50288042	50287449	50287720
50287821	50288043	50287450	50287721
50287822	50288046	50287451	50287722
50287823	50288047	50287453	50287207
50287824	50288048	50287455	50287209
50287863	50288049	50287457	50287210
50287882	50288083	50287458	50287211
50287887	50288084	50287459	50287212
50287214	50287251	50287659	50287213
50287217	50287257	50287636	50287235
50287219	50287231	50287635	50287237
50287220	50287311	50287634	50287238
50287228	50287262	50287633	50287239
50287229	50287271	50287632	50287240
50287230	50287279	50287629	50287242
50287233	50287332	50287626	50287243
50287246	50287363	50287625	50287244
50287247	50287249	50287622	50287245
50287248	50287322	50287818	50287256
50287250	50288307	50288268	50287282
50287252	50288308	50288269	50287283
50287254	50288309	50288270	50287284
50287255	50288310	50288271	50287285
50287258	50288311	50288272	50287286
50287261	50288312	50288273	50287287
50287265	50288313	50288282	50287288

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Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50287266	50288314	50288283	50287289
50287267	50288315	50288284	50287290
50287268	50288316	50288285	50287291
50287269	50288317	50288286	50287298
50287270	50288318	50288287	50287300
50287272	50288319	50288288	50287301
50287273	50288320	50288289	50287302
50287274	50288321	50288290	50287303
50287280	50288322	50288291	50287304
50287324	50288323	50288292	50287305
50287327	50288324	50288293	50287350
50287331	50288325	50288294	50287351
50287339	50287723	50288295	50287352
50287340	50287724	50288296	50287353
50287341	50287725	50288297	50287354
50287342	50287726	50288298	50287355
50287343	50287727	50287197	50287356
50287344	50287728	50287200	50287357
50287345	50287729	50287201	50287358
50287346	50287730	50287202	50287359
50287347	50287731	50287203	50287364
50287348	50287732	50287204	50287365
50287349	50287615	50287205	50287366
50287360	50287618	50287206	50287234
50287232	50287619	50287208	50287236
50287241	50287111	50287499	50288136
50287384	50287112	50287500	50288203
50287387	50287113	50287501	50288204
50287388	50287114	50287502	50288205
50287390	50287115	50287503	50288206
50287391	50287704	50287527	50288207
50287392	50287705	50287528	50288103
50287417	50287706	50287529	50288104
50287418	50287707	50287530	50288105
50287419	50287708	50287531	50288106
50287420	50287709	50287532	50288115
50287421	50287710	50287537	50288119
50287422	50287711	50287541	50288208
50287424	50287712	50287542	50288211
50287425	50287713	50287543	50288126
50287426	50287714	50287544	50288109
50287427	50287715	50287545	50288112
50287428	50287716	50287546	50288113
50287429	50287717	50287547	50288122
50287430	50287718	50287549	50288131
50287431	50287719	50287550	50288133

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Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50287432	50287733	50287551	50288209
50287433	50287734	50287552	50288210
50287435	50287735	50287567	50287389
50287436	50287736	50287568	50287393
50287437	50287737	50287569	50287394
50287438	50287738	50287570	50287395
50287440	50287739	50287571	50287396
50287441	50287740	50287572	50287397
50287468	50287741	50287573	50287398
50287469	50287742	50287575	50287401
50287470	50287743	50287578	50287402
50287510	50287744	50287548	50287403
50287577	50287745	50287574	50287404
50287579	50287746	50287576	50287405
50287580	50287423	50288102	50287406
50287581	50287439	50288123	50287407
50287434	50287471	50288124	50287408
50287582	50287472	50288125	50287409
50287583	50287473	50288129	50287410
50287108	50287474	50288132	50287411
50287109	50287475	50288134	50287413
50287110	50287476	50288135	50287414
50287415	50201017J		
50287416	50287195		
50288009	50287902		
50288107	50287378		
50288108	50287906		
50288110	50287019		
50288111	50288564		
50288114	50287674		
50288127	50287748		
50288128	50288560		
50288130	50287905		
50287612	50287380		
50287616	50287672		
50287676	50288099		
50287695	50288367		
50287696	50288565		
50288008	50287908		
50288044	50287903		
50288091	50287375		
50288097	50287196		
50288120	50288368		
50288121	50287900		
50288212	50288372		
50287904	50288566		

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Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

50287589	50287192
50288561	50288563
50287215	50287376
50287377	50287907
50287194	50287670
50288567	50288369
50288568	50288213
50287673	50288562
50288100	50287193
50288216	50287587
50288215	50287918
50287901	50287191
50287747	50287588
50288371	50288366
50288370	50287586
50288101	
50287584	
50287585	
50287917	

City of Surprise
Royal Ranch Unit 1 Street Light Improvement District
Assessor Parcel Numbers (APN)

50903375	50903246	50903202	50903234
50903376	50903247	50903203	50903235
50903377	50903248	50903204	50903332
50903378	50903249	50903257	50903333
50903379	50903266	50903261	50903334
50903380	50903273	50903262	50903335
50903381	50903409	50903265	50903473
50903382	50903412	50903287	50903474
50903383	50903427	50903291	50903482
50903384	50903434	50903292	50903483
50903388	50903437	50903293	50903484
50903389	50903440	50903296	50903487
50903391	50903206	50903298	50903493
50903392	50903213	50903300	50903495
50903393	50903218	50903301	50903503
50903396	50903219	50903302	50903508
50903397	50903228	50903304	50903509
50903401	50903232	50903305	50903514
50903402	50903129	50903054	50903522
50903416	50903131	50903056	50903525
50903424	50903133	50903062	50903526
50903435	50903134	50903063	50903527
50903556	50903135	50903073	50903306
50903559	50903136	50903074	50903307
50903557	50903139	50903081	50903308
50903092	50903146	50903044	50903309
50903093	50903148	50903547	50903130
50903094	50903149	50903549	50903132
50903095	50903170	50903045	50903450
50903096	50903176	50903319	50903452
50903097	50903184	50903320	50903453
50903098	50903187	50903321	50903454
50903099	50903188	50903322	50903457
50903100	50903189	50903323	50903459
50903101	50903190	50903324	50903461
50903145	50903192	50903325	50903463
50903238	50903193	50903326	50903464
50903239	50903194	50903327	50903465
50903241	50903195	50903330	50903472
50903242	50903196	50903331	50903147
50903243	50903198	50903210	50903185
50903244	50903199	50903211	50903186
50903245	50903200	50903208	50903197
50903310	50903371	50903167	50903546
50903311	50903154	50903172	50903251
50903312	50903156	50903174	50903104

City of Surprise
Royal Ranch Unit 1 Street Light Improvement District
Assessor Parcel Numbers (APN)

50903313	50903372	50903181	50903123
50903314	50903374	50903191	50903124
50903315	50903158	50903201	50903125
50903316	50903161	50903207	50903128
50903317	50903373	50903209	50903157
50903318	50903518	50903212	50903160
50903017	50903519	50903214	50903163
50903022	50903520	50903215	50903164
50903088	50903521	50903220	50903165
50903336	50903529	50903221	50903166
50903337	50903018	50903225	50903168
50903338	50903019	50903226	50903169
50903339	50903020	50903229	50903171
50903340	50903021	50903230	50903173
50903341	50903102	50903231	50903175
50903342	50903103	50903233	50903177
50903343	50903105	50903481	50903178
50903089	50903106	50903488	50903179
50903090	50903107	50903489	50903180
50903091	50903108	50903490	50903182
50903344	50903109	50903491	50903183
50903345	50903110	50903498	50903216
50903346	50903111	50903499	50903217
50903347	50903112	50903500	50903222
50903348	50903113	50903501	50903223
50903349	50903114	50903502	50903224
50903350	50903115	50903504	50903227
50903351	50903116	50903505	50903143
50903352	50903117	50903506	50903144
50903353	50903118	50903513	50903041
50903354	50903119	50903516	50903048
50903355	50903120	50903517	50903049
50903361	50903153	50903523	50903050
50903364	50903159	50903524	50903055
50903365	50903162	50903528	50903071
50903366	50903550	50903530	50903076
50903367	50903122	50903531	50903077
50903368	50903126	50903532	50903078
50903369	50903137	50903533	50903079
50903370	50903138	50903534	50903080
50903121	50903140	50903535	50903082
50903127	50903141	50903536	50903083
50903150	50903151	50903538	50903084
50903152	50903155	50903540	50903085
50903142	50903286	50903299	50903466
50903205	50903398	50903356	50903467

City of Surprise
Royal Ranch Unit 1 Street Light Improvement District
Assessor Parcel Numbers (APN)

50903236	50903423	50903357	50903468
50903237	50903013	50903358	50903469
50903449	50903014	50903359	50903470
50903456	50903023	50903360	50903475
50903460	50903024	50903362	50903476
50903462	50903033	50903363	50903479
50903471	50903034	50903385	50903485
50903477	50903035	50903386	50903486
50903478	50903038	50903387	50903492
50903480	50903040	50903390	50903511
50903515	50903058	50903394	50903512
50903451	50903061	50903395	50903558
50903455	50903065	50903403	50902942
50903494	50903066	50903407	50902943
50903496	50903067	50903408	50902944
50903497	50903068	50903410	50903006
50903507	50903069	50903411	50903448
50903510	50903070	50903413	50903012
50903537	50903072	50903414	50903252
50903539	50903015	50903415	50903445
50903059	50903052	50903417	50903446
50903553	50903057	50903418	50903542
50903554	50903060	50903419	50903545
50903555	50903064	50903420	50903541
50903254	50903548	50903421	50903544
50903255	50903253	50903426	50903086
50903256	50903258	50903438	50903007
50903260	50903259	50903441	50903002
50903268	50903263	50903551	50903008
50903283	50903264	50903552	50903011
50903404	50903274	50903560	50903004
50903405	50903275	50903016	50903447
50903406	50903276	50903028	50903087
50903422	50903277	50903029	50903005
50903425	50903280	50903030	50903543
50903428	50903281	50903031	50903444
50903429	50903282	50903032	50903250
50903430	50903284	50903037	50903003
50903431	50903285	50903039	50903010
50903432	50903288	50903051	50903001
50903433	50903289	50903053	50903442
50903436	50903290	50903075	50903443
50903439	50903294	50903036	50903009
50903272	50903295	50903240	
50903267	50903297	50903458	

City of Surprise
Marley Park Parcel 12 Street Light Improvement District
Assessor Parcel Numbers (APN)

50908632	50908685	50908760	50908702
50908611	50908686	50908698	50908863
50908612	50908687	50908711	50908851
50908613	50908688	50908806	50908852
50908614	50908689	50908776	50908740
50908615	50908690	50908804	50908856
50908616	50908691	50908867	50908742
50908617	50908692	50908754	50908737
50908618	50908693	50908728	50908805
50908619	50908629	50908765	50908795
50908620	50908630	50908699	50908796
50908621	50908602	50908710	50908744
50908622	50908603	50908858	50908793
50908623	50908604	50908787	50908785
50908624	50908605	50908853	50908772
50908625	50908606	50908751	50908708
50908626	50908607	50908715	50908775
50908627	50908608	50908730	50908724
50908628	50908609	50908771	50908801
50908637	50908610	50908756	50908759
50908638	50908631	50908736	50908859
50908639	50908714	50908767	50908784
50908640	50908861	50908800	50908849
50908641	50908790	50908700	50908731
50908642	50908769	50908757	50908712
50908651	50908778	50908748	50908764
50908664	50908755	50908857	50908721
50908669	50908869	50908732	50908694
50908670	50908743	50908697	50908735
50908671	50908854	50908718	50908846
50908672	50908847	50908782	50908810
50908673	50908871	50908868	50908733
50908674	50908763	50908770	50908749
50908675	50908855	50908848	50908746
50908676	50908797	50908864	50908860
50908677	50908722	50908726	50908723
50908678	50908783	50908786	50908872
50908679	50908717	50908789	50908794
50908680	50908739	50908862	50908865
50908681	50908734	50908811	50908798
50908682	50908791	50908799	50908780
50908683	50908777	50908745	50908713
50908684	50908788	50908774	50908766
50908866	50908738		
50908845	50908752		
50908701	50908781		

City of Surprise
Marley Park Parcel 12 Street Light Improvement District
Assessor Parcel Numbers (APN)

50908727	50908716
50908802	50908747
50908870	50908779
50908758	50908720
50908709	50908768
50908750	50908809
50908703	50908761
50908696	50908741
50908753	50908807
50908773	50908729
50908792	50908808
50908850	50908725
50908762	50908719
50908803	

City of Surprise
Surprise Farms Church #084 Street Light Improvement District
Assessor Parcel Numbers (APN)

50201002G
50201002D

City of Surprise
Marley Park Plaza #091 Street Light Improvement District
Assessor Parcel Numbers (APN)

50914624D
50914624C
50914983
50914987
50914986
50914982
50914980
50914984
50914981



ADMINISTRATIVE POLICY

CITY OF SURPRISE ADMINISTRATIVE STANDARDS

SUBJECT: Budget Amendments & Transfers

NUMBER: 070804-1

REPLACES: Transfer policy
adopted on 1/24/02

AUTHORITY: City Council

ISSUED: July 8, 2004

PURPOSE:

The following policy and procedures are established to implement a consistent and efficient process by which the adopted city budget may be amended and budget authority transferred.

POLICY:

Throughout the course of the fiscal year amendments to the budget are necessary in order to address new issues, increased prices and changes in the scope of existing projects. The Budget Office following appropriate authorization by Council, the City Manager or Department head, as detailed in Table A on the following page, will process budget amendments. This policy applies to all budget amendments initiated by council, the city manager's office or departments.

PROCEDURE:

All budget amendments must be processed through the Budget Office and include a description of the requested amendment, why the amendment is required, where the funds are coming from and what the impact of utilizing those funds will be. All amendments must be rounded up to the nearest \$100 and generally will not be processed within the same category within a division. A summary of all budget amendments will be provided to council on a quarterly basis.

Based on the level of authorization required requests for budget amendments must be submitted as follows:

Department Head - Amendments requiring department head approval must be submitted via e-mail or memo from the department head to the Budget Office.

City Manager/Assistant City Manager – Amendments requiring CM/ACM approval must be submitted to the budget office via e-mail or memo. The budget office will prepare a background summary on the request and present it and the department request to CM/ACM for review and approval.

City Council - Amendments requiring Council approval must be submitted to the budget office via memo. The budget office will prepare a background summary on the request and present it and the department request to ACM/CM for review and approval. If approved, the department will prepare a council action form and attach both their original request and the CM/ACM approval.

Table A: Budget Amendment Authorization Levels

- No transfers are to be made from internal charge accounts (depreciation, transfers, insurance, etc...) - Any increase in Total Authorized positions must be approved by council			
Type of Transfer	Category	Authorization	Comments
Intra-Department (as listed in Schedule E of state budget forms)	Personnel:		
	Intra-Category	Department Director	Within personnel category of department.
	Inter-Category	City Manager/ACM	Between Personnel and Services (Temporary Help)
	Inter-Category	Council	Between Personnel and Supplies & Services (change in scope)
	Supplies & Services:		
	Intra-Category	Department Director	Between divisions
	Inter-Category	Department Director	Within a division or between divisions
	Capital:		
	Capital Improvement Program	Council	All capital items/projects included in the CIP
	Non-CIP or Minor CIP budget changes	City Manager/ACM	All capital items/projects not included in the CIP
Carryovers	Management & Budget Director	Adjustments to budget amount on projects or items carried forward from a previous year to reflect actual prior year expenditures.	
Contingencies	Contingencies	Council	Any transfer from contingencies
Inter-Fund or Inter-Department	All	Council	As listed in Schedule E of adopted state budget forms
Unforeseen Revenue/Expenditures	All	Council	Grant award or unforeseen revenue must be verified by the Budget Office

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

Strategy	Status	Responsibility	Timeframe
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 Communiversiity 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 Prasad. 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.

Strategy	Status	Responsibility	Timeframe
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.

Strategy	Status	Responsibility	Timeframe
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.

Strategy	Status	Responsibility	Timeframe
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

Summary of Major* Revenues and Expenditures

	General Fund			Special Revenue Funds less HURF & Contingency			Special Revenue Funds HURF		
	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted
Revenue/Other Sources									
Sales Tax	28,882,995	27,104,800	27,850,000	0	0	219,200	0	0	0
State Shared	23,310,572	20,776,900	18,278,500	443,564	262,700	0	5,295,936	5,039,500	5,194,300
Charges for Services/Other	9,122,080	10,142,100	14,416,700	6,678,561	5,873,000	4,336,300	184,326	0	5,300
Property Tax	6,349,918	6,858,400	7,224,100	2,955,829	3,054,200	2,991,500	0	0	0
Franchise Fees	4,073,771	4,868,100	4,499,300	0	0	0	0	0	0
Transfer In	3,511,100	12,217,400	1,126,800	5,858,748	2,102,900	864,500	3,373,200	4,134,300	839,400
Total Revenue	75,250,435	81,967,700	73,395,400	15,936,701	11,292,800	8,411,500	8,853,463	9,173,800	6,039,000
Expenditures/Other Uses									
Current									
Community and Recreation	10,172,724	9,627,000	12,473,800	5,077,566	3,007,300	349,300	561,390	0	0
Community Development	4,653,796	3,658,900	3,616,300	197,141	4,019,800	4,096,500	0	0	0
General Government	14,342,589	13,184,600	13,103,000	215,550	29,400	133,200	0	0	0
Non-Departmental	2,986,251	1,996,400	0	184,999	83,500	99,600	0	0	0
Public Safety	33,740,955	32,841,400	35,801,700	167,961	161,100	445,600	0	0	0
Public Works	6,774,305	6,607,600	5,887,300	2,064,694	3,080,900	3,795,100	5,368,276	6,180,500	6,039,000
Utilities	0	0	0	0	0	0	0	0	0
Capital and Depreciation	936,923	1,147,800	1,308,800	3,523,984	43,000	199,400	4,227,437	485,100	272,000
Debt Service	0	0	0	771,333	0	0	0	0	0
Contingency	0	0	3,704,400	0	0	350,200	0	0	1,778,600
Transfer Out	15,274,448	5,866,400	2,953,900	1,116,100	11,083,800	87,000	0	0	0
Total Expenditures	88,881,990	74,930,100	78,849,200	13,319,329	21,508,800	9,555,900	10,157,104	6,665,600	8,089,600

* Any fund constituting greater than 10% of the total revenues or expenditures is detailed separately

Summary of Major* Revenues and Expenditures

	Special Revenue Fund Contingency			Debt Service Funds			Capital Project Funds		
	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted
Revenue/Other Sources									
Sales Tax	0	0	0	0	0	0	4,358,905	1,855,400	1,704,500
State Shared	0	0	0	0	0	0	0	151,000	0
Charges for Services/Other	0	0	24,645,900	7,307,830	7,191,000	7,363,500	6,545,996	4,832,400	14,951,400
Property Tax	0	0	0	283,878	815,000	849,800	0	0	0
Franchise Fees	0	0	0	0	0	0	0	0	0
Transfer In	0	0	0	0	0	0	34,426,900	5,544,300	1,250,000
Total Revenue	0	0	24,645,900	7,591,708	8,006,000	8,213,300	45,331,800	12,383,100	17,905,900
Expenditures/Other Uses									
Current									
Community and Recreation	0	0	0	0	0	0	1,922,300	22,800	1,963,300
Community Development	0	0	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	25,933	317,400	447,700
Non-Departmental	0	0	24,645,900	0	4,999,600	0	458,200	694,200	468,000
Public Safety	0	0	0	149	0	0	815,687	232,000	691,600
Public Works	0	0	0	0	0	0	537,817	344,700	1,245,800
Utilities	0	0	0	0	0	0	86,337	50,300	16,500
Capital and Depreciation	0	0	0	0	0	0	47,683,651	7,220,300	15,485,400
Debt Service	0	0	0	7,585,200	7,842,300	8,033,600	0	0	0
Contingency	0	0	0	0	0	777,400	0	0	7,985,500
Transfer Out	0	0	0	9,469,000	3,818,100	0	16,937,200	9,171,000	0
Total Expenditures	0	0	24,645,900	17,054,349	16,660,000	8,811,000	68,467,125	18,052,700	28,303,800

* Any fund constituting greater than 10% of the total revenues or expenditures is detailed separately

Summary of Major* Revenues and Expenditures

	Permanent Funds			Enterprise Funds less Wastewater Operations			Enterprise Fund Wastewater Operations		
	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted
Revenue/Other Sources									
Sales Tax	0	0	0	0	0	0	0	0	0
State Shared	0	0	0	0	0	0	0	0	0
Charges for Services/Other	789	0	0	23,842,284	32,078,200	32,954,900	18,328,843	14,662,800	15,658,500
Property Tax	0	0	0	0	0	0	0	0	0
Franchise Fees	0	0	0	0	0	0	0	0	0
Transfer In	0	0	0	14,160,225	6,719,000	0	4,864,224	617,500	0
Total Revenue	789	0	0	38,002,509	38,797,200	32,954,900	23,193,067	15,280,300	15,658,500
Expenditures/Other Uses									
Current									
Community and Recreation	0	0	0	0	0	0	0	0	0
Community Development	0	0	0	0	0	0	0	0	0
General Government	0	0	0	0	25,500	77,400	0	6,800	10,700
Non-Departmental	0	0	97,900	0	0	0	0	0	0
Public Safety	0	0	0	0	0	0	0	0	0
Public Works	0	0	0	0	0	250,000	0	0	0
Utilities	0	0	0	18,343,964	13,291,400	22,672,500	8,132,465	8,208,200	10,522,800
Capital and Depreciation	0	0	0	1,756,167	19,171,600	9,256,800	3,981,552	809,500	7,116,800
Debt Service	0	0	0	0	0	94,600	0	0	11,766,200
Contingency	0	0	0	0	0	8,803,400	0	0	19,113,100
Transfer Out	0	0	0	20,664,849	3,470,400	566,200	2,732,800	1,197,000	473,600
Total Expenditures	0	0	97,900	40,764,979	35,958,900	41,720,900	14,846,817	10,221,500	49,003,200

* Any fund constituting greater than 10% of the total revenues or expenditures is detailed separately

Summary of Major* Revenues and Expenditures

	Internal Service Funds			Total - All Funds		
	FY2009 Actual	FY2010 Final	FY2011 Adopted	FY2009 Actual	FY2010 Final	FY2011 Adopted
Revenue/Other Sources						
Sales Tax	0	0	0	33,241,899	28,960,200	29,773,700
State Shared	0	0	0	29,050,072	26,230,100	23,472,800
Charges for Services/Other	1,652,030	1,769,300	9,816,300	73,662,739	76,548,800	124,148,800
Property Tax	0	0	0	9,589,624	10,727,600	11,065,400
Franchise Fees	0	0	0	4,073,771	4,868,100	4,499,300
Transfer In	0	0	0	66,194,397	31,335,400	4,080,700
Total Revenue	1,652,030	1,769,300	9,816,300	215,812,503	178,670,200	197,040,700
Expenditures/Other Uses						
Current						
Community and Recreation	0	0	0	17,733,980	12,657,100	14,786,400
Community Development	0	0	0	4,850,937	7,678,700	7,712,800
General Government	1,645,116	1,912,500	10,026,700	16,229,188	15,476,200	23,798,700
Non-Departmental	0	0	0	3,629,450	7,773,700	25,311,400
Public Safety	0	0	0	34,724,751	33,234,500	36,938,900
Public Works	0	0	0	14,745,092	16,213,700	17,217,200
Utilities	0	0	0	26,562,765	21,549,900	33,211,800
Capital and Depreciation	0	0	0	62,109,714	28,877,300	33,639,200
Debt Service	0	0	0	8,356,533	7,842,300	19,894,400
Contingency	0	164,300	1,431,500	0	164,300	43,944,100
Transfer Out	0	0	0	66,194,397	34,606,700	4,080,700
Total Expenditures	1,645,116	2,076,800	11,458,200	255,136,809	186,074,400	260,535,600

* Any fund constituting greater than 10% of the total revenues or expenditures is detailed separately

**Municipal Property Corporation Fund
Debt Service Payment
FY2011**

Series 2003	Amount
General Capital Fund	446,472
Police Development Fee Fund	464,897
Parks & Recreation Development Fee Fund	1,873,089
Fire & EMS Development Fee Fund	194,864
Sewer Development Fee Fund	1,757,279
Total Series 2003	4,736,601

Series 2007	Amount
Sewer Development Fee Fund	2,397,688
Total Series 2007	2,397,688

**Municipal Property Corporation Fund
Debt Service Schedule
Series 2003 - \$42,860,000**

Fiscal Year	Principal	Interest	Total
2011	2,925,000	1,811,601	4,736,601
2012	3,080,000	1,661,476	4,741,476
2013	3,240,000	1,527,776	4,767,776
2014	3,345,000	1,387,451	4,732,451
2015	3,515,000	1,215,951	4,730,951
2016	3,680,000	1,036,076	4,716,076
2017	3,875,000	847,201	4,722,201
2018	4,075,000	648,451	4,723,451
2019	4,280,000	460,976	4,740,976
2020	4,460,000	283,388	4,743,388
2021	4,640,000	95,700	4,735,700
Total	41,115,000	10,976,047	52,091,047

**Municipal Property Corporation Fund
Debt Service Schedule
Series 2007 - \$50,675,000**

Fiscal Year	Principal	Interest	Total
2011	-	2,397,688	2,397,688
2012	-	2,397,688	2,397,688
2013	-	2,397,688	2,397,688
2014	-	2,397,688	2,397,688
2015	4,675,000	2,298,344	6,973,344
2016	-	2,199,000	2,199,000
2017	-	2,199,000	2,199,000
2018	6,500,000	2,052,750	8,552,750
2019	-	1,906,500	1,906,500
2020	-	1,906,500	1,906,500
2021	-	1,906,500	1,906,500
2022	-	1,906,500	1,906,500
2023	14,500,000	1,565,750	16,065,750
2024	-	1,225,000	1,225,000
2025	-	1,225,000	1,225,000
2026	-	1,225,000	1,225,000
2027	-	1,225,000	1,225,000
2028	-	1,225,000	1,225,000
2029	-	1,225,000	1,225,000
2030	-	1,225,000	1,225,000
2031	-	1,225,000	1,225,000
2032	-	1,225,000	1,225,000
2033	25,000,000	612,500	25,612,500
Total	50,675,000	39,169,094	89,844,094

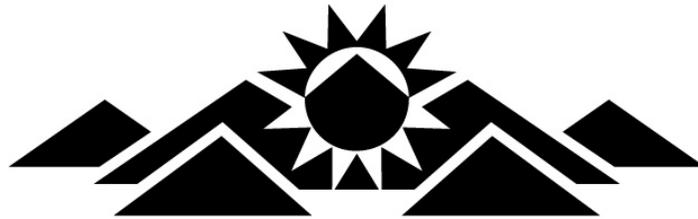
**Marley Park Community Facilities District
Debt Service Schedule
\$8,710,000**

Fiscal Year	Principal	Interest	Total
2011	175,000	496,032	671,032
2012	180,000	487,856	667,856
2013	190,000	479,070	669,070
2014	200,000	469,523	669,523
2015	210,000	459,210	669,210
2016	220,000	417,689	637,689
2017	230,000	436,311	666,311
2018	245,000	423,464	668,464
2019	255,000	409,275	664,275
2020	270,000	393,701	663,701
2021	290,000	376,846	666,846
2022	305,000	358,922	663,922
2023	325,000	339,944	664,944
2024	345,000	319,750	664,750
2025	365,000	298,024	663,024
2026	385,000	274,765	659,765
2027	410,000	250,044	660,044
2028	435,000	223,595	658,595
2029	465,000	195,325	660,325
2030	490,000	165,328	655,328
2031	525,000	133,428	658,428
2032	555,000	99,473	654,473
2033	590,000	63,063	653,063
2034	630,000	89,484	719,484
Total	8,290,000	7,660,121	15,950,121

**Water Infrastructure and Finance Authority
Debt Service Schedule
\$1,500,000**

Fiscal Year	Principal	Interest and Fee	Total
2011	61,735	32,799	94,534
2012	62,970	28,136	91,105
2013	64,229	26,864	91,093
2014	65,514	25,566	91,080
2015	66,824	24,243	91,067
2016	68,161	22,893	91,053
2017	69,524	21,516	91,040
2018	70,914	20,112	91,026
2019	72,333	18,679	91,012
2020	73,779	17,218	90,997
2021	75,255	15,728	90,983
2022	76,760	14,208	90,967
2023	78,295	12,657	90,952
2024	79,861	11,076	90,936
2025	81,458	9,462	90,920
2026	83,087	7,817	90,904
2027	84,749	6,139	90,888
2028	86,444	4,427	90,871
2029	88,173	2,680	90,853
2030	89,936	899	90,836
Total	1,500,000	323,118	1,823,118

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2011 Adopted Budget

**City of Surprise
Personnel Detail**

Mayor and Council

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Mayor	1	1	1	1
Vice Mayor	1	1	1	1
City Council	5	5	5	5
Executive Administrative Specialist	1	1	1	1
Total	8	8	8	8

City Manager's Office

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	0	0	1	1
Assistant City Manager	2	1	1	1
Assistant to the City Manager	0	0	0	0
City Manager	1	1	1	1
Department Director	1	0	0	0
Executive Administrative Specialist	2	2	1	1
Total	6	4	4	4

Intergovernmental Relations

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Department Director	1	1	1	1
Manager	1	1	1	1
Senior Analyst	0	0	0	1
Total	2	2	2	3

Communications

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Assistant Analyst	1	1	0	0
Communications Specialist	2	2	0	0
Department Director	1	1	1	1
Senior Communications Specialist	4	4	4	4
Part Time	0.4	0.5	2.2	2.2
Total	8.4	8.5	7.2	7.2

**City of Surprise
Personnel Detail**

City Attorney's Office

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	5	5	3	3
Analyst	0	1	1	1
Assistant Analyst	1	1	1	1
Assistant City Attorney I & II	3	3	1	1
Assistant City Attorney (Contract)	0	0	2	2
Assistant City Attorney III	1	1	1	1
City Attorney	1	1	1	1
Department Director	1	1	0	0
Deputy City Attorney	1	1	2	2
Executive Administrative Specialist	1	1	1	1
Program Coordinator	0	0	0	0
Total	14	15	13	13

City Clerk

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Assistant	1	1	1	1
Administrative Support Supervisor	2	2	1	1
Administrative Technician	1	1	1	1
City Clerk	1	1	1	1
Total	5	5	4	4

**Finance
General Fund**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	3	3	3	3
Accounting Supervisor	3	4	3	3
Administrative Specialist	1	1	1	1
Analyst	0	0	0	2
Buyer	0	1	1	1
Cashier	1	1	1	1
Department Director	1	1	1	1
Division Manager	2	1	1	2
Fiscal Support Assistant	2	2	2	2
Fiscal Support Specialist	5	5	5	5
Program Supervisor	0	0	0	0
Purchasing Supervisor	0	0	1	1
Purchasing Technician	0	1	1	1
Senior Accountant/Senior Tax Auditor	3	3	3	2
Senior Analyst	0	0	0	2
Senior Buyer/Contract Officer	0	1	1	1
Part Time	0.2	0.2	0.2	0.5
Total	21.2	24.2	24.2	28.5

**City of Surprise
Personnel Detail**

**Finance
Risk Management**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Division Manager	1	1	1	1
Program Supervisor	1	1	1	1
Total	2	2	2	2

Management and Budget

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Analyst	3	2	2	0
Buyer	1	0	0	0
Department Director	1	0	0	0
Division Manager	2	1	1	0
Program Supervisor	1	0	0	0
Purchasing Technician	1	0	0	0
Senior Analyst	3	2	2	0
Senior Buyer/Contract Officer	1	0	0	0
Total	13	5	5	0

Human Resources

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	1	0
Department Director	1	1	1	1
Division Manager	1	1	0	0
Human Resources Consultant	3	3	4	4
Human Resources Specialist	3	3	2	3
Senior Human Resources Consultant	2	1	1	1
Total	11	10	9	9

Information Technology

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	1	1
Chief Land Surveyor	1	1	1	1
Department Director	1	1	1	1
Division Manager	1	1	1	1
Information Technology Administrator	5	5	5	5
Information Technology Supervisor	1	1	1	1
Information Technology Technician	1	1	1	1
Manager	2	2	2	2
Program Coordinator	1	1	0	0
Program Manager	1	1	1	1
Senior IT Administrator	2	2	2	2
Senior IT Technician	6	6	6	6
Survey Specialist	1	0	0	0
Survey Technician	1	1	1	1
Total	25	24	23	23

**City of Surprise
Personnel Detail**

**Community Development
General Fund**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Assistant	2	2	2	2
Administrative Specialist	2	2	2	2
Administrative Support Supervisor	1	1	1	1
Assistant Department Director	0	0	1	1
Assistant Planner	0	0	0	0
Department Director	1	1	1	1
Division Manager	1	1	0	0
Economic Dev. Coordinator (Contract)	0	0	0	2
Fiscal Support Assistant	3	2	2	2
Fiscal Support Specialist	3	3	3	3
Inspector	6	6	5	5
Manager	1	1	0	1
Planner	5	5	5	5
Plans Examiner	2	2	4	4
Program Coordinator	1	0	0	1
Program Supervisor	1	1	1	1
Senior Analyst	0	0	0	0
Senior Inspector	4	4	4	4
Senior Planner	2	2	0	0
Senior Plans Examiner	1	0	0	0
Part Time	0.5	0.5	1	1
Total	36.5	33.5	32	36

**Community Development
Neighborhood Revitalization**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Program Coordinator	1	2	2	1
Total	1	2	2	1

Economic Development

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	1	0
Department Director	1	1	1	0
Program Manager	1	1	1	0
Recreation Coordinator	2	2	2	0
Part Time	0.7	0.7	0.7	0
Total	5.7	5.7	5.7	0

**City of Surprise
Personnel Detail**

Fire and Emergency Services

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	1	0	0
Administrative Support Supervisor	1	1	0	0
Administrative Technician	2	2	2	2
Assistant Department Director	2	2	2	2
Battalion Chief	4	4	4	4
Department Director	1	1	1	1
Division Manager	1	1	1	1
Fire Captain	25	25	25	25
Fire Engineer	24	24	24	24
Firefighter	54	54	54	54
Fiscal Support Specialist	1	1	0	0
Inspector	3	2	1	1
Maintenance & Operations Technician	1	1	1	1
Plans Examiner	1	1	0	0
Program Coordinator	0	0	1	1
Program Specialist	1	1	0	1
Program Supervisor	1	1	1	1
Senior Analyst	1	1	1	1
Service Worker/Groundskeeper	1	1	1	1
Total	125	124	119	120

Police

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	2	2	2
Administrative Support Supervisor	1	1	1	1
Administrative Technician	6	6	6	6
Analyst	1	1	1	1
Animal Control Officer	3	3	3	3
Assistant City Attorney I & II	0	0	1	1
Assistant Department Director	3	3	3	3
Community Services Officer	6	6	6	6
Department Director	1	1	1	1
Division Manager	5	5	6	6
Forensic Technician	1	1	1	1
Information Technology Administrator	1	1	1	1
Information Technology Technician	1	1	1	1
Manager	1	1	1	1
Police Officer	109	109	107	107
Police Sergeant	16	16	15	15
Program Coordinator	1	1	1	1
PS Communications Officer	19	19	19	19
PS Communications Supervisor	5	5	5	5
Senior Analyst	2	2	2	2
Senior Human Resources Consultant	0	0	1	1
Senior IT Administrator	1	1	1	1
Training Coordinator	1	1	1	1
Transportation Officer	2	2	2	2
Total	187	188	188	188

**City of Surprise
Personnel Detail**

City Court

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	1	1	1	1
Administrative Specialist	7	7	8	8
Administrative Support Supervisor	2	2	2	2
Administrative Technician	7	6	6	6
Assistant Analyst	1	1	0	0
Associate Judge	1	1	1	0
Division Manager	1	1	1	1
Executive Administrative Specialist	1	1	1	1
Presiding Judge	1	1	1	1
Program Manager	1	1	1	1
Part Time	0.3	0.8	0.8	1.1
Total	23.3	22.8	22.8	22.1

Community and Recreation Services

General Fund

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	3	3	3	3
Administrative Technician	2	2	2	2
Analyst	1	1	1	1
Department Director	1	1	1	1
Division Manager	4	4	4	6
Fiscal Support Supervisor	1	1	1	1
Maintenance & Operations Supervisor	1	1	0	2
Maintenance & Operations Technician	9	9	9	14
Manager	3	2	2	2
Program Assistant	0	0	0	0
Program Supervisor	2	2	1	1
Recreation Aide	1.8	1.8	1	1
Recreation Coordinator	7	7	6	6
Recreation Specialist	1	1	2	2
Recreation Supervisor	5	5	5	5
Sr Maintenance & Operations Technician	8	8	9	13
Service Worker/Groundskeeper	2	2	0	4
Part Time	34.6	26.2	25	33.2
Total	86.4	77	72	97.2

Community and Recreation Services

Campus Operations

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Division Manager	2	2	2	0
Maintenance & Operations Supervisor	2	2	2	0
Maintenance & Operations Technician	5	5	5	0
Sr Maintenance & Operations Technician	5	4	4	0
Service Worker/Groundskeeper	6	6	4	0
Part Time	10.6	5.6	5.6	0
Total	30.6	24.6	22.6	0

**City of Surprise
Personnel Detail**

**Public Works
General Fund**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	3	3	3	3
Associate Civil Engineer	1	1	1	1
Civil Engineer	1	2	2	2
Civil Engineering Supervisor	1	1	1	1
Department Director	1	1	1	1
Division Manager	5	5	4	4
Fiscal Support Specialist	1	1	1	1
Information Technology Administrator	1	1	1	1
Inspector	1	1	1	1
Maintenance & Operations Specialist	9	9	9	9
Maintenance & Operations Supervisor	3	3	2	2
Maintenance & Operations Technician	1	1	1	1
Manager	1	0	0	0
Project Associate	1	0	0	0
Project Manager	3	2	1	1
Senior Civil Engineer	0	1	1	1
Senior Inspector	2	2	1	1
Sr Maintenance & Operations Technician	8	8	8	8
Service Worker/Groundskeeper	6	6	6	6
Utilities Analyst	1	1	1	1
Total	50	49	45	45

**Transportation
Highway Users Revenue Fund**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	2	0	0	0
Assistant Department Director	0	0	0	0
Associate Civil Engineer	2	0	0	0
Civil Engineer	1	0	0	0
Civil Engineering Supervisor	0	0	0	0
Department Director	1	0	0	0
Division Manager	1	0	0	0
Maintenance & Operations Specialist	2	0	0	0
Maintenance & Operations Supervisor	1	0	0	0
Maintenance & Operations Technician	2	0	0	0
Program Coordinator	1	0	0	0
Program Supervisor	0	0	0	0
Project Manager	0	0	0	0
Senior Civil Engineer	1	0	0	0
Sr Maintenance & Operations Technician	3	0	0	0
Senior Planner	1	0	0	0
Service Worker/Groundskeeper	2	0	0	0
Total	20	0	0	0

**City of Surprise
Personnel Detail**

**Public Works
Highway Users Revenue Fund**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Administrative Specialist	1	3	3	3
Assistant Department Director	0	0	1	1
Associate Civil Engineer	0	2	0	0
Civil Engineer	0	0	0	0
Civil Engineering Supervisor	0	0	1	1
Department Director	0	1	0	0
Division Manager	1	2	1	1
Maintenance & Operations Specialist	0	2	2	2
Maintenance & Operations Supervisor	3	4	4	3
Maintenance & Operations Technician	13	14	14	11
Program Coordinator	1	2	2	2
Program Supervisor	0	0	1	1
Project Manager	0	0	0	0
Senior Civil Engineer	0	0	0	0
Sr Maintenance & Operations Technician	6	8	8	8
Senior Planner	0	1	1	1
Service Worker/Groundskeeper	7	7	7	7
Total	32	46	45	41

**Public Works
Transit**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Division Manager	1	0	0	0
Program Assistant	8	8	8	8
Program Supervisor	1	1	1	1
Part Time	1.1	1.1	1.1	1.1
Total	11.1	10.1	10.1	10.1

**Public Works
Water**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	0.33	0.33	0.33	0.34
Administrative Technician	2	2	2	2
Analyst	1	1	1	1
Division Manager	1	1	1	1
Information Technology Administrator	1	1	1	1
Inspector	1	1	1	1
Lead Utility Technician	2	2	2	2
Maintenance & Operations Specialist	1	1	1	1
Maintenance & Operations Supervisor	1	1	1	2
Maintenance & Operations Technician	4	4	3	3
Manager	1	1	1	1
Project Manager	2	2	2	2
Senior Accountant/Senior Tax Auditor	0	0	0	0.33
Sr Maintenance & Operations Technician	3	3	3	3
Senior Utilities Technician	3	3	3	3
Utilities Analyst	5	5	5	5
Utilities Supervisor	1	1	1	1
Utilities Technician	2	2	3	3
Total	31.33	31.33	31.33	32.67

**City of Surprise
Personnel Detail**

**Public Works
Wastewater**

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	0.33	0.33	0.33	0.33
Administrative Specialist	1	1	1	1
Administrative Technician	3	3	3	3
Assistant Department Director	1	1	1	1
Division Manager	3	3	3	3
Lead Utility Technician	2	2	2	2
Maintenance & Operations Specialist	3	3	3	3
Maintenance & Operations Supervisor	2	2	3	2
Maintenance & Operations Technician Manager	1	1	2	3
Project Manager	1	1	1	1
Senior Accountant/Senior Tax Auditor	0	0	0	0.34
Sr Maintenance & Operations Technician	5	5	5	5
Senior Project Manager	1	1	1	1
Senior Utilities Technician	3	3	3	3
Service Worker/Groundskeeper	2	2	2	2
Utilities Analyst	1	1	1	1
Utilities Supervisor	2	2	1	1
Utilities Technician	6	6	5	5
Part Time	0.7	1	1	0
Total	39.03	39.33	39.33	38.67

**Public Works
Sanitation**

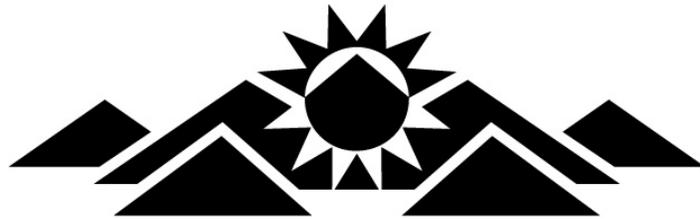
	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Accountant/Tax Auditor	0.34	0.34	0.34	0.33
Administrative Assistant	1	1	0	0
Administrative Technician	1	1	2	2
Division Manager	1	1	1	1
Maintenance & Operations Supervisor	2	2	2	2
Maintenance & Operations Technician	20	20	20	20
Senior Accountant/Senior Tax Auditor	0	0	0	0.33
Sr Maintenance & Operations Technician	3	3	3	3
Service Worker/Groundskeeper	4	4	4	4
Total	32.34	32.34	32.34	32.66

PW - Stormwater Utility

	FY2009 Actual	FY2010 Adopted	FY2010 Amended	FY2011 Adopted
Personnel				
Maintenance & Operations Supervisor	0	0	0	1
Maintenance & Operations Technician	0	0	0	3
Total	0	0	0	4

Grand Total	826.9	793.4	768.6	770.1
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City of Surprise, Arizona



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FY2011 Adopted Budget

Capital Improvement Operating Costs

FY2012-2016

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 Dove Valley Parkway (163rd to 179th). The \$58,600 operational cost is calculated using square yards and a per square yard cost of the annual pavement maintenance of an arterial roadway. The upgrade is to be completed in fiscal year 2012 with ongoing annual operational costs beginning in FY2013. Each following year, an amount of \$58,600 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.

GENERAL CAPITAL FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
PW - TE General					
Dove Valley Parkway (163rd to 179th)	-	58,600	58,600	58,600	58,600
Jerry Street Flood Drainage	1,500	1,500	1,500	1,500	1,500
Paving Settlement West of 219th Avenue	220,100	220,100	220,100	220,100	220,100
Total - GENERAL CAPITAL FUND	221,600	280,200	280,200	280,200	280,200

PUBLIC WORKS DEV FEE FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Transportation - TE Signals					
Traffic Signals	3,600	7,200	10,800	14,400	18,000
Total - PUBLIC WORKS DEVELOPMENT FEE FUND	3,600	7,200	10,800	14,400	18,000

TRANSPORTATION IMPROVEMENT

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
PW - Project Management					
Park and Ride	38,100	38,100	38,100	38,100	38,100
Transportation - TE General					
Greenway Road (Litchfield Road to Bullard Avenue)	-	53,300	53,300	53,300	53,300
Total - TRANSPORTATION IMPROVEMENT	38,100	91,400	91,400	91,400	91,400

Capital Improvement Operating Costs

FY2012-2016

WATER OPERATIONS FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Water Services - Water Operations					
SPA 1 Ashton Ranch WSF - Chlorine Upgrade	-	-	-	74,000	74,000
SPA 1 Ashton Ranch WSF Integration Upgrades	-	-	20,000	20,000	20,000
SPA 1 Mountain Vista Well #2	-	248,900	248,900	248,900	248,900
SPA 2 Desert Oasis WSF - Arsenic Treatment	-	-	227,800	227,800	227,800
Water Quality EPA Grant	28,200	28,200	28,200	28,200	28,200
<hr/>					
Total - WATER OPERATIONS FUND	28,200	277,100	524,900	598,900	598,900
<hr/>					

WATER DEV FEE FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Water Services - Water Operations					
SPA 1 Mountain Gate/Kenly Well	-	-	-	-	248,900
<hr/>					
Total - WATER SYSTEM DEVELOPMENT FEE FUND	-	-	-	-	248,900
<hr/>					

REPLENISHMENT DEV FEE FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Water Services - Replenishment					
SPA 1 Effluent Storage Reservoir Covers	-	-	-	-	4,600
<hr/>					
Total - REPLENISHMENT DEVELOPMENT FEE FUND	-	-	-	-	4,600
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Capital Improvement Operating Costs

FY2012-2016

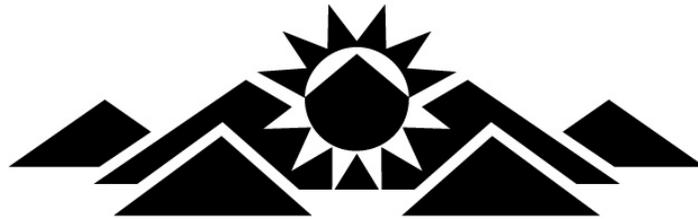
SEWER OPERATIONS FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Water Services - Sewer Operations					
Cortessa Wet Well Re-Coating	-	-	300	300	300
Sewer Relocations at the Loop 303 - ADOT	500	500	500	500	500
SPA 1 Fire Protection Upgrade @ South Plant	-	-	-	-	900
SPA 2 163rd Avenue Sanitary Sewer Interceptor-Phase 1	1,900	1,900	1,900	1,900	1,900
<hr/>					
Total - SEWER OPERATIONS FUND	2,400	2,400	2,700	2,700	3,600
<hr/>					

SEWER DEV FEE FUND

<u>Project Name</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Water Services - Sewer Operations					
Additional Chlorine Generation Unit	-	-	17,400	17,400	17,400
Disinfection Byproduct Reduction	-	107,000	107,000	107,000	107,000
Greenway Road Improvements - Sewer Line	-	-	600	600	600
SPA 1 Installation of Centrifuges	-	-	-	-	490,400
SPA 2 WRF Initial Capacity - 2 MGD	1,137,400	1,137,400	1,137,400	1,137,400	1,137,400
<hr/>					
Total - SEWER DEVELOPMENT FEE FUND	1,137,400	1,244,400	1,262,400	1,262,400	1,752,800
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City of Surprise, Arizona



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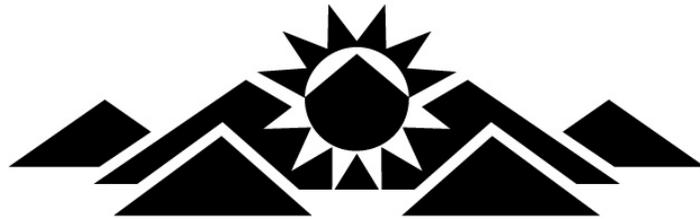
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Capital Improvement Plan Acronyms

ADA	Americans with Disabilities Act
ADOT	Arizona Department of Transportation
AVL	Automatic Vehicle Locator
C & R	Community and Recreation
CAP	Central Arizona Project
CAWCD	Central Arizona Water Conservation District
CCTV	Closed Circuit Television
CIP	Capital Improvement Plan
CMAQ	Congestion Mitigation in Air Quality
CRS	Community and Recreation Services
DVR	Digital Vehicle Repeater
EMS	Emergency Medical Services
EPA	Environmental Protection Agency
FFE	Furniture, Fixtures, and Equipment
FY	Fiscal Year
GPM	Gallons per Minute
IS	Information Systems
IT	Information Technology
ITS	Intelligent Transportation System
MAG	Maricopa Association of Governments
MCDOT	Maricopa County Department of Transportation
MCT	Mobile Computer Terminals
MGD	Million Gallons per Day
Mhz	Megahertz
PLC	Programmable Logic Controller
PM	Particulate Matter
PW	Public Works
RTP	Regional Transportation Plan
SCADA	Supervisory Control and Data Acquisition
SPA	Special Planning Area
SR	State Route
TE	Traffic Engineering
TTHM	Trihalomethanes
WRF	Water Reclamation Facility
WSF	Water Supply Facility

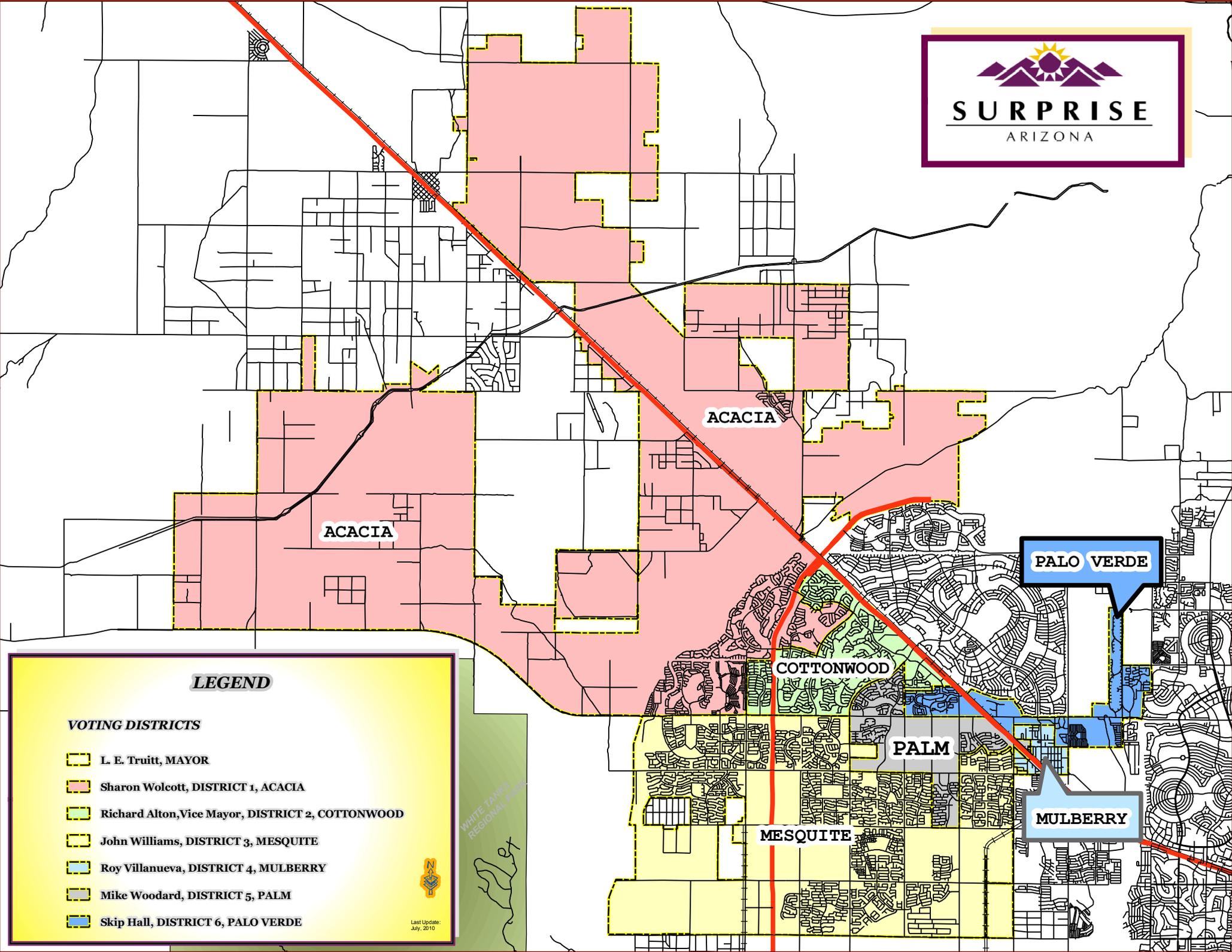
City of Surprise, Arizona



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LEGEND

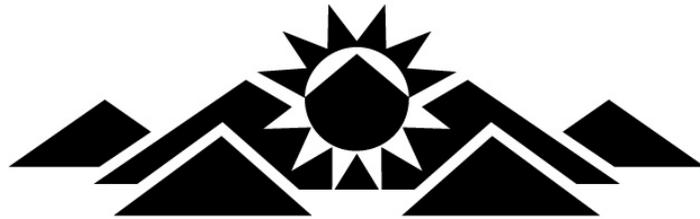
VOTING DISTRICTS

-  L. E. Truitt, MAYOR
-  Sharon Wolcott, DISTRICT 1, ACACIA
-  Richard Alton, Vice Mayor, DISTRICT 2, COTTONWOOD
-  John Williams, DISTRICT 3, MESQUITE
-  Roy Villanueva, DISTRICT 4, MULBERRY
-  Mike Woodard, DISTRICT 5, PALM
-  Skip Hall, DISTRICT 6, PALO VERDE

Last Update:
July, 2010



City of Surprise, Arizona

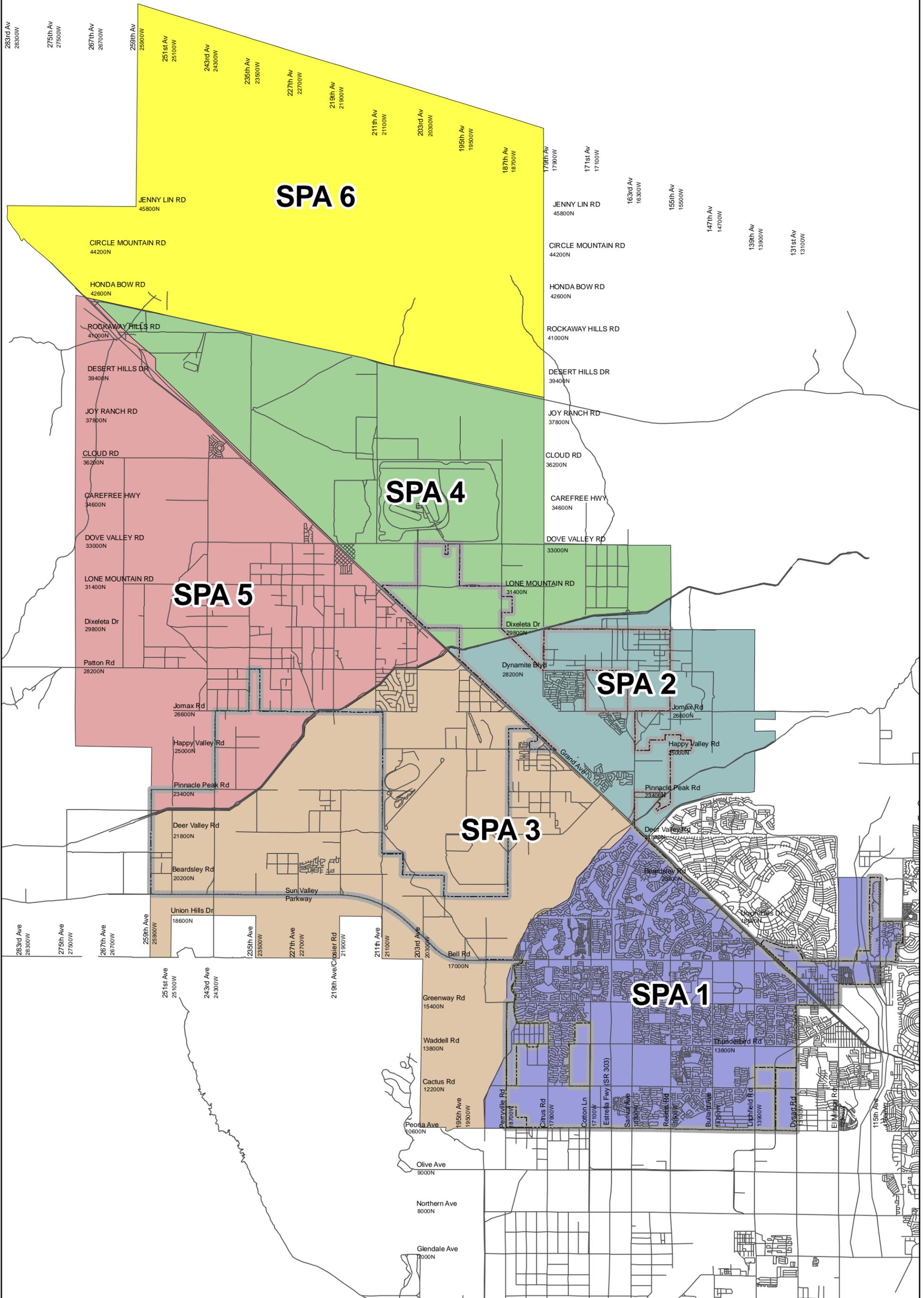


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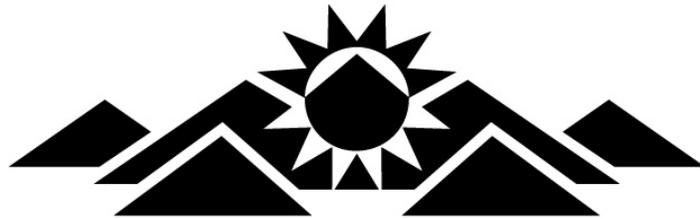
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Special Planning Area Map



City of Surprise, Arizona



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FY2011 Adopted Budget



Glossary

Accrual Basis	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
Adoption	Formal action by the Mayor and Council that sets the spending limits for the fiscal year.
Appropriation	Specific amount of monies authorized by the Mayor and Council for the purposes of incurring obligations and acquiring goods and services.
Assessed Valuation	A value set upon real property by the County Assessor for the purpose of levying property taxes.
Automatic Aid	In emergency services, mutual aid (automatic aid) is an agreement among emergency responders to lend assistance across jurisdictional boundaries. Resources are dispatched by the nearest fire apparatus, regardless of which side of the jurisdictional boundary the incident is located.
AZ TechCelerator	A four building, nearly 60,000 square feet campus, serving as a business incubator. Designed to grow businesses by providing affordable space, tools and resources.
Base Budget	The ongoing expense for personnel, contractual services, commodities, to maintain service levels.
Bonds	A certificate of debt guaranteeing a payment of a specified amount of money by a specified future date.
Budget	Financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving Mayor and Council goals and objectives.
Capital Items	Any item with a purchase price exceeding \$2,500.
Capital Projects Budget	The expenditures of revenues for major capital projects and items such as city buildings, parks, acquisition of land, major street construction, and reconstruction, water and sewer lines, and any other project which adds to the capital assets or infrastructure of the city.
Cash Basis	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
CFD	Community Facility District – A special assessment district established by the Mayor and Council to levy taxes to pay for new infrastructure improvements associated with growth.
CIP	Capital Improvement Plan
Contingency	Monies which have not been allocated to any specific purpose and may only be utilized after receiving Mayor and Council approval.
Capital Project Funds	These funds account for resources providing for the acquisition or construction of all capital facilities and items.

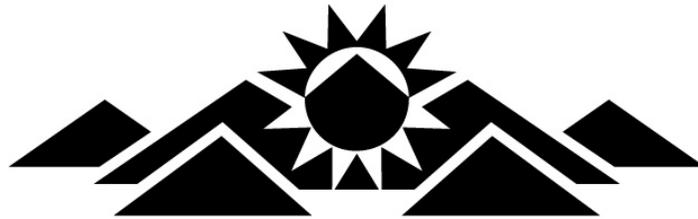
Debt Service	Principal and interest payments on borrowed funds such as bonds.
Debt Service Funds	Used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, and interest.
Encumbrance	Accounting concept that recognizes a commitment to expend resources in the future.
Enterprise Fund	Used to account for the business-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.
Estimated Revenue	The amount of projected revenue to be collected during the fiscal year.
Expenditure	Represents a decrease in fund resources for the acquisition of goods or services.
Expenditure Limitation	An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission sets the limit based upon population growth and inflation. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received. Surprise citizens have approved the Home Rule Option since the inception of the expenditure limitation.
FTE	Full Time Equivalent – Represents a conversion of hours worked to a count of positions. 2,080 hours worked annually equates to 1.0 full time equivalent position. The 2,080 hours may represent a single individual working 40 hours per week or the sum of two part time employees each working 20 hours per week.
Fiscal Year	Any period of twelve consecutive months that establishes the beginning and the ending of financial transactions. For the city of Surprise this period begins July 1 and ends June 30.
Fund	A set of self-balancing accounts that record revenues and expenditures associated with specific activities.
Fund Balance	Carry over funds due to actual revenues exceeding actual expenditures.
GAAP	Generally Accepted Accounting Principles - A collection of rules, procedures, and conventions that define accepted accounting practice; includes broad guidelines as well as detailed procedures.
General Fund	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.
GFOA	Government Finance Officers Association - The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, and leadership

G.O. Bond	General Obligation Bond - A bond on which the issuer guarantees the repayment of principal and interest. It is a pledge of unlimited taxing power.
Goal	A statement of broad direction, purpose, or intent on the needs of the community. A goal is general and timeless.
Grant	A contribution by the state or federal government or other organization to support a particular function.
HURF	Highway Users Revenue Fund - This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes.
ICMA CPM	International City/County Management Association, Center for Performance Measurement - A results-oriented system that allows local governments to: 1) set appropriate targets and assess whether they are being met, 2) distinguish success from failure, 3) highlight accomplishments, and 4) demonstrate results to win support.
Infrastructure	The large-scale public systems, services, and facilities that are necessary for economic activity, including power and water supplies, public transportation, telecommunication, and roads.
Intergovernmental Revenue (Shared)	Revenue received from other governmental agencies (e.g., state sales tax, state income tax, gasoline tax, motor vehicle license)
Internal Service Funds	Used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, on a cost-reimbursement basis.
Long Term Debt	Debt with a maturity of more than one year after the date of issuance.
LTAF	Local Transportation Assistance Fund—State lottery funds shared with cities for the purposes of transportation and transit. Also included in this funding source is LTAF II which are grants distributed to cities when and if all other funding requirements of state lottery funds are met.
M&O	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.
Management Indicators	A measurable means of evaluating impact of budget on achieving stated objects.
MGD	Millions of Gallons per Day - a rate of flow of water equal to 133,680.56 cubic feet per day, or 1.5472 cubic feet per second, or 3.0689 acre-feet per day. A flow of one million gallons per day for one year equals 1,120 acre-feet (365 million gallons).
MPC	Municipal Property Corporation - A non-profit corporation established for issuing debt to purchase municipal facilities and equipment that it leases to the city.

Objectives	A desired outcome that is measurable and that can be achieved within a specific period.
Operating Budget	A budget for the delivery of ongoing city services, to include expenditures such as personal services, contractual services, commodities, and operating capital items.
Performance Indicators	Statistical information that denotes the demands for services within a department/division.
PPE	Personal Protective Equipment - refers to protective clothing, helmets, goggles, or other garment designed to protect the wearer's body from injury by blunt impacts, electrical hazards, heat, chemicals, and infection, for job-related occupational safety and health purposes.
Primary Property Tax	A limited tax levy used for general government operations. State statute restricts the total levy to a 2% annual increase plus an increase for any new construction and / or annexation.
Pro Tempore (Pro Tem) Judge	A pro tempore judge is a judge who serves or expects to serve once or only sporadically on a part-time basis under a separate appointment for each period of service.
Property Tax Rate	The amount of tax levied for each \$100 of assessed valuation.
Reserves	Money that has been set aside in the event of revenue shortfalls.
Resources	Total monies available for appropriation purposes to include revenues, fund balances, transfers, and other financing services (i.e. bond proceeds).
Revenue Bond	Bonds that are backed by revenues from a specific system (i.e. Water and Sewer Revenue Bonds are payable from water and sewer revenues).
Revenue	Resources achieved from taxes, user charges/fees, and other levels of government.
ROW	Right of Way - A general term denoting land, property, or interest therein, usually in a strip, acquired for or devoted to transportation purposes.
RPTA	Regional Public Transportation Authority - The Arizona Legislature passed a law enabling the citizens of Maricopa County to vote in 1985 on a sales tax increase to fund regional freeway improvements and to provide for the creation of the Regional Public Transportation Authority.
SCBA	Self-Contained Breathing Apparatus - An atmosphere-supplying respirator for which the breathing air source is designed to be carried by the user.
SPA	Special Planning Area - Designated areas within a city of Surprise planning area designed to ensure that land resources are utilized efficiently and that the community's long-term development needs are addressed. The goal of each SPA is to ensure a balanced mix of land uses, adequate support resources, proper ratio of people to jobs, and an efficient and effective multi-modal transportation network. There are five SPAs in the city of Surprise.

Secondary Property Tax	Voter approved tax levy which can only be used to retire general bonded debt obligations.
Special Revenue Funds	Used to record the receipt of funding from specific revenue sources (other than special assessments, trusts, or major capital projects) which are legally restricted to expenditure for specific purposes.
SLID	Streetlight Improvement District - Special taxing district established to pay the costs of electricity associated with streetlights within a specific subdivision. Tax rate is limited to a maximum of \$1.20 per \$100 of assessed value.
SPM	Street Preservation and Maintenance Program - Road preservation for all city streets including repair, crack sealing, fog seal with seal master, mill and overlay, and reconstruction.
Tax Levy	The total amount to be raised by general property taxes for purposes specified in the Tax Levy ordinance.
Transfer	An inter-fund transaction where one fund contributes resources to another fund where the resources are expended.
Trust Fund	Used to account for resources held by the city as a trustee for a private party such as volunteer firemen's pension boards.
Turn key	Supplied, installed, or purchased in a condition ready for immediate use, occupation, or operation.

City of Surprise, Arizona



SURPRISE

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FY2011 Adopted Budget



FINANCE DEPARTMENT

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Surprise, AZ 85374-7470

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623.222.1801 fax

