

# TOWN OF QUEEN CREEK, ARIZONA

ADOPTED BUDGET | FISCAL YEAR 2018-2019



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- **Bookmarks** for major sections are provided in the navigation pane on the left. Click on the bookmark to jump directly to that section.
  - If a “+” sign is at the left of a bookmark, click on the “+” to bring up subheadings.
- All pages are linked to the **Table of Contents**. To jump to a specific page or subsections from the Table of Contents, put the pointer finger on the title or page number within and click the mouse.
  - Click the “**Table of Contents**” blue text located at the top right hand corner of any page or click the Table of Contents bookmark on the left to return to the Table of Contents at any time. *(This feature may not work with all internet browsers and/or PDF viewers/readers. Google Chrome, Internet Explorer and Adobe Reader will provide optimal interactivity.)*
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**Town of Queen Creek  
Arizona**

For the Fiscal Year Beginning

**July 1, 2017**

*Christopher P. Morill*

Executive Director



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# TOWN OF QUEEN CREEK ARIZONA

July 1, 2018

Honorable Mayor and Town Council,

The Fiscal Year 2018/19 Adopted Budget is balanced, and allocates resources consistent with the needs of a growing community. It was developed in accordance with the Council's strategic priorities identified in the Corporate Strategic Plan. Queen Creek is the fastest growing community in Arizona since 2010. The Fiscal Year 2018/19 budget allocates resources to best meet the needs of our growing community. The budget totals \$251.9M. Consistent with the needs of our growing community and the Council's priorities, the adopted budget includes increases for Public Safety, including a new Fire Station (Queen Creek's 4<sup>th</sup> station), as well as an increase in the Maricopa County Sheriff's budget to accommodate up to one full additional beat. During Fiscal Year 2017/18, the Town annexed a little over two square miles, including our largest population ever annexed of approximately 5,000 new residents in Ironwood Crossing master planned community. Also, the Town annexed Banner Ironwood Hospital, as well as land where a new Earnhardt Auto Center is under construction, representing the Town's first auto dealership.

## **Budget Format**

This year's document format is the same as last year's. The budget document is divided into the following sections: Introduction and Community Overview, Organizational Planning, Structure, Budget Development Overview, with Revenue and Expenditure Assumptions; Program Budgets by Department, Capital and Development Funds, Current Debt Information (with Schedules) and lastly an appendix with glossary and approved positions.

## **Budget Overview**

The following guiding principles, sources of information and key issues shaped the Fiscal Year 2018/19 budget:

- **Prioritization of Resources.** The adopted budget uses the corporate strategic plan to prioritize its allocation of resources. Guidance to the organization is found within our strategic priorities adopted by the Town Council as follows:
  - Effective Government;
  - Safe Community;
  - Secure Future;
  - Superior Infrastructure; and
  - Quality Lifestyle.
- **The Economy.** The national and State of Arizona's economies continue a steady improvement.
- **Population Growth and Commercial Investment.** The Town has seen significant residential and commercial growth in the last several years, especially related to annexations as previously mentioned. We expect that growth to continue. Developing plans to deal with an increasing residential and business population is critical to ensure both operational and infrastructure needs are met.
- **Maintain a Balanced Five-Year Operating Budget.** The five-year plan remains balanced; reflecting increased revenues and expenses based on population growth and new commercial development.

## Budget Highlights

The following are the highlights of the Fiscal Year 2018/19 Budget.

- Increased Public Safety Staffing. To maintain Public Safety levels of service in light of population growth (including annexations), the Fiscal Year 2018/19 budget includes the construction and staffing of a new fire station, as well as accommodating up to one full additional service beat provided by the Maricopa County Sheriff's Office.
- Unfunded Pension Liability Reserves. The annual portion of the pension costs in the Maricopa County Sheriff's Office contract that are attributed to the unfunded pension liability with Public Safety Pension Retirement System will be funded from the reserve specifically created for this purpose. This alleviates current revenues from having to cover that portion of the expense, approximately \$1.2M annually. As compared to other more mature communities within our region, we believe Queen Creek has a unique opportunity to address this outstanding liability now, when our options for doing so are greatest.
- Utility Resources Dedicated to Public Safety. New, annual dedicated revenues of \$2.5M for Public Safety are coming from the Town's Water and Wastewater Utilities, in the form of franchise fees, in-lieu property taxes and a return on investment. These are costs the Utilities pay "as if" they were privately owned and operated.
- Central Arizona Groundwater Replenishment District Credits. The Town Council adopted a policy to allocate these credits on an annual basis, saving property owners within the district an aggregate \$900K.
- Comprehensive Capital Improvement Plan (CIP). As a growing community, the need for new infrastructure for transportation and utilities is a priority. Resources are budgeted to build such infrastructure, as well as continue planning for future infrastructure needs. Contingency allocations have been included to ensure we have the authority to meet the dynamic environment's infrastructure needs. The Fiscal Year 2018/19 budget acknowledges the critical nexus infrastructure plays in increasing opportunities for private sector investment within the community. In addition, \$22M is allocated in order to enter into agreements with our neighboring communities to address north/south roadway issues coming into and out of our Town.
- Street Infrastructure Funding. The original \$6.5M placeholder that was previously created has now been fully allocated to funding new streets.
- Maintain Quality of Streets. Resources have been added to increase the funding for routine maintenance and repair as a result of new streets being added to the system. A robust pavement management program continues to be funded.
- Additional Staffing. Based on 5-year staffing plans submitted by each department, Fiscal Year 2018/19 includes resources for an additional 35.4 FTEs, which represents a 14% increase in staffing. In addition, the budget includes an increase in seasonal recreation staffing hours (0.37 FTE, or 780 hours). Two of the major drivers of the increase in staffing are the new fire station mentioned above (13.0 FTE), as well as the opening of Mansel Carter Oasis Park (5.4 FTEs). Staffing increases pending the results of a Water Operations study are also included in the budget at 10.0 FTE. These staffing increases are strategic and tied directly to the needs of the growing community. None of the staffing increases represent new programs or services, but expansion of services and infrastructure and represent the complexity of the organization, expanding infrastructure within the community and sophistication of our services provided.
- Employee Compensation. Resources have been allocated to fund employee merit and market increases consistent with our 2014 adopted compensation plan and the fire step program approved in Fiscal Year 2015/16.

- Healthcare Costs. The Town has a very active wellness program, which is a positive factor in addressing healthcare costs for both the Town and our employees. After three consecutive years of no premium increases, the Fiscal Year 2018/19 budget includes a 4% increase in major medical premiums on the employer side. When taken into context over a four-year cycle, the increase in premiums will be absorbed by the organization; therefore, there is no change in individual employee premiums. In addition, dental costs have decreased for Fiscal Year 2018/19.

## Acknowledgements

The Town Council's guidance and support has been instrumental in the development of the Fiscal Year 2018/19 Budget. Special thanks to our Town Council Budget Committee for their diligent and time-consuming work on this year's budget: Council Member Robin Benning, Chair and Council Members Jake Hoffman and Dawn Oliphant. Also the staff in the Finance Department, in particular Scott McCarty, Finance Director and Gloria Moore, Budget Administrator, and our department directors, Human Resources Department staff, and every employee of the Town for their tireless work effort, commitment to our "one-town, one-team" cooperative spirit that led to creative solutions which made this year's budget process a success.

Respectfully,

A handwritten signature in black ink, appearing to read "John Kross". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

John Kross, ICMA-CM  
Town Manager



# Introduction and Community Overview

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- Town Council Profiles
- Community Profile
- Queen Creek Demographics





# Queen Creek Town Council

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**Gail Barney, Mayor**

Term: December 2014 – January 2019

[gail.barney@queencreek.org](mailto:gail.barney@queencreek.org)

Gail Barney was appointed to fill a vacancy on the Town Council in January 2002 and was elected Mayor in June 2010 and again in November 2014. He served on the Planning & Zoning Commission from 1998 to 2002. As Mayor, he represents Queen Creek on the Maricopa Association of Governments (MAG) Regional Council, on **MAG's Executive Committee and Economic Development Committee**, the Phoenix-Mesa Gateway Airport Authority Board of Directors, as Chair of the Maricopa/Northern Pinal Gateway Alliance and represents the Town Council on the Queen Creek Public Safety Retirement Board.

Mayor Barney earned an associate degree from Mesa Community College and a Bachelor of Science from Arizona State University. He is an Eagle Scout and a 2011 graduate of the Town's Citizen Leadership Institute. A lifelong Queen Creek resident, he operates his family farm in the community.

#### *Current Committee Appointments*

- Queen Creek Public Safety Retirement Board, Chair
- Arizona Municipal Tax Code Commission
- East Valley Partnership Aviation & Aerospace Committee
- Maricopa Association of Governments – Regional Council; Executive Committee; Economic Development Committee
- Maricopa/Northern Pinal Governmental Alliance, Chair
- Municipal Tax Code Commission
- Phoenix-Mesa Gateway Airport Authority, Board of Directors
- Pinal County Government Alliance





# Queen Creek Town Council

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**Emilena Turley, Vice Mayor**

Term: December 2014 – January 2019  
[emilena.turley@queencreek.org](mailto:emilena.turley@queencreek.org)

Emilena Turley was elected to the Town Council in November 2014. Vice Mayor Turley was born in Chandler, Arizona, and graduated from Mountain View High School in Mesa. She attended Phoenix College and received an AAS in Legal Secretarial Studies. Vice Mayor Turley is presently an independent paralegal working in the East Valley. She currently serves on the Queen Creek Chamber of Commerce Education Committee.

Vice Mayor Turley and her husband Aaron, a software engineer, have eight children. She and her family moved to Queen Creek in 2010 because they love the small town feel and tight-knit sense of community it offers.

#### *Current Committee Appointments*

- Economic Development Commission
- Municipal Arts Commission (alternate)
- Transportation Advisory Committee
- Council Liaison to the Schools



# Queen Creek Town Council

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Robin Benning, Council Member

Term: January 2017 – January 2021

[robin.benning@queencreek.org](mailto:robin.benning@queencreek.org)

Robin Benning was appointed to the Town Council in November of 2009 and was elected in 2012. He won re-election in 2016. Council Member Benning is a graduate of Queen Creek's Citizen Leadership Institute.

Council Member Benning has worked in Queen Creek as an architect since 1997 and moved here with his wife and two children in 2004. He earned a Bachelor of Arts in Architecture from the University of New Mexico, and his **Master's degree at Arizona State University's Urban and Environmental Planning program.**

#### *Current Committee Appointments*

- Budget Committee, Chair
- Central Arizona Association of Governments Regional Council, Chair & Primary
- Parks & Recreation Advisory Committee
- Pinal County Alliance
- Pinal Partnership
- League Transportation, Infrastructure & Public Works (alternate)
- Sun Corridor MPO



# Queen Creek Town Council

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**Jeff Brown, Council Member**

Term: January 2017 – January 2021  
[jeff.brown@queencreek.org](mailto:jeff.brown@queencreek.org)

Jeff Brown was first elected to the Town Council in 2008 and re-elected in 2012 and 2016. Council Member Brown has served as the Vice Chair of the Budget Committee and represented Queen Creek on the Board of Directors of the East Valley Partnership in recent years. He previously served as Vice Chair of the Central Arizona Governments (CAG) Pinal Transportation Policy Committee.

Before seeking elected office, Council Member Brown served on the Planning & Zoning Commission from 2006 to 2008. He also served as Chair of the Transportation Advisory Committee, on the Design Guideline Steering Committee and as a member of the Finance Review Task Force. Council Member Brown is a 2003 graduate of the Queen Creek Leadership Institute, and completed the Community Emergency Response Team (CERT) training course in 2007. He serves as squad leader for the Southeast Queen Creek CERT sector.

Council Member Brown and his family have lived in Queen Creek since 2002. He is self-employed, focusing on professional consulting services and real estate investments as the owner of JBQC Investments LLC and 50 percent owner of Kneadmor Cowbell LLC.

#### *Current Committee Appointments*

- Transportation Advisory Committee
- East Valley Partnership Transportation Advisory Committee
- League General Administration, Human Resources and Elections Policy Committee
- League Transportation, Infrastructure & Public Works Committee
- **Greater Phoenix Economic Council (as Mayor's representative)**
- Pinal County Alliance (alternate)



# Queen Creek Town Council

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**Jake Hoffman, Councilman**

Term: January 2017 – January 2021  
[jake.hoffman@queencreek.org](mailto:jake.hoffman@queencreek.org)

Jake Hoffman was elected to the Town Council in November 2016. Councilman Hoffman has previously served the residents of Queen Creek as an elected member of the Higley Unified School District Governing Board and currently serves as the Vice Chairman for the local Republican Party.

Councilman Hoffman is committed to making our community the most prosperous place to do business and the most enjoyable place to call home in Arizona. Doing so will improve the lives of every man, woman and child, as well as, every business owner—from large to small—in our town. Councilman Hoffman is passionate about transportation and infrastructure issues, economic development, debt reduction, deregulation and creating leaner, smarter government.

Councilman Hoffman holds a Master of Business Administration in Management and a Bachelor of Science degree. Professionally, he serves as the Executive Director of a local faith-based non-profit organization, E3 Africa, which is committed to educating the orphaned and impoverished children in Uganda. Additionally, Hoffman is the principal owner of a digital communications and strategy firm, as well as a local realtor.

Councilman Hoffman and his wife, Kimberly, have four children — Tyler, McKenzie, Oliver and Bennett.

### *Current Committee Appointments*

- Budget Committee
- East Valley Partnership Economic Development Committee
- East Valley Board of Directors (alternate)



# Queen Creek Town Council

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**Dawn Oliphant, Council Member**

Term: December 2014 – January 2019  
[dawn.oliphant@queencreek.org](mailto:dawn.oliphant@queencreek.org)

Dawn Oliphant was first elected to the Town Council in June 2010 and re-elected in November 2014. Council Member Oliphant recently completed a successful 17-year career in local government with the City of Tempe. Her municipal experience includes positions held in the Tempe Police Department, Sales, Tax and Licensing, Tempe Municipal Court and as a Senior Learning and Organizational Development Associate for the Tempe Learning Center (TLC), Tempe's corporate university for municipal professionals.

Council Member Oliphant holds a Master of Business Administration in Management, a Bachelor of Science in Liberal Studies, and graduated from Queen Creek's Citizen Leadership Institute in 2010.

Council Member Oliphant moved to Queen Creek in 2005 with her husband Rick and two sons, where she manages an environmentally green business. For nine years she was also actively involved in community philanthropic work as a member of Epsilon Sigma Alpha.

#### *Current Committee Appointments*

- Budget Committee
- Economic Development Commission
- League of Arizona Cities & Towns - Budget, Finance & Economic Development Committee
- League of Arizona Cities & Towns - Neighborhoods, Sustainability & Quality of Life Committee



# Queen Creek Town Council

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**Julia Wheatley, Council Member**

Term: December 2014 - January 2019

[julia.wheatley@queencreek.org](mailto:julia.wheatley@queencreek.org)

Julia Wheatley was first elected to the Town Council in June 2010 and re-elected in November 2014. She holds a Bachelor of Science in Legal Studies with a minor in Criminal Justice and is pursuing a Master of Public Administration to extend her great interest in law, politics and local government.

Council Member Wheatley, her husband Benjamin, and their four children made Queen Creek their home in 2007. Concerned for the future of families in America, Council Member Wheatley joined the Eagle Forum, the largest pro-family organization in America. She has frequented Washington, D.C. to learn and discuss issues pertaining to the family.

Council Member Wheatley is passionate about the education of both children and adults. In private industry, she has found success in post-secondary education as a Program Director and Instructor. She has helped many students obtain an education, improve their lives, and enter professions that give them confidence in themselves and hope for the future.

#### *Current Committee Appointments*

- East Valley Partnership Board of Directors
- Parks & Recreation Advisory Committee
- League of Arizona Cities & Towns - Public Safety, Military Affairs and Courts Committee





# Queen Creek Community Profile

## Local Rural Heritage

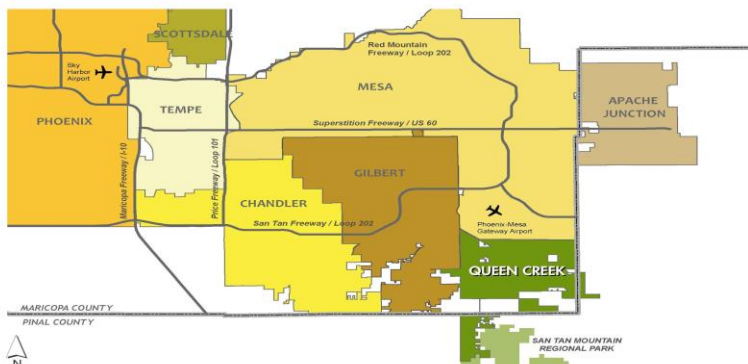
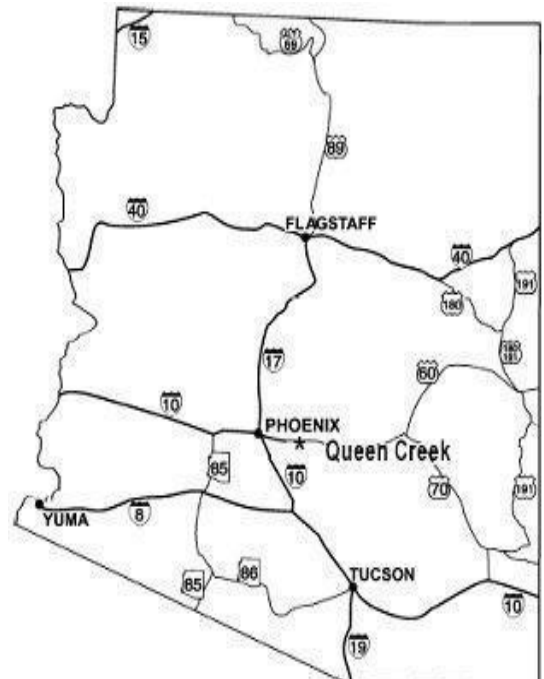
Rich traditions, based on small-town values and country friendliness, create the foundation on which the Town of Queen Creek plans and builds its future. Staying true to its heritage, the Town continually strives to maintain the rural character that makes Queen Creek unique from its urban neighbors.



The Town of Queen Creek incorporated in 1989 to preserve the benefits of rural life and provide avenues for managed change. With significant resident involvement and input, the Town has adopted several award-winning plans designed to guide future growth. By preserving the past while providing for economic and recreational opportunities and a high quality of life, the Town of Queen Creek has grown from rich rural roots to what is one of the most innovatively planned, family-friendly hometowns in Arizona.

## Quality of Life

Approximately 33 square miles in land area, Queen Creek is located in the southeast corner of Maricopa County (25 sq. mi.) and the northwest portion of Pinal County (8 sq. mi.) on the edge of the Phoenix metropolitan area. Residents choose to make Queen Creek their home because of its superior quality of life. The development of beautiful parks, trails and other public facilities, along with the variety of programs and events offered by the Town and other community groups, also support a unique lifestyle.





# Queen Creek Community Profile

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## Governance



The Town of Queen Creek operates under the council-manager form of government. The seven-member Town Council is elected at large on a nonpartisan ballot. The Mayor is elected every four years, and Town Council members are elected to staggered terms, with three members elected every two years. The Town Council is responsible for setting public policy, approving the Town's annual budget, entering into contracts, providing executive leadership, making planning and development decisions, and adopting new laws. The Town Council appoints the Town Manager to implement policy and direct daily operations.

The Town Council meets at 5:30 p.m. on the first and third Wednesday of each month at the Law Enforcement/Community Chambers building, located at 20727 E. Civic Parkway; public hearings will not be held prior to 7 p.m. All meetings are open to the public **and broadcast live on the Town's website.**

## Community Assets

Queen Creek offers residents and businesses a unique experience combining a hometown atmosphere with rich natural and recreational amenities, all within a short distance from one of the largest metropolitan areas in the United States. The Town continues to invest in the Town Center striving to create a true downtown in the heart of the community for generations to come. The Town has invested millions of dollars in infrastructure improvements along the main arterial and key intersections throughout Town. Improvements include: widening and updating the entire intersection of Ocotillo and Ellsworth roads, adding the Picket Post Square parklet, and festival-friendly infrastructure including access to electric and water utilities and the addition of decorative enhancements to streetlights and traffic signals.

### *Parks and Trails*

The Town offers a variety of outdoor amenities including **Desert Mountain Park, located at 22201 S. Hawes Road; Founders' Park, located on Ellsworth Road across from the municipal campus, which features a 4,100 square foot splash pad and Pocket Park for Pups, a one-acre, off-leash lighted dog park; the Recreation Annex, located at 21802 S. Ellsworth Road, where a wide range of recreation classes for all ages are held throughout the year; and the Town's 11 miles of multi-use trails along the Queen Creek and Sonoqui washes. In September 2018, the Town will open a new community park located near Sossaman and Ocotillo roads. Mansel Carter Oasis Park will feature a fishing lake, ballfields, a wheel-friendly skate park, play features and splash pad.**





# Queen Creek Community Profile

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## *Agritainment/Agritourism*

Queen Creek offers a host of cultural and agritainment activities throughout the year for all to enjoy. Designated as an Arizona treasure, Schnepf Farms is a family-owned working farm providing entertainment, education and delicious, locally grown fruits and vegetables through a variety of seasonal festivals, concerts and events. Just across from Schnepf Farms, the Queen Creek Olive Mill is Arizona's only working olive farm and mill. The Olive Mill offers daily tours and a mouth-watering menu with a variety of food options. Nearby at Sossaman Farms and Hayden Flour Mills, farmers grow multiple varieties of wheat and is expanding to offer tours and classes.



## *Arts, Culture & Sports*

For theater enthusiasts, the Queen Creek Performing Arts Center provides high-quality professional theater at prices affordable for the whole family including Broadway shows and popular national artists. Barney Family Sports Complex provides a venue for sports fans, offering family-oriented indoor sporting activities for all ages, and the Town's Recreation Division hosts year-round classes for the entire family to enjoy, plus popular community special events such as Spring into QC, Founders' Day and Trunk or Treat.



## *Equestrian Experience*

Horseshoe Park & Equestrian Centre is one of Arizona's premier event facilities. Quiet and secluded, yet conveniently close to Sky Harbor International Airport and other venues in and around Phoenix, Horseshoe Park was designed with flexibility in mind. The park hosts a variety of equestrian events of both the English and Western persuasion and is equipped to handle large festivals, RV and equipment shows, concerts, home shows and weddings. Since opening in early 2009, Horseshoe Park continues to gain momentum as a unique and emerging commercial venue. Due to the visitors Horseshoe Park brings to the area each year, a number of commercial development opportunities are available near the facility. With close proximity to existing space for lease and available land to build, this area provides a unique market for niche services and businesses.







# Queen Creek Community Profile

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## Public Safety



Law enforcement services, including deputies, jail, animal control and emergency management services are currently provided for residents through a contract with the Maricopa County Sheriff's Office. Municipal court services are provided through a contract with the Town of Gilbert.

In 2008, the Town launched its municipal fire department. The Queen Creek Fire and Medical Department provides fire and emergency medical service coverage to residents in the Town's incorporated limits. The Town recently opened the first permanent fire station in Town Center, replacing the old Fire Station 1. Fire Station 2 is located in the southwest area of Town, Fire Station 3 is

located in the northwest area of Town, and a fourth fire station will open to serve the eastern portion of the community in early 2019.



## Water & Environmental Services

The Town of Queen Creek purchased the Queen Creek Water Company in 2008 and H2O, Inc. in 2013 to provide residents with a safe, sustainable and affordable water supply. In September 2010, municipal trash and recycling services began through a contract with a private firm, Right Away Disposal.



# Queen Creek Community Profile

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## Transportation

Major transportation access is available via roads, rail and air. Interstate 10 is less than 20 miles away and provides easy access to surrounding communities, states and Mexico. Loop 202 (the San Tan Freeway), connecting Queen Creek to the Phoenix metropolitan area, is within five miles of Queen Creek. In 2014, the first mile of State Route 24 (Gateway Freeway) was completed, offering enhanced access from southeast Maricopa County to northwest Pinal County and additional routes into and out of Phoenix-Mesa Gateway Airport and its surrounding businesses and schools. The next extension of State Route 24 is anticipated to be complete in 2021. A major Union Pacific rail-line bisects Queen Creek and allows access to commercial and industrial sites.



Two airports serve the Queen Creek area. Phoenix Sky Harbor International Airport, just 45 minutes away, provides national and international flights with major carriers and commuter airlines. Phoenix-Mesa Gateway Airport, bordering Queen Creek on the north, is 10 minutes away and is a designated reliever airport to Phoenix Sky Harbor. It offers an expanding number of passenger flights as well as extensive freight and cargo service, aviation technology and repair firms, and commuter, private and cargo air service. The facility also contains tracts zoned for commercial and industrial uses. As a Foreign Trade Zone, Phoenix-Mesa Gateway Airport offers incentives to aviation companies worldwide. In early 2018, Governor Doug Ducey announced that Phoenix-Mesa Gateway Airport will be home to SkyBridge Arizona, the nation's first international air cargo hub to house both Mexican and United States customs. The Town is one of several municipalities who co-own the airport.

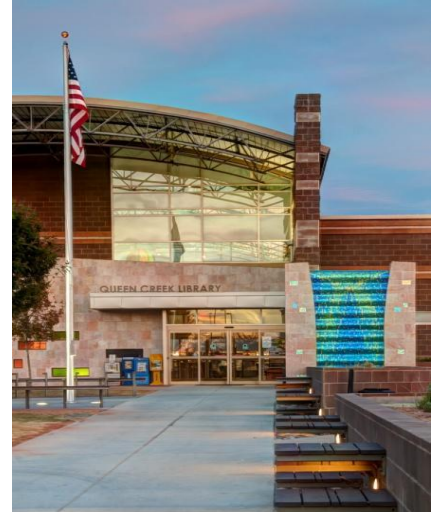


# Queen Creek Community Profile

## Maricopa County Library

### *Queen Creek Branch*

The Town constructed a new library in 2008 to host the Queen Creek branch of the Maricopa County Library District. The modern facility includes the **Mary Lou Fulton children’s area, a teen area, general reading areas, public computers, study rooms and conference rooms.** The library marked the start of the community’s efforts to “go green.” The library building is the first structure in Queen Creek to qualify for the Leadership in Energy and Environmental Design (LEED) certification, and its many energy-saving features earned a gold-level certification.



## Education & Workforce

### *K-12 School Districts*

Queen Creek is served by four area school districts. Queen Creek Unified School District, an “A” rated district, serves the largest portion of the Town and includes five elementary schools with a sixth one expected to open July 2018, two middle schools and a high school. Also serving Queen Creek are the Chandler Unified School District, Higley Unified School District, J.O. Combs Unified School District as well as campuses of the Benjamin Franklin, American Leadership Academy, Cambridge Academy and Heritage Academy charter schools, among others.



### *Post-Secondary Education*

Young, well-educated Queen Creek residents provide an ideal employment base. A partnership of post-secondary educational institutions creates a campus environment on the Phoenix-Mesa Gateway Airport grounds, just a 10-minute drive from Queen Creek. At the Arizona State University Polytechnic Campus, students can earn bachelor and graduate degrees in such fields as aviation, biological sciences, business, electronics, engineering, graphic information technology, health and wellness, human resources and others. The Chandler-Gilbert Community College offers a wide array of general studies and university transfer courses, as well as a number of specialized programs, including aviation, nursing, fire science, law enforcement training, and electric utility technology. It maintains partnerships with the University of North Dakota Aerospace (for flight training) and Embry-Riddle Aeronautical Institute (for airframe and power plant/maintenance training).





# Queen Creek Community Profile

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## *Communiversality at Queen Creek*

Through a public-private partnership with Rio Salado Community College, Queen Creek is home to the Communiversality at Queen Creek. The campus, located in the Town Center, allows students to complete **certificates, associate, bachelor's and master's degrees** in-person or online in one location close to home. It also is designed to support the needs of local companies for employee training and development. The facility

includes classrooms, a computer lab, a testing center and administrative offices, and it is a regional support center for online learners.



## Plans to Manage Growth

Queen Creek contains 33 square miles in its incorporated area and 69 square miles in its planning area. The **Town contains several large tracts of land that are attractive for development. The Town's General Plan** and development regulations are designed to accommodate new development requests, while also recognizing the goals of our residents and the long-term vision established for the community.

**The General Plan is the Town's guiding document for land use, public facilities and services, circulation and economic development.** The original General Plan was adopted in 1990, and it was amended in 1996, 1999, 2002, 2008 and 2010. The 2018 General Plan update was unanimously adopted by the Town Council in September 2017 and ratified by the voters in May 2018.

The Town Council has a Zoning Ordinance, Subdivision Ordinance, Design Standards and other development regulations, which are used to implement the goals of the **General Plan. The Town's focus is the development of high-quality attractive commercial and office facilities, high-quality housing, parks, trails, open spaces and adequate public facilities to serve the needs of the community.**

Development fees provide funding for infrastructure needed to accommodate new growth, including wastewater treatment facilities, libraries, parks and recreational facilities, government facilities, transportation, public safety, and fire services.





# Queen Creek Community Profile

## Economic Development

Queen Creek continues to develop plans for a financially sustainable future. The Economic Development Department assists those looking for retail, office, industrial or land sites. The department also provides business resource and demographic information. As a member of the Greater Phoenix Economic Council (GPEC), Queen Creek is part of the regional business community that works to ensure a competitive, vibrant and self-sustaining regional economy.



The Economic Development Commission, comprised of local residents, business owners and elected officials, adopted the Economic Development Strategic Plan in 2007 and updated the plan in 2016. The Commission defined targeted industry sectors in order to focus marketing and recruitment efforts to strengthen and diversify **Queen Creek's economy. The target sectors include: agritainment** (agribusiness, entertainment, recreation & visitor industries), healthcare and biotechnology, higher education, software and information technology, and manufacturing.

In 2010, the Shop Queen Creek program was launched in partnership with the Queen Creek Chamber of Commerce to support local businesses. The program, which encourages residents to make purchases within the community, is designed to strengthen the **Town's economic base, encourage entrepreneurship and help retain sales tax dollars that fund local programs and services.**

Town Center is designed to be the commercial, cultural and civic core of Queen Creek. In October 2017, the Town Center Plan was updated and approved by Council. The Town Center Plan update reaffirms the goals and polices for the entire Town Center and establishes detailed recommendations for the Town Center Core. This heart of the community has seen tremendous growth over the past few years. Several new retail and dining options have recently opened in QC Marketplace, QC District, and Heritage Square. Additionally, the Town Center infrastructure has been upgraded to accommodate large outdoor festivals, events and block parties. With community events planned throughout the year, numerous quality dining and entertainment options, **there's always something to do in Town Center.**

## Employment

Primary employers in the community consist of a mix of private and public entities. Commercial development is focused in the Town Center, at the northern entrance to the community and in the southern portion of the Town. At the northern boundary of Queen Creek, an area referred to as the **"Northern Tier," there is a significant amount of land designated for future employment uses. The General Plan designations and zoning in this area encourage a range of light to intensive uses. The "Northern Tier" has direct access to major** arterials and is positioned for strong growth potential with its proximity to the Phoenix-Mesa Gateway Airport, Eastmark master-planned community (City of Mesa, Arizona), Arizona State University Polytechnic campus and State Route 24. SR 24 provides a direct connection between the San Tan Freeway and Ellsworth Road, the main thoroughfare into Queen Creek.

In the southeastern corner of Queen Creek, Schnepf Farms and the Queen Creek Olive Mill collectively create an agritainment/agritourism district, which is a **core component to the Town's tourism and economic development efforts.** The nearby Banner Ironwood Medical Center and surrounding Pinal County/San Tan Valley residential



# Queen Creek Community Profile

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neighborhoods enhance this unique area of Queen Creek and provide an attractive demographic base for investors. Banner Ironwood Medical Center is working on an expansion of its campus with plans to open a new medical office building in early 2019.

## Recreation, Parks & Special Events

From youth sports and senior programs, to block parties and **fitness classes**, **Queen Creek's Recreation Division** makes sure there is fun to be had in Queen Creek year-round! Local sports organizations offer league competition in a variety of sports including football, baseball, softball and soccer. Through a partnership with the Boys & Girls Club, after-school programs provide a safe place for students to finish homework, enjoy recreational activities and socialize. Residents can create their **own fun at Founders' Park and the award-winning Desert Mountain Park**. A skate park, sports fields and courts, picnic facilities, walking paths and playgrounds meet the needs of diverse ages and interests.



**Parks also provide connectivity to the Town's trail system.** Residents can bike, walk, run or ride their horse from Desert Mountain Park into the improved Queen Creek Wash Trail. An 11-mile multi-use trail is being developed **to connect the Town's parks and neighborhoods along the way.** **San Tan Mountain Regional Park**, a Maricopa County park located on Queen Creek's southern edge and serving several East Valley communities, is a natural preserve consisting of more than 10,000 acres of desert that provides a variety of recreational opportunities.

### *Horseshoe Park and Equestrian Centre*

The 38-acre first phase of Horseshoe Park and Equestrian Centre opened in January 2009. The venue, known for its excellent customer service, hosts a variety of equestrian activities throughout the year appealing to English and Western riders, ranging from jumping competitions to roping, team penning, barrel racing and cutting contests. A community arena is available to local residents separate from event facilities.



Although constructed primarily for equestrian-oriented activities, events such as concerts, home shows, RV and car shows or weddings can also be hosted at the facility. The park includes over 300 barn stalls and 56 RV slots, providing additional resources for large-scale events. A complete schedule of events is available at [queencreek.org/HPEC](http://queencreek.org/HPEC).





# Queen Creek Community Profile

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## Community Involvement

Since the Town's inception, community involvement, sharing information and providing opportunities for citizen participation in decision-making have been high priorities for Queen Creek's elected leaders.

- The award-winning annual Citizen Leadership Institute informs residents about current local issues while preparing them to take a leadership or volunteer role.
- The annual community ice cream social in July and pancake breakfast in November offer residents opportunities to talk to Town representatives and learn about community issues and services.
- Volunteer board and committee members research current local issues such as planning and zoning proposals, traffic concerns, parks and trails plans, recreational policies and facilities, public art projects, economic development and community capital improvements. The committees make recommendations to the Town Council for policies and future action.

### *Citizen Survey*

The Town of Queen Creek regularly surveys residents about their opinions on topics such as quality of life, service delivery, civic participation and unique issues of local interest. These periodic surveys offer staff, elected officials and others with an opportunity to identify challenges and plan for and evaluate improvements. Surveys from past years are available at [queencreek.org/citizensurvey](http://queencreek.org/citizensurvey).

### *Annual Events*

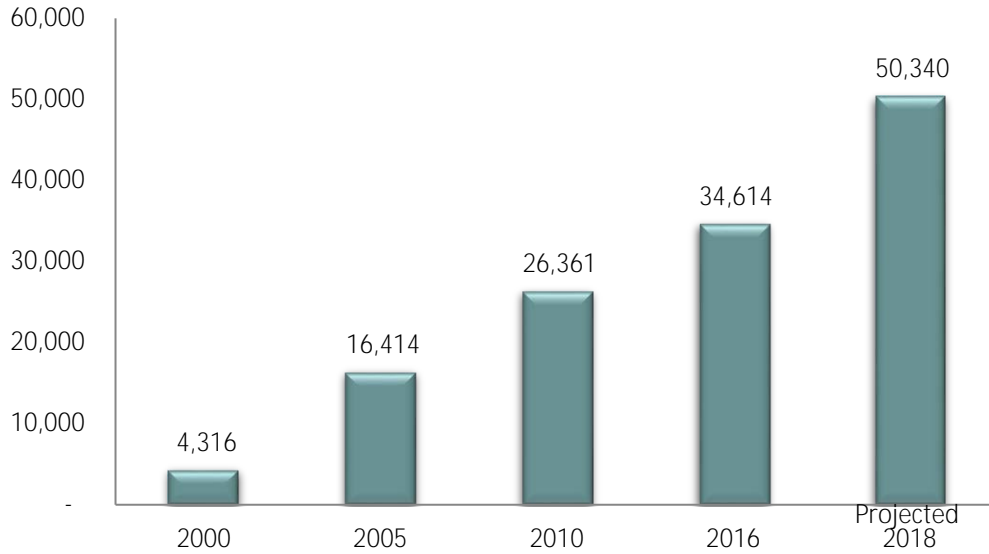
- FEBRUARY – Block Party
- MARCH – **Spring into QC, Roots N' Boots Rodeo and Carnival**
- MAY – Peach Festival
- JULY – Independence Day Celebration, National Parks and Recreation Month, Ice Cream Social
- SEPTEMBER – **Founders' Day, Queen Creek Olive Mill Garlic Festival**
- OCTOBER – Olive Harvest Festival, Trunk or Treat, Pumpkin and Chili Festival
- NOVEMBER – Pancake Breakfast
- DECEMBER – Holiday Parade and Festival

Annual activities, festivals and events in Queen Creek are held throughout the year and reflect the community's past, present and future. These special events provide hometown fun for community residents and visitors throughout the state and the region.



# Queen Creek Demographics

## Queen Creek Population



Source: Population estimates are based on Maricopa Association of Governments (MAG) housing baseline data and occupancy factors combined with the Town Creek data for residential housing permits.

## Racial Composition

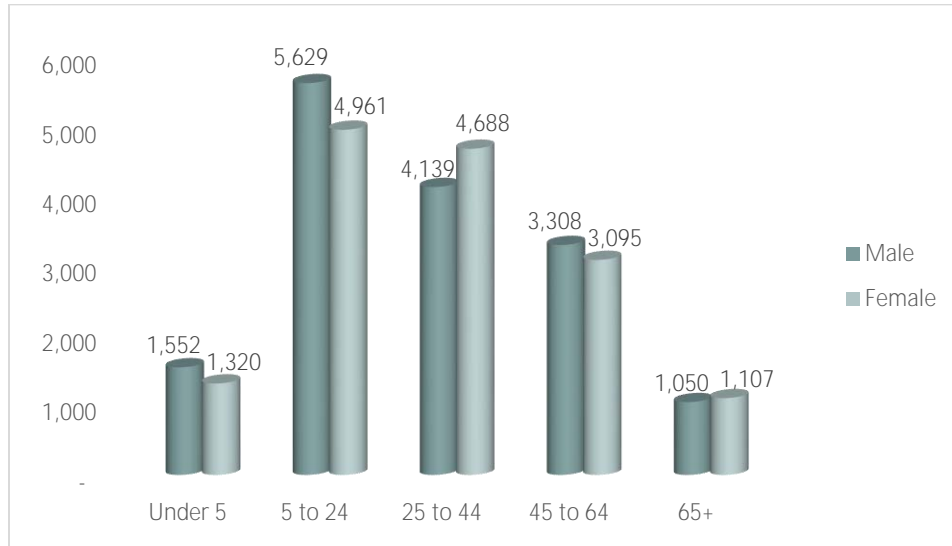
Ethnicity	Queen Creek*	Arizona*
White	87.8%	77.8%
Black or African-American	2.6%	4.3%
Asian	2.5%	3.1%
American Indian & Alaskan Native	0.9%	4.4%
Hispanic (of any race)	16.4%	30.5%
Native Hawaiian/Other Pacific Islander	0.1%	0.2%

\*Note: Total percent may be greater than 100 because respondents can report more than one race. Source: 2012-2016 American Community Survey 5-Year Estimates



# Queen Creek Demographics

## Queen Creek Population by Gender and Age



Source: 2012-2016 American Community Survey 5-Year Estimates

Median Age	2017
Queen Creek	30.9 years
Maricopa County	35.7 years
United States	38.2 years

Source: ESRI Business Analyst 2017 estimations

Queen Creek continues to attract young families, reflected in **the Town's median age of 30.9**, well below the median age for both Maricopa County and the United States as a whole.

## Educational Attainment

### Residents Age 25 or older

Highest Education Level Attained	Queen Creek	Maricopa County
Elementary (0-8)	1.3%	6.2%
High School (9-12), no diploma	2.3%	6.9%
High School Graduate	17.5%	22.9%
Some College	28.2%	24.6%
Associate's Degree	11.0%	8.5%
Bachelor's Degree	24.6%	19.8%
Graduate or Professional Degree	15.1%	11.2%

Source: Source: 2011-2015 American Community Survey 5-Year Estimates

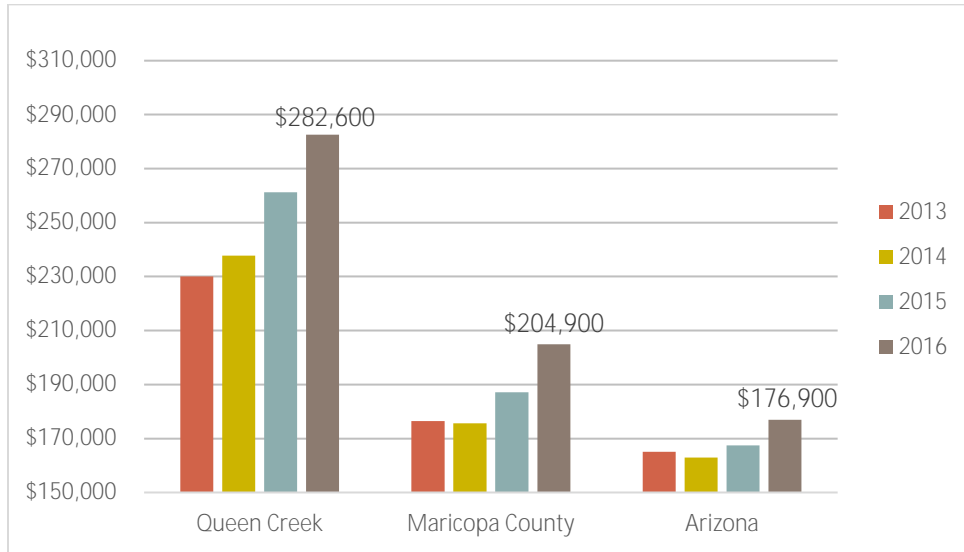
**Queen Creek's residents age 25 or older are highly-educated.** The two highest levels of educational attainment, **completion of a bachelor's degree or a graduate or professional degree**, reflect nearly 40 percent of the Town's residents (39.7%), **compared to the County's 31.0%**. Additionally, the portion of Town of Queen Creek residents with a graduate or professional degree increased from the past year by 1.7%.





# Queen Creek Demographics

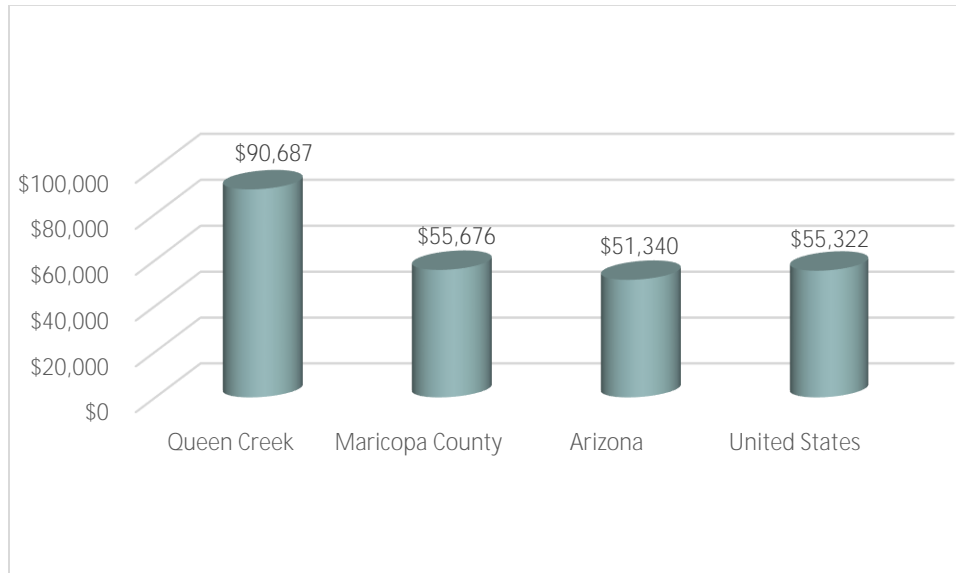
## Median Value of Owner-occupied Housing



Source: 2012-2016 American Community Survey 5-Year Estimates

## Income

### Median Household Income



Source: 2012-2016 American Community Survey 5-Year Estimates

**Queen Creek's annual median household income continues to be very strong, increasing by over \$7,000 from the previous year, making it the third highest median income of all cities and towns in Maricopa County.**



# Queen Creek Demographics

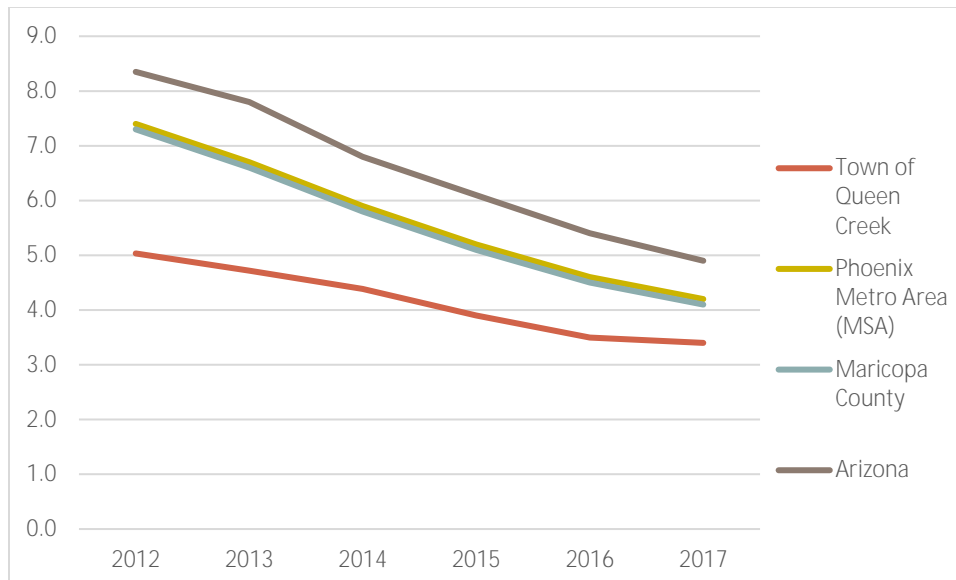
## Households by Income

Income	Queen Creek	Maricopa County
\$150,000 or more	23.3%	10.5%
\$100,000 to \$149,999	22.8%	13.8%
\$50,000 to \$99,999	28.9%	31.0%
\$25,000 to \$49,999	14.7%	24.2%
Under \$25,000	10.4%	20.6%

Source: 2012-2016 American Community Survey 5-Year Estimates

Compared to Maricopa County, Queen Creek has a much higher portion of households in the highest earning categories, with 46.1% of Queen Creek households earning \$100,000 or more annually, a figure which increased by 4.4% compared to last year. Comparatively, just 24.3% of Maricopa County households earn \$100,000 or more.

## Unemployment Rates 2012-2017



Source: Rates reflect annual average unemployment and are non-seasonally adjusted from Data.bls.gov

	2012	2013	2014	2015	2016	2017
Town of Queen Creek	5.0%	4.7%	4.4%	3.9%	3.5%	3.4%
Phoenix Metro Area (MSA)	7.4%	6.7%	5.9%	5.2%	4.6%	4.2%
Maricopa County	7.3%	6.6%	5.8%	5.1%	4.5%	4.1%
Arizona	8.4%	7.8%	6.8%	6.1%	5.4%	4.9%

Source: Rates reflect annual average unemployment and are non-seasonally adjusted from Data.bls.gov. 2018 data was unavailable.

For the entire six-year period examined, Queen Creek's unemployment rates consistently trended lower than those of the Phoenix Metro Area, Maricopa County and the State. For 2017, the trend continued, with Queen Creek's annual rate averaging at 3.4% while the rates of the other jurisdictions continue to be at or above 4.1%.



# Queen Creek Demographics

## Employment

A key goal of the Town Council is to be proactive in efforts to strengthen and diversify the local economy, providing high-wage, professional-level employment opportunities for residents, and expanding the business tax base in the community. Employment in Queen Creek currently has a strong concentration in the retail and education sectors.

According to the 2017 Town of Queen Creek Citizen Survey, over half the **Town's residents (66%)** rate Queen Creek as a good or excellent place to work.

Queen Creek has a variety of home-based businesses, and promotes their continued expansion through the Zoning Ordinance, the Economic Development Strategic Plan and Gangplank Queen Creek.

## Principal Employers

Employer	Product or Service	Approximate Employees*
Queen Creek Unified School District	Education	835
Banner Ironwood Medical Center	Health Care	400
Wal-Mart	Retail	380
Canyon State Academy	Education	305
Town of Queen Creek	Government	260

\* All figures may include full and part time employees.  
Source: Town of Queen Creek and surveys of individual employers.



FY 2018/19  
Budget



# Organizational Planning

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- Corporate Strategic Plan
- Planning Tools (General Plan)
- Long-Range Financial Plan
- Financial Policies
- Budget Process and Procedures





# Corporate Strategic Plan

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## Introduction

The Corporate Strategic Plan attempts to encompass in one document a five-year organizational plan of action. Through the plan, the Town Council sets priorities and provides policy direction to the Town Manager. It translates Queen Creek's mission, vision and values statements into actionable goals; it also provides the public with a source of reference for information about government activities. After the Corporate Strategic Plan has been finalized, Queen Creek's management team uses approved goals to outline an administrative work program for all of staff, the progress of which is reported on quarterly.

The Town Council focuses resources on what is most important to achieving its vision by designating five strategic priorities. These priorities guide Town departments as they shape programs and set long-term goals. The five strategic priorities are: **Effective Government, Safe Community, Secure Future, Superior Infrastructure and Quality Lifestyle.**

The strategic priorities are broad-based policy statements that set the framework for planning and budgeting for the day-to-day work of staff. Each priority has a brief narrative and contains high-level goals called Key Result Areas (KRAs), department objectives, and relevant performance measures.

## Updates to the Corporate Strategic Plan

Each year, the Town Council holds a planning retreat at the start of the annual budget process to discuss long-term policy issues and outline new priorities. Goals proposed by Town departments are brought forward during these discussions and are refined through the annual budget development process. The updated Corporate Strategic Plan is officially adopted each year at a Town Council meeting in May or June, setting forth the Town Council's desires for programs, services and projects that need to be considered and funded during the new fiscal year.



# Corporate Strategic Plan

## STRATEGIC PRIORITIES

	<p><b>EFFECTIVE GOVERNMENT</b></p> <p>An effective local government is aware of citizens’ needs and provides the services that residents want. This can be achieved by managing the price of government and introducing innovative business practices, using new technology, hiring quality employees and leveraging Town partnerships to save resources.</p>	<p><b>KEY RESULT AREAS</b></p> <ul style="list-style-type: none"> <li>• Council Professional Development</li> <li>• Financial Management, Internal Services &amp; Sustainability</li> <li>• Intergovernmental Relations</li> </ul>
	<p><b>SAFE COMMUNITY</b></p> <p>Queen Creek has low crime rates and residents continue to rate their interactions with public safety personnel highly in community surveys. As our town grows, ensuring the safety of the public continues to be among our highest priorities; this means hiring and training quality first responders, and finding innovative ways to improve delivery of emergency services.</p>	<p><b>KEY RESULT AREAS</b></p> <ul style="list-style-type: none"> <li>• Public Safety</li> <li>• Community Involvement</li> </ul>
	<p><b>SECURE FUTURE</b></p> <p>Securing Queen Creek’s future involves strengthening the Town’s financial condition by implementing strong management strategies within the organization, and by increasing the number of employment opportunities available to residents. This priority also relates to securing our water supply for the benefit of future residents.</p>	<p><b>KEY RESULT AREAS</b></p> <ul style="list-style-type: none"> <li>• Environment</li> <li>• Land Use &amp; Economic Development</li> </ul>
	<p><b>SUPERIOR INFRASTRUCTURE</b></p> <p>With the growth of residential and commercial development comes the challenge of satisfying public demand for quality streets, lights, utilities and parks. The construction and maintenance of a high-quality public infrastructure is a priority.</p>	<p><b>KEY RESULT AREAS</b></p> <ul style="list-style-type: none"> <li>• Capital Improvement Program</li> <li>• Technology</li> </ul>
	<p><b>QUALITY LIFESTYLE</b></p> <p>Queen Creek will leverage its strong image as a tight-knit, family friendly community to encourage more residents to participate in public events, attract new businesses and further establish our reputation as one of the best destinations in Arizona. We will seek to enhance this unique lifestyle through public art, cultural events and new recreation opportunities.</p>	<p><b>KEY RESULT AREAS</b></p> <ul style="list-style-type: none"> <li>• Image &amp; Identity</li> </ul>





# Corporate Strategic Plan

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## New Initiatives

In the at the conclusion of the recently completed update process for the strategic plan, the Town Council identified and added new initiatives to the plan. The new initiatives are identified below. Please refer to the Corporate Strategic Plan for more information (online [Queen Creek Corporate Strategic Plan](#)).

### *Effective Government*

- No new initiatives

### *Safe Community*

#### Public Safety:

- Maintain efforts toward completion of the elements of the CIP such as construction of new stations in order to meet the level service

### *Secure Future*

#### Land Use & Economic Development:

- **Administer and manage the Town's development standards and procedures with available resources**

#### Finance:

- Ensure customer rate structures are appropriately set to pay for adopted service levels

### *Superior Infrastructure*

#### Finance:

- Ensure long-range financial plans are in place to adequately build, maintain and replace needed infrastructure
- **Improve the Town's bond ratings in order to lower borrowing costs**

### *Quality Lifestyle*

- No new initiatives



# Corporate Strategic Plan

Corporate Strategic Plan Priorities				
Effective Government	Safe Community	Secure Future	Superior Infrastructure	Quality Lifestyle

## Town Department

Mayor & Council					
Town Manager					
Town Clerk					
Finance					
Workforce & Technology					
Communications, Marketing & Recreation					
Economic Development					
Development Services					
Public Works					
Utility Services					
Fire & Emergency Services					



# Planning Tools

The following documents are overarching policy documents Queen Creek operates under in support of the CSP:

Policy Document	Purpose	Highlights
<a href="#">General Plan</a>	Guides growth and development in the Town along with the Zoning Ordinance	<ul style="list-style-type: none"> <li>• Community Character – addresses visual aspects of development including development densities, transportation circulation, and building and landscape standards</li> <li>• Quality of Life – how service and facilities will be provided including parks, recreation, and water resources</li> <li>• Environment &amp; Economy – address growth and balance of the economic base and the protection and enhancement of the environment</li> </ul>
<a href="#">Zoning Ordinance</a>	Guides growth and development in the Town along with the General Plan	<ul style="list-style-type: none"> <li>• Address varied types of land use within the Town</li> <li>• Remain current with amendments that require action due to State Legislation</li> <li>• Creates special event permitting specific to agritourism &amp; agritainment type uses</li> </ul>
<a href="#">Parks, Trails &amp; Open Space Master Plan</a>	Important implementation tool to meet the recreation needs of current and future residents.	<ul style="list-style-type: none"> <li>• Interconnected – Create comprehensive trail system within planning area</li> <li>• Character – Provide significant natural open space that enhances community character and land for development of trails and other passive recreation areas</li> <li>• Opportunities – Promote recreation opportunities for all citizens</li> </ul>
<a href="#">Economic Development Strategic Plan</a>	Addresses the need for the Town to focus marketing efforts on specific industries to be more effective and efficient.	<ul style="list-style-type: none"> <li>• Labor Force and Education – Partner with the community schools, Chandler-Gilbert Community College and Arizona State University at the Polytechnic campus to ensure that education supports the future of the community at large, residents and the development needs of business</li> <li>• Real Estate Resources – Partner with land owners and developers to develop an inventory of improved sites <b>and existing “speculative buildings” for employment</b> uses</li> <li>• Community Vision/Identity – The Town of Queen Creek strives to honor our past, manage our present and engage our future to create a quality, unique place for family and business</li> </ul>
<a href="#">Town Center Plan &amp; Town Center Redevelopment Plan</a>	Ensures that the Town Center remains consistent with the Redevelopment Area Plan while attracting, retaining & enhancing local business ownership	<ul style="list-style-type: none"> <li>• Strengthen economic vitality</li> <li>• Seek public-private partnerships</li> <li>• Transit center</li> <li>• Entertainment district</li> </ul>
Transportation Master Plan	Important implementation tool for addressing the long term needs related to the regional streets/transportation system	<ul style="list-style-type: none"> <li>• 10-year plan to ensure service levels related to traffic do not decline</li> <li>• Foundation for determining impact of growth on system</li> </ul>



# Long-Range Financial Plan

## Summary of Revenue and Expense Projections by Fund

Each Fall, the Town begins the annual budget process with a 5-year financial forecast. Through the use of a long-range projection model, the Town is able to identify and address projected structural budget gaps and realize potential fund balances to be strategically utilized for public safety and community benefit.

### Operating and Enterprise Funds

The operating funds table reveals that operating funds including General Fund, Sewer, Solid Waste, Water and Emergency Services are projected, as a whole, to garner revenues greater than anticipated expenses for the foreseeable future. However, the projection has highlighted anticipated expenditure over revenues in Emergency Services, Horseshoe Park Equestrian Center and Highway User Revenue Fund (HURF). The General Fund will cover these shortfalls.

HURF is funded through state gasoline tax and vehicle license tax. Starting in **July 2015, all of the Town's** street operations are housed in this fund. While this fund has seen a decrease in revenue over the past few years in part due to sweeping of funds at the state level as well as decreases in gasoline sales statewide, this fund has seen an increase in revenue levels as a result of the most recent census adjustment for state shared revenues.

The Emergency Services Fund has two primary revenue sources, sales tax and property tax. Property tax was established at \$1.95 per \$100 of assessed value. Due to decreases in property tax collection since 2008, other revenue sources had to be explored. A new revenue stream from a newly-created county island fire district was developed in FY 2013/14 to address this gap. This district has an intergovernmental agreement with the Town to provide fire and medical service. Prior to the agreement, county residents were receiving services from a private entity that collected annual fees for services. The Town, through the agreement, is projecting revenue in FY 2018/19 of \$1.7 million from the Fire District. A new funding source was implemented for FY 2018/19 in the form of a return on investment from the Utility Funds (Water and Wastewater). These revenues are similar to what a private utility would be obligated to pay the Town.

### Special Revenue Funds

The Town Center Fund, while funded almost entirely by sales tax in the Town Center Area, is anticipating moderate revenue growth due to aggressive economic development programs aimed at increasing local spending.

Development Fee Funds cover a substantial share of debt assumed by the Town during a time of remarkable growth. Parks and roadways were constructed along with a library. Developments were multi-million dollar projects to benefit and enrich the community as a whole. Due to unfavorable impact fee legislation, development fees are significantly limited after August 2014. Further detail on this funding source can be found in the Capital Section of this budget book.

### Other Funds

Despite the pay as you go funding provided by the Operating Budget over the past few years, over the course of the next five-years, future capital infrastructure projects within the Town will require issuing debt or securing funding from outside entities such as state and federal grants and developer contributions in order to move forward.

**The Town's Special Assessment Fund** houses the debt on the Improvement District for that portion attributed to the private landowners in the district. The fund receives revenues from assessments to private property owners in the district, which accounts for approximately 48% of the debt. **The Town's portion of the assessment is paid for primarily by construction sales tax (75%) with the remainder coming for the Town's General Fund (25%) and is included in the debt service fund.**



# Long-Range Financial Plan

The Town is the administrator of over 90 Street Light Improvement Districts (SLIDs) at the time of budget development. The fund receives revenues through an assessment on secondary property tax that pays for the electricity consumption in the districts.

Below is the long-range forecast for base budgets in the non-Enterprise Operating Funds (General Fund, Emergency Management Services Fund, HURF and Horseshoe Park Fund) at the time of initial budget development. This operating budget long-range forecast does not include the CIP program. It is intended to show the operating results for base operating budgets (excluding Enterprise Operations, Infrastructure Development and Debt) at the onset of the budget process. The net operating result over the five year planning period affirms the Town’s ability to provide the additional resources required to meet the currently approved levels of service estimated for the projected population growth.

## Operating Budget Five-Year Sources over Uses Forecast

### Sources:

Revenues	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
Sales Tax - Excluding Construction	\$ 19,786,620	\$ 21,012,000	\$ 22,994,250	\$ 24,390,550	\$ 25,880,470
Sales Tax - Construction	4,480,160	4,499,230	5,737,410	5,639,940	5,505,480
State Shared	12,725,760	14,372,200	15,738,300	17,099,900	18,584,600
Property Tax	6,962,716	8,722,000	9,556,400	10,439,200	11,351,100
Building Revenues	3,892,400	4,300,000	4,800,000	4,800,000	4,800,000
Charges for Services/Other	6,256,279	6,175,900	6,336,700	6,494,800	6,925,000
Water Franchise Fee	912,800	940,200	968,400	997,500	1,027,400
Water PILOT	419,000	431,600	444,500	457,800	471,500
Water ROI	531,700	547,700	564,100	581,000	598,400
Wastewater Franchise Fee	266,700	266,700	266,700	266,700	266,700
Wastewater PILOT	337,900	337,900	337,900	337,900	337,900
Reserve Funding for PSPRS Unfunded Liability	1,156,440	1,191,133	1,226,867	1,263,673	1,301,583
<b>Total Revenues</b>	<b>\$ 57,728,475</b>	<b>\$ 62,796,563</b>	<b>\$ 68,971,527</b>	<b>\$ 72,768,963</b>	<b>\$ 77,050,133</b>
\$ Change from prior	\$ 3,843,340	\$ 5,068,088	\$ 6,174,964	\$ 3,797,436	\$ 4,281,170
% Change from prior	9%	9%	10%	6%	6%
<b>Additional Reserves (25%)</b>	<b>\$ (960,840)</b>	<b>\$ (1,267,020)</b>	<b>\$ (1,543,740)</b>	<b>\$ (949,360)</b>	<b>\$ (1,070,290)</b>
<b>Available Revenues</b>	<b>\$ 56,767,635</b>	<b>\$ 61,529,543</b>	<b>\$ 67,427,787</b>	<b>\$ 71,819,603</b>	<b>\$ 75,979,843</b>
<b>Reserve Requirement</b>	<b>\$ 15,401,360</b>	<b>\$ 16,936,170</b>	<b>\$ 17,876,320</b>	<b>\$ 18,937,140</b>	<b>\$ 20,100,290</b>



# Long-Range Financial Plan

## Operating Budget Five-Year Sources over Uses Forecast

Uses:

Expenses	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
Personnel	\$ 24,002,681	\$25,158,048	\$26,386,815	\$27,695,429	\$31,091,069
Operating	6,432,950	6,620,654	6,818,567	7,024,201	7,237,965
Utilities	1,214,575	1,299,595	1,390,567	1,487,907	1,592,060
IT Software Support and Maintenance	1,000,665	1,030,685	1,061,605	1,093,454	1,126,257
Streets Maintenance	396,025	407,906	420,143	432,747	445,730
Pavement Maintenance (HURF)	2,727,350	2,978,671	3,303,531	3,569,137	3,923,711
Capital Outlay	912,250	1,205,893	1,210,893	1,210,893	1,215,893
Indirect Cost Allocation (Support Costs)	596,000	613,880	632,296	651,265	670,803
Debt (Equipment Leases)	103,778	103,778	83,380	-	-
MCSO	6,530,775	6,854,587	7,194,507	8,751,340	9,185,927
Pavement Projects	650,000	650,000	650,000	650,000	650,000
Ironwood Street Maintenance	-	320,000	326,400	339,587	346,378
Building Repair Replacement	-	250,000	250,000	250,000	250,000
Additions to Base (New FTE)	Included	500,000	1,020,000	1,560,800	2,123,200
Library	-	-	-	-	1,500,000
Transportation Developer Reimbursements	125,470	9,220	-	-	-
Contingency	1,059,210	1,201,344	1,257,661	1,315,022	1,378,112
ASRS Savings	-	-	-	-	(776,022)
Less Carry Forward Budget Adjustments/One Time Adj	-	-	-	-	-
PSPRS Unfunded Liability Exp Authority	1,156,440	1,191,133	1,226,867	1,263,673	1,301,583
Subtotal Expenses	\$ 46,908,169	\$50,395,395	\$53,233,234	\$57,295,453	\$63,262,666
Debt Transfers	1,454,505	1,455,726	1,455,529	1,456,021	1,456,021
New Transportation Debt Transfer	2,566,078	2,566,078	2,566,078	2,566,078	2,566,078
CIP PAYGO (Streets)	3,933,922	3,933,922	3,933,922	3,933,922	3,933,922
CIP PAYGO - Non Streets	-	-	-	-	-
CIP Paygo - PS	71,140	-	41,920	71,140	41,920
CIP Paygo - Fire	1,262,890	877,690	-	-	1,037,890
CIP Paygo - Construction Sales Tax Transfer	-	-	-	-	1,672,930
Events Transfers	25,000	25,000	25,000	25,000	25,000
Grants Match	72,700	-	-	-	-
Total Uses	\$ 56,294,404	\$59,253,811	\$61,255,683	\$65,347,614	\$73,996,427
\$ Change from prior	\$ 4,960,859	\$ 2,959,407	\$ 2,001,872	\$ 4,091,931	\$ 8,648,813
% Change from prior	12%	5%	3%	7%	13%
Operating Result	1,434,071	3,542,753	7,715,844	7,421,349	3,053,706
Change in reserves	(960,840)	(1,267,020)	(1,543,740)	(949,360)	(1,070,290)
Net Result	\$ 473,231	\$ 2,275,733	\$ 6,172,104	\$ 6,471,989	\$ 1,983,416



# Long-Range Financial Plan

## Forecasted Major Revenue Sources (000)s

At the outset of the budget development process the table below identifies the long range revenue forecast for all major revenue sources:

Revenues	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
Sales Tax - Excluding Construction	20,589,612	21,864,730	23,927,410	25,380,390	26,926,960
Sales Tax - Construction	8,453,118	8,489,100	10,825,290	10,641,410	10,387,710
State Shared Sales Tax	3,871,400	4,490,100	4,991,000	5,561,500	6,191,300
State Share Income Tax	4,699,000	5,510,900	6,074,800	6,565,400	7,228,200
Vehicle License Tax	1,600,800	1,804,700	2,024,800	2,242,300	2,483,300
HURF	2,531,700	2,542,900	2,623,400	2,705,700	2,656,100
Property Tax	6,962,716	8,722,000	9,556,400	10,439,200	11,351,100
Building Revenues	3,892,400	4,300,000	4,800,000	4,800,000	4,800,000
Other Charges for Services	6,256,279	6,175,900	6,336,700	6,494,800	6,925,000
Water Franchise Fee	912,800	940,200	968,400	997,500	1,027,400
Water PILOT	419,000	431,600	444,500	457,800	471,500
Water ROI	531,700	547,700	564,100	581,000	598,400
Wastewater Franchise Fee	266,700	266,700	266,700	266,700	266,700
Wastewater PILOT	337,900	337,900	337,900	337,900	337,900
Impact Fees	6,002,300	7,614,360	9,761,260	10,571,450	10,764,910
Capacity Fees	8,039,200	11,044,820	13,484,860	13,290,940	12,612,250
Water User Fees	22,240,230	23,469,020	24,698,560	25,928,090	26,700,410
Sewer User Fees	6,853,750	7,196,440	7,556,260	7,934,070	8,330,770
Solid Waste User Fees	2,859,694	3,075,740	3,293,140	3,511,400	3,729,590





# Financial Policies

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The financial policies establish the framework for overall fiscal planning and management. They set forth guidelines for both current activities and long-range planning. The policies are reviewed annually to assure the highest standards of fiscal management. The Town Manager and the Town Council Budget Committee have the primary role of reviewing financial actions and providing guidance to the Town Council. The following policies were affirmed and adopted per Council Resolution 1219-18 on June 20, 2018:

## Overall Goals

The overall financial goals underlying these policies are:

- Fiscal conservatism: To ensure that the Town is at all times in a solid financial condition. This can be defined as:
  - Cash Solvency - the ability to pay bills.
  - Budgetary Solvency - the ability to balance the budget. Neither a budget deficit nor budget surplus is present in the budget. Revenues equal expenditures.
  - Long-run Solvency - the ability to pay future costs.
- Flexibility: To ensure that the Town is in a position to respond to changes in the economy or new service challenges without an undue amount of financial stress.
- Adherence to the highest accounting and management practices: To ensure compliance with standards for financial reporting and budgeting established by the Government Finance Officers' Association (GFOA), the Governmental Accounting Standards Board (GASB), and other professional best practices.

## Operating Management Policies

- Ongoing operating costs should be supported by ongoing, stable revenue sources as much as possible. Some corollaries to this policy are:
  - Fund balances should be used only for one-time expenditures, such as capital equipment and improvements or contingency accounts.
  - Ongoing maintenance costs should be financed through operating revenues rather than bonds.
  - Fluctuating federal grants should not be used to finance ongoing programs.
- Revenues from growth or development should be allocated to one-time costs as much as possible. This policy implies a commitment to identifying the portions of the Town revenue stream that result from growth.
- Unassigned fund balances in the General Fund must equal 25% of its revenue budget, per Town Council policy, to provide a cushion to address emergency situations and unforeseen circumstances.
- Enterprise Funds should be self-sufficient. They should include a sufficient unrestricted fund balance to absorb fluctuations in annual revenue. Enterprise Funds should be charged directly for expenditures such as staff salaries and fringes and direct operating expenditures. Departmental support costs for such General Fund support as Information Technology, Communications & Marketing, Finance, Budget, Human Resources, etc. will be charged quarterly to these funds based upon an approved methodology. Operational revenue should be great enough to cover debt service and replacement capital costs.
- A financial forecasting model should be developed to test annually the ability of the Town to absorb operating costs due to capital improvements and to react to changes in the economy or service demands. This annual forecast should at minimum cover the current and next fiscal year.



# Financial Policies

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- Laws and policies on limitations on revenue sources should be explicitly addressed in the budget process. These include:
  - Annual Local Transportation Assistance Funds (LTAF) must be used for public transit or streets, but a small portion (10%) may be used for cultural purposes.
  - Highway User Revenue Fund (HURF) must be used for expenditures found in the right-of-way including streets, sidewalks, curbs, etc.
- Comparison of service delivery will be made on a periodic basis to ensure that quality services are provided to citizens at the most competitive and economical cost. The review of service delivery alternatives will be performed on a periodic basis.

## Unfunded Pension Liability Policies

The Town's has a Pension Funding Policy adopted via Resolution No. 1224-18 to address the strategy to fund the three pension costs paid by the Town. The objectives of this policy are:

- Fully funded pension plans. Maintain adequate assets so that current plan assets plus future contributions and investment earnings are sufficient to fund all benefits expected to be paid to members and their beneficiaries. The target funded ratio goal is 100% (full funding). Taxpayer and member equity is best achieved at full funding. At full funding, both the member and taxpayer have paid the appropriate costs incurred to date.
- Maintain intergenerational equity. Pension costs are paid by the generation of taxpayers who receive the services. Fully funded pension plans are the best way to achieve taxpayer and member intergenerational equity. Pensions that are less than fully funded place the cost of service provided in earlier periods on the current and future taxpayers. If the plan is underfunded (less than 100%), future members and taxpayer are responsible for an unfair portion of plan costs.
- **Maintain stability of the Town's contribution amounts.**
- Maintain public policy goals of accountability and transparency. Each policy element is clear in intent and effect, and each should allow an assessment of whether, how and when the funding requirements of the plan will be met.

## Reserve Policies

The Town's reserve policy covers the General Fund, Enterprise Funds (Water, Sewer and Solid Waste), and Special Revenue Funds (HURF and the Emergency Services Fund). The Town Development Fee Funds and capital project funds (Drainage and Transportation, and General CIP) are excluded from this policy and are covered by the reserves established for the General Fund. The reserve policy varies by fund depending upon the underlying revenue risk.

**Fund balance is an important indicator of the Town's financial position. Maintaining reserves is considered a prudent management practice. Adequate fund balances are maintained to allow the Town to continue providing services to the community in case of unexpected emergencies or requirements, economic downturns, and "pay-as-you-go" funding for capital projects or one-time expenditures.**

In an effort to ensure the continuance of sound financial management of public resources, the Town of Queen Creek's Unassigned General Fund Balance will be maintained to provide the Town with sufficient working capital and a comfortable margin of safety to address emergencies, sudden loss of revenue or operating needs, and unexpected downturns without borrowing.



# Financial Policies

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This policy establishes the amounts the Town will strive to maintain in its General Fund balance, the conditions under which fund balance may be spent, and the method by which fund balances will be restored. These amounts are expressed as goals, recognizing that fund balance levels can fluctuate from year to year in the normal course of operations for any local government.

- The Town will strive to maintain an Unassigned Fund Balance reserve in the General Fund equivalent to 25% of its revenue budget. It is the intent of the Town to limit use of General Fund reserves to non-recurring needs such as to address emergency situations, unexpected events where damage is incurred and immediate, remedial action must be taken to protect the health and safety of residents (e.g. floods, fires, and storm damage), capital needs and other such non-recurring needs. Fund Balance may decline year over year, due to a sudden decline in revenue during the last quarter of the fiscal year, and expenditure savings cannot be achieved fully in this limited timeframe. The Town will consider this **funding situation as part of new fiscal year budget discussions. The Town's objective is not to use Fund Balance for recurring expenditures.** Any planned usage of Unassigned Fund Balance reserve must be appropriated by the Town Council. Any unplanned usage or drawdown caused by revenue declines will be reported to the Council as part of normal financial reporting to Council.
- The Town will strive to maintain a Restricted Fund Balance reserve in the Special Revenue Funds, as defined by GAAP, equivalent to 10% of annual recurring revenues in these funds.
- The Town will strive to maintain a fund balance reserve in the Enterprise Funds equivalent to 10% of annual recurring revenues in these funds. The fees within these funds are set to fully recover their operating costs, including debt service. (GASB 54 not applicable.)
- The Fund Balance in the remaining Government Fund category, Special Revenue type, shall be assigned as Restricted.
- The Chief Financial Officer is authorized to classify available fund balance for specific purposes in accordance with GASB 54. It is the policy of the Town that expenditures for which more than one category of fund balance could be used, the order of use is: Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

## Revenue Management Policies

- The Town will strive for a more diversified and stable revenue system, maintained to ensure the fiscal health of the community.
- User fees for all operations will be examined annually to ensure that fees cover direct and indirect cost of service as much as possible.
- Development fees for one-time capital expenses attributable to new development will be reviewed annually to ensure that fees match development-related expenses.
- Central Arizona Groundwater Replenishment District (CAGR) Credits will be allocated annually per Resolution 1204-18
- The Town Utilities (Water and Wastewater) will include payments to the Operating Budget that reflect the true cost of utility operations, similar to expenses for private utilities, including: franchise fees, payments in lieu of property taxes and the recovery of a reasonable rate of return. These additional Operating Budget revenues will be dedicated to fund Public Safety and Fire/EMS.



# Financial Policies

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- In-Lieu Property Taxes shall be equivalent to the Town's Primary Property Tax Rate per \$100 of 18% (the current statutory assessment ratio) of the net asset values for real and personal property owned by the Water and Wastewater Systems
- Franchise Fees shall be 5% of annual Water and Wastewater operating revenues
- Return on Investment shall be 10% of the annual operating revenues generated by non-Town resident customers

## Investment Policies

The primary objectives of the Town's investment activities are:

- Safety of principal – the Town will seek to ensure preservation of principal in the overall portfolio.
- Liquidity – the investment pools and funds will remain sufficiently liquid to enable the Town to meet all operating requirements that might be reasonably anticipated.
- Return on investment – the investment pools and funds shall be managed with the objective of attaining a competitive rate of return given the constraints of the aforementioned safety and liquidity objectives.

## Capital Management Policies

- A five-year capital improvement plan (CIP) will be prepared and updated each year. This includes all projects that carry out the Town's strategic and general plans.
- Each department must, when planning capital projects, estimate the impact on the Town's operating budget over the next five years.
- Amendments to capital appropriations fall under the same guidelines as changes to the operating budget noted in the Budget Policies Section.

## Debt Management Policies

The debt policy is to be used in conjunction with the adopted budget, the Capital Improvement Program (CIP) and other financial policies as directed by the Mayor and Town Council. Bond, lease/purchase financing; internal borrowing between funds; and state agency financing through the Greater Arizona Development Authority (GADA) and the Water Infrastructure and Finance Authority of Arizona (WIFA) will be considered for financing major capital improvements and equipment for the Town.

- Annual debt service cost should not exceed 25% of the total annual revenue of the Town, including revenue from the General Fund, Development Fees, Water Fund, Sewer Fund, HURF, LTAF, and transportation revenues.
- Bonds must be investment grade without assistance from a credit enhancement.
- The Town must adhere to the State statutes that prescribe the amount of outstanding general obligation debt that a town can have at any one time (20% of the secondary assessed value for water, sewer, parks, public safety, lights and transportation and 6% for all other programs). The Town currently has no general obligation debt outstanding.



# Financial Policies

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## Fixed Asset Policy

- The Town has set its capitalization threshold for all assets with an initial individual cost of \$10,000 or more and an estimated useful life of one year. Assets having value under \$10,000, regardless of their useful life, will not be reported as assets in the fixed asset system. Individual departments are responsible for maintaining inventory and records of all assets under \$10,000.
- All Town departments are required to provide detailed information on all assets, newly acquired during the fiscal year, no later than 30 days prior to the end of the fiscal year.
- Non-cancelable lease agreements are handled in accordance with the Financial Accounting Standards Board (FASB) Statement No. 13.
- Donated assets will be entered into the system at fair market value as determined through appraisal.
- Construction in process is considered a separate type of asset and is tracked separately from the capital assets until the time of completion.
- Costs subsequent to acquisition should be capitalized if any of the following exists:
  - Useful life of asset is increased
  - Quality of services produced from asset is increased
  - Quality of units produced by asset is enhanced
- Disposal of assets shall be in accordance with all applicable federal, state and local regulations and policy.

## Budget Policies

Queen Creek in accordance with Arizona state law annually adopts a balanced budget, which is all-inclusive. Arizona Revised Statute §42-17151 requires all estimated sources of revenue, and restricted and unrestricted unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year. All inclusive means that if an item is not budgeted it cannot legally be spent during the fiscal year. Therefore, the budget must include sufficient appropriation provisions for expenditures related to revenues that cannot be accurately determined or anticipated when the budget is adopted.

Arizona Revised Statutes only requires communities to prepare budget for two funds – the General Fund and HURF. In addition to these two funds, Queen Creek prepares budgets and requests legal appropriation for all its funds: Special Revenue, Emergency Services, Enterprise, Capital Improvement, Debt Service and Internal Service.

### *Budget Amendment Policies*

- Appropriation transfers between Town departments from any non-departmental account, including contingency, and budget adjustments that include creating new full-time positions, may be done only with approval of the Town Council.
- Budget adjustments to increase Town estimated revenues in order to fund increasing appropriations must be approved by the Town Council. **The only exception is with the Town's Enterprise Funds in which more flexible budgeting is required.** Within these funds, the sale of a good or material is first dependent on the Town acquiring the item. In those cases in which added sales or revenue generation is directly linked to the acquisition of the item, the Town Manger can approve such appropriations and revenue



# Financial Policies

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increases to the budget, up to a cap of \$100,000. Such adjustments must stay within the annual budget ceiling adopted for the Town.

- Appropriation transfers between Town funds (e.g. General Fund, HURF, Development Fee Funds, etc.) require the approval of the Town Council.
- Appropriation transfers of up to \$50,000 between capital project accounts require the **Town Manager's** approval only; transfers above that amount require Town Council approval.
- Appropriation transfers from one expenditure account to another within a Town departmental budget (Intradepartmental Appropriation Transfer) are as follows. All transfers are contingent upon Budget Office verification of sufficient budget being available for the request.
  - Department Director approval only up to \$25,000 from one appropriation account to another within a departmental budget.
  - Town Manager approval only for transfers greater than \$25,000 within a departmental budget.

## Financial Reporting Policies

- **The Town's accounting and financial reporting systems will be maintained in conformity with Generally Accepted Accounting Principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB).**
- **The Town's budget** will be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends, and resource choices.
- Financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.





# Budget Process & Procedures

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## Budgetary Process

The Town Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Arizona Revised Statutes, the Town Manager submits to the Town Council a proposed budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. State law sets a limit on the expenditures of local governments. State statute sets the limits based on Economic Estimates Commission unless otherwise approved by voters. The Town of Queen Creek received voter approval to increase this limitation. The Town of Queen Creek has adopted an alternative expenditure limitation, also called home rule, in which total budgeted expenditures as adopted by the Town Council become the expenditure limitation.
4. Expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the Town adopts a budget by department for the General Fund and in total by fund for Capital and Special Revenue Funds, Emergency Services Fund and Enterprise Funds. The Town Manager, subject to Town Council approval, can at any time transfer any unencumbered appropriation balance or portion thereof between departments or programs. The adopted budget can be amended by following the Council-approved reallocation procedures.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Capital and Special Revenue Funds on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

## Budgetary and Accounting Basis

Queen Creek's budget is prepared on a basis generally consistent with Generally Accepted Accounting Principles (GAAP).

**Governmental Funds** – the General Fund, Special Revenue Funds, Debt Service and Capital Project Funds budgets are developed using the modified accrual basis of accounting. Under the modified accrual basis:

- Revenues are recognized as soon as they are measurable and available to finance expenditures in the current period or soon enough thereafter to pay liabilities of the current period.
- Expenditures are recognized when the related fund liability is incurred, except for items such as principal and interest on general long-term debt that are recognized when due and compensated absences, which are recorded when payment occurs.

Fixed assets used in governmental fund type operations are accounted for in the **Town's Balance Sheet**. Public domain (infrastructure) assets consisting of certain improvements other than buildings, such as roads and sidewalks, are not capitalized since these assets are immovable and of value only to the government.

Property, plant and equipment acquired or constructed for general governmental operations are recorded at the time of purchase as expenditures in the funds from which the expenditures were made.

Property, plant and equipment are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Assets in the general fixed asset area are not depreciated.



# Budget Process & Procedures

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**Proprietary Funds** – Water, Sewer and Solid Waste Enterprise Funds - are accounted for using the full accrual basis of accounting. The Town applies all applicable FASB pronouncements issued on or before November 30, 1990, unless they conflict with GASB pronouncements. Under the full accrual basis:

- Revenues are recognized when earned, and expenses are recognized when incurred. Interest on bonds, proceeds of which are used in financing the construction of certain assets, is capitalized during the construction period net of interest on the investment of unexpended bond proceeds.
- Expenditure estimates are developed for all expenses incurred during the fiscal year.

Property, plant and equipment acquired for proprietary funds are capitalized in the respective funds to which they apply.

Property, plant and equipment are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Depreciation of buildings, equipment and vehicles in the proprietary fund types is computed using the straight-line method.

**Interest** – is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

**Fund Equity** – The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserve fund balances for governmental funds represent the amount that has been legally identified for specific purposes. Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution. The reserved retained earnings in proprietary funds represent the amount that has been legally identified for specific purposes.

**Inventories** – Purchases of inventory are recorded at the time of purchase as expenditures/expenses in the funds from which the expenditures/expenses were made.



# Organizational Structure

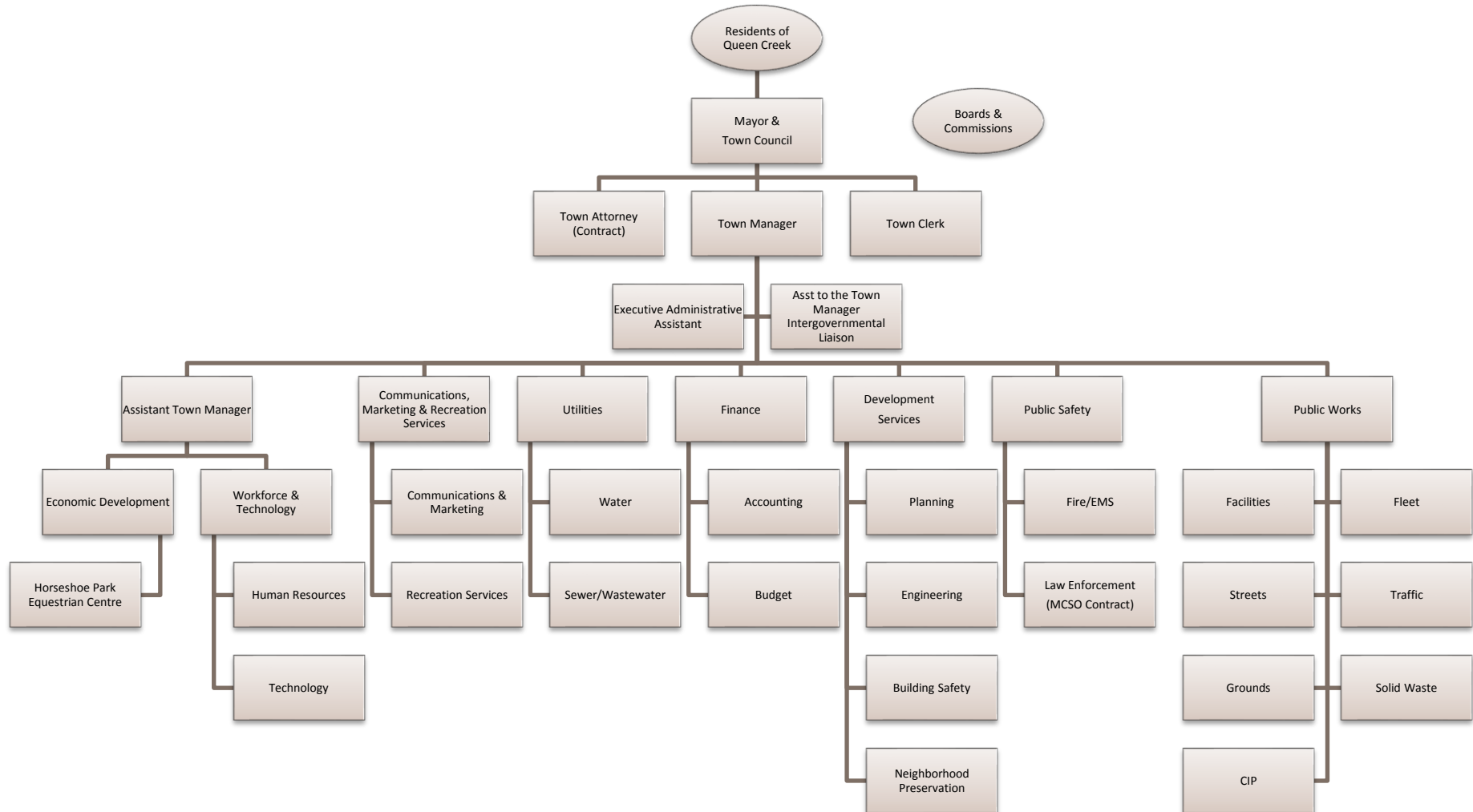
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- Town Organizational Chart
- Full Time Equivalents (FTE) by Department
- Fund Structure Chart
- Fund Structure Narrative
- Budget Infographic
- Where the Money Comes From
- Where the Money Goes
- Expenditure Category Breakout by Fund
- Uses/Total Appropriations Schedule





# Town Organizational Chart





# Full-Time Equivalents by Department

Department	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Mayor & Town Council <sup>a</sup>	7.00	7.00	7.00	7.00	7.00	7.00
Town Manager, Clerk, Legislative & Legal Services	7.00	7.00	7.00	8.00	8.00	8.00
Management Services <sup>b</sup>	13.15	-	-	-	-	-
Finance <sup>b</sup>	-	7.98	11.98	16.98	23.18	31.18
Workforce & Technology	10.00	10.00	11.00	11.00	12.00	14.00
Communications, Marketing & Recreation Services <sup>b</sup>	-	13.42	13.71	13.71	13.71	14.08
Economic Development <sup>b</sup>	16.00	13.00	12.00	12.00	11.00	11.00
Development Services <sup>c</sup>	69.86	25.95	26.48	25.48	25.50	25.50
Public Works <sup>c</sup>	-	47.40	50.36	54.86	61.93	71.36
Solid Waste	3.78	3.80	4.00	4.00	4.00	4.00
Utilities <sup>d</sup>	41.26	44.00	44.00	39.00	41.00	45.00
Emergency Services	35.00	36.00	36.00	51.00	51.00	64.00
<b>Total Full Time Equivalents</b>	<b>203.05</b>	<b>215.55</b>	<b>223.53</b>	<b>243.03</b>	<b>258.32</b>	<b>295.12</b>
<b>% Change from Prior Year</b>	<b>21.2%</b>	<b>6.2%</b>	<b>3.7%</b>	<b>8.7%</b>	<b>6.3%</b>	<b>14.2%</b>

<sup>a</sup> Elected Officials, not true FTE.

<sup>b</sup> Communications, Marketing & Recreation Services created in FY 2014/15 pulling Communications & Marketing from Economic Development and Recreation Programs from Management Services; with this change, Management Services now only encompasses financial functions and is replaced by the Finance Department. FTEs in the Town Programs section provides realignment for prior years' for comparison purposes.

<sup>c</sup> Public Works previously included in Development Services. FTEs in the Town Programs section provide realignment for **prior years' comparison purposes**.

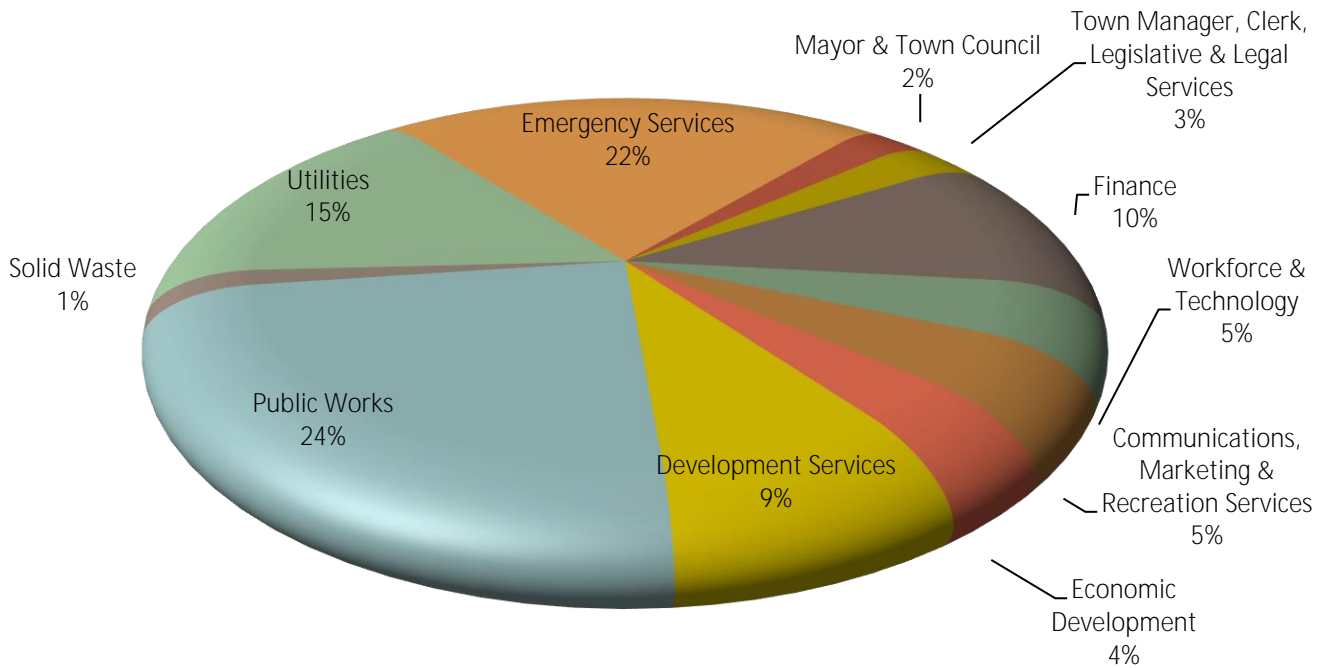
<sup>d</sup> Increase for FY 2013/14 reflects staffing from H2O acquisition.





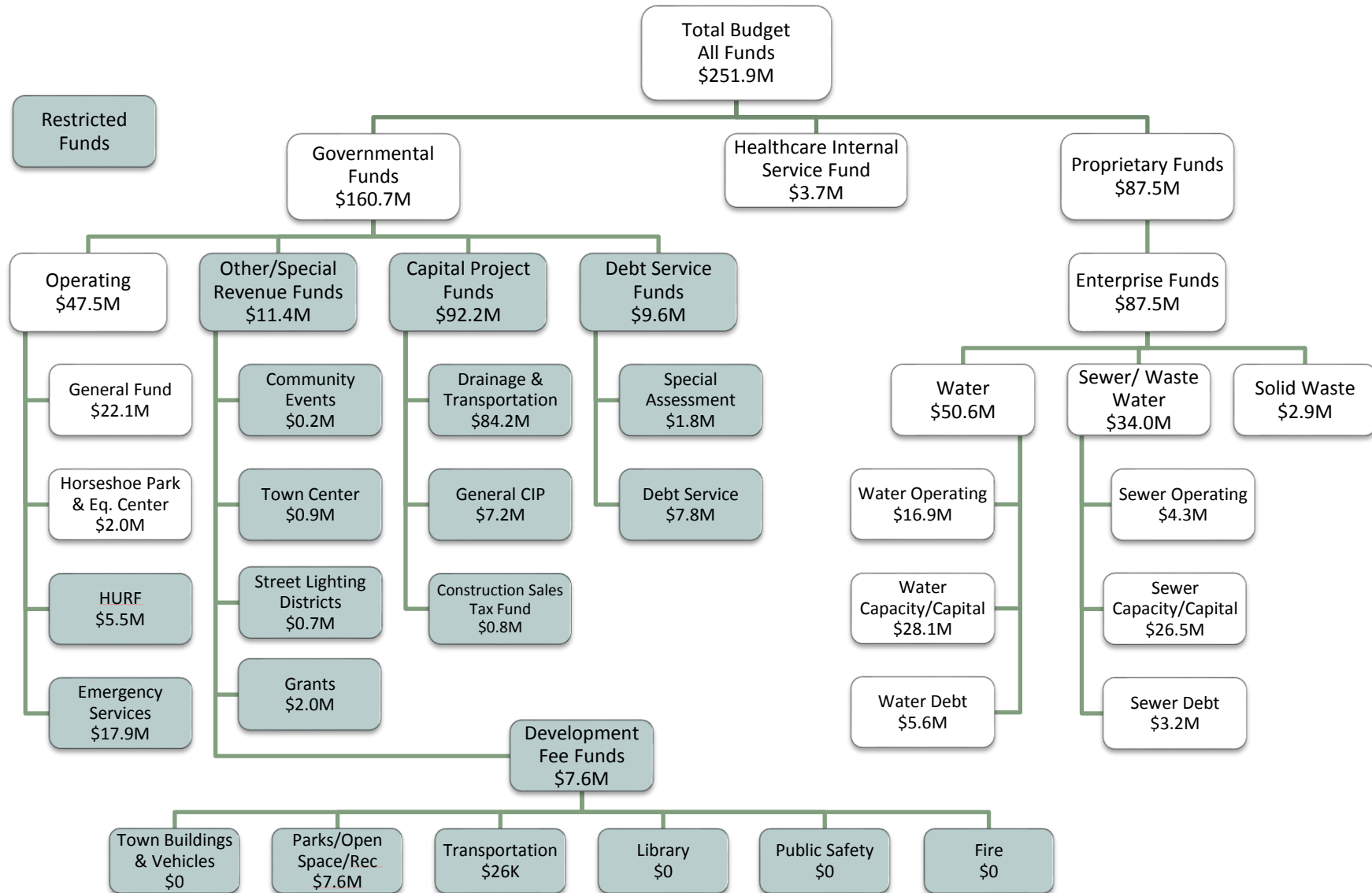
# Full-Time Equivalents by Department

Percentage of FTE by Department





# Fund Structure Chart



Differences may occur due to rounding



# Fund Structure Narrative

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The financial accounts for the Town of Queen Creek are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts composed of assets, liabilities, fund equity, revenues and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are governmental or proprietary. Different fund types are found within each of these two classifications.

## Governmental Funds

**Operating Funds** – These funds account for the governmental operations of the Town.

**General Fund** – This fund pays for the daily operations of Queen Creek government, including Mayor and Council, Town Manager and Town Clerk, Development Services, Communications, Marketing & Recreation Services, Economic Development, Finance, Workforce & Technology, and all Non-Departmental expenditures. The General Fund also covers operating shortages in the Horseshoe Park Equestrian Center Fund, the Highway User Revenue Fund (HURF) and the Emergency Services Fund.

**Horseshoe Park Equestrian Center Fund** – This fund accounts for the operations of the Town's Horseshoe Park Equestrian Center.

**Highway User Revenue Fund (HURF)** – All street operating costs eligible for state highway revenues are included in this fund. Revenues are derived from fuel taxes, vehicle license tax, and other street-related fees.

**Emergency Services Fund** – A 0.25% sales tax and a dedicated primary property tax (\$1.95/\$100 assessed value) pay for fire services in the community. In addition, this fund pays for the Maricopa County Sheriff's Office contract for police service in the Town. Because the revenue in this fund is insufficient to cover expenditures, a General Fund transfer is required to balance the budget of this fund.

**Other/Special Revenue Funds** - These funds account for the proceeds of specific revenue sources that are legally restricted, or restricted by Town policy to expenditures for a specific purpose.

- **Community Events Fund** – Used to account for recurring Town events: Trunk or Treat, December Holiday Tree Lighting, Spring into QC and 4th of July Fireworks. In addition to some General Fund support, events are reliant on sponsorships.
- **Town Center** – This fund receives revenue from a 0.25% sales tax charged within two shopping centers located in the Town Center. Funds are dedicated to improvements and projects within the Town Center planning area.
- **Street Lighting Improvement Districts (SLIDs)** – Arizona State statutes provide that improvement districts can be established to pay for streetlights. The Town has established a fund to account for the revenue received from benefited property owners to reimburse the Town for the streetlight expenses paid by the Town.
- **Grants** – This fund accounts for the necessary expenditure appropriations to cover any special circumstances that arise during the fiscal year related to Grants.
- **Local Transportation Assistance Fund (LTAF)** – The Town's share of state revenue is restricted to spending on arterial street expenses and 10% for cultural use.
- **Development Fee Funds** – These are one-time fees assessed to new construction to help fund the infrastructure and amenities that the new residents require. These funds account for revenue received to pay for infrastructure improvements such as transportation, Town buildings and vehicles, parks and open



## Fund Structure Narrative

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space, library, fire, and public safety. Only the fees appropriate to the type of land use are charged. For instance, commercial and industrial properties are not charged library or parks development fees. Effective August 1, 2014, the total development fee cost per new single family home is \$6,794 (excluding capacity fees).

**Capital Project Funds** – These funds account for revenue received to pay for infrastructure improvements.

- *Drainage and Transportation* – Transfers from the General Fund and Transportation Development Fund, as well as a 2.0% construction sales tax dedicated to drainage projects, intersection improvements, and street improvements fund the capital projects in this fund.
- *General CIP Fund* – Transfers from the General Fund and Development Fees fund the capital projects in this fund.
- *Construction Sales Tax Fund* – The Town has a differential construction contracting sales tax rate of 2.0% that is dedicated to infrastructure improvements. This revenue is accounted for in this fund and transfers or expenses occur out of this fund for growth related infrastructure improvements.

**Debt Service Funds** - The long-term payment of principal and interest on funds borrowed for general capital purchases is accounted for in these funds. Enterprise related debt service is reported in the enterprise funds and is not included here.

**Internal Service Fund** - Internal Service Funds are used to account for the financing, on a cost-reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the Town. Queen Creek maintains one Internal Service Fund to account for Self-Insurance activities related to Healthcare.

### Proprietary Funds

**Enterprise Funds** – These are funds for which the services provided are financed and operated similarly to a private business, 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; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital construction, maintenance, public policy, management control, accountability, or other purposes. Queen Creek has enterprise funds for Water, Sewer and Solid Waste.

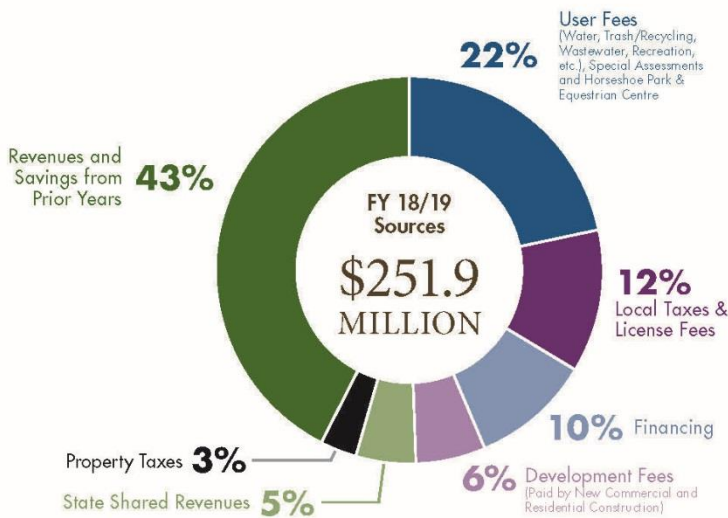


# FY 2018/19 Budget Infographic

## TOWN OF QUEEN CREEK FY 2018/19 BUDGET

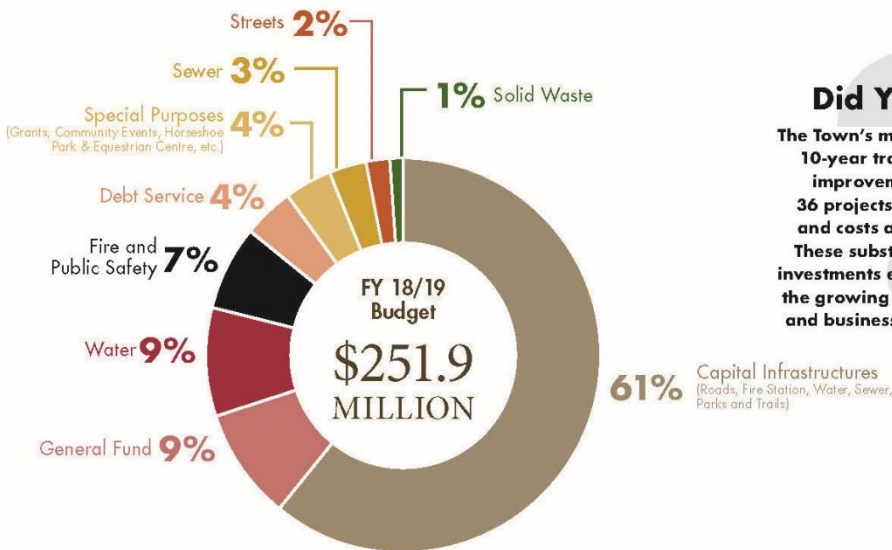
The Town of Queen Creek is required to pass a balanced budget annually. Expenditures must not exceed revenues. The budget is based on strategic and master plans that include community input and long-term goals.

### WHERE DOES THE MONEY COME FROM?



**Did You Know?**  
In early 2018, the Town issued about \$75M in debt to fund new major capital improvement projects. As part of the debt review and issuance process, the Town's "AA" and stable fiscal outlook were affirmed by Standard & Poor's and Fitch Ratings, leading credit rating agencies. The strong credit ratings are indicative of the Town's overall financial profile and are key in securing lower interest rates on debt. The bond will not result in any new taxes.

### WHERE DOES THE MONEY GO?



**Did You Know?**  
The Town's most recently approved 10-year transportation capital improvement plan included 36 projects, 84 new lane miles, and costs an estimated \$195M. These substantial infrastructure investments ensure the Town meets the growing demands of residents and businesses in our community.

REVISED MAY 29, 2018



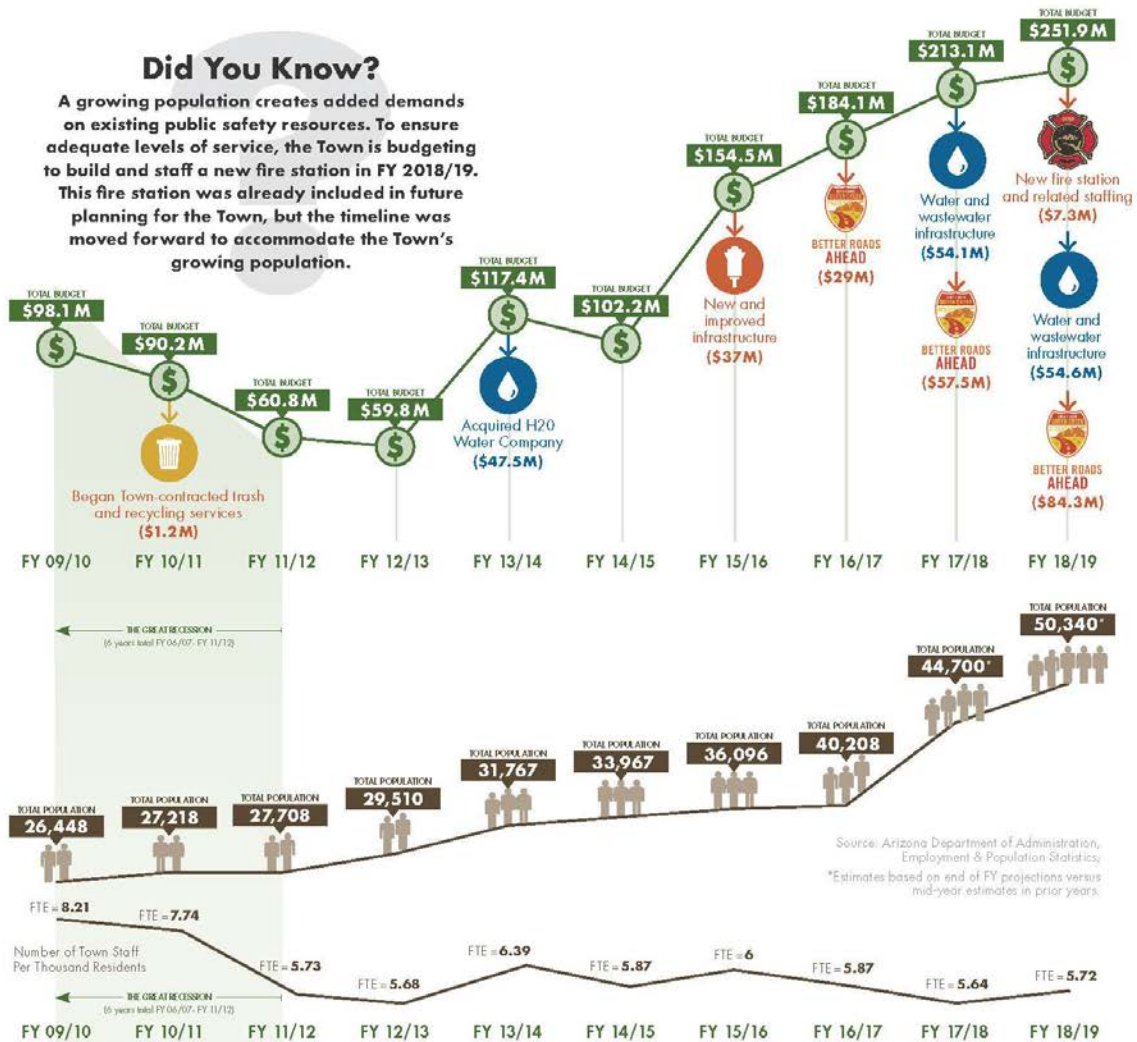


# FY 2018/19 Budget Infographic

## 10-YEAR BUDGET OVERVIEW

Queen Creek's growth has driven major fluctuations in the budget. The Town must balance the resources needed to serve residents and businesses.

### QUEEN CREEK'S BUDGET HISTORY



The Town's annual budget gives staff authority to spend funds in pursuit of policy goals set by the Town Council. Resources are assigned based on priorities set by elected officials. Every year by mid-July, the Town is required by law to adopt a balanced budget. Before the budget is adopted, residents are given the opportunity to provide input into determining what is important in their community and how much they are willing to pay for services they choose.

Queen Creek maintains a conservative approach to budgeting and fiscal administration. As the community grows, the focus remains on responsible planning for a fiscally sustainable future.





# Sources

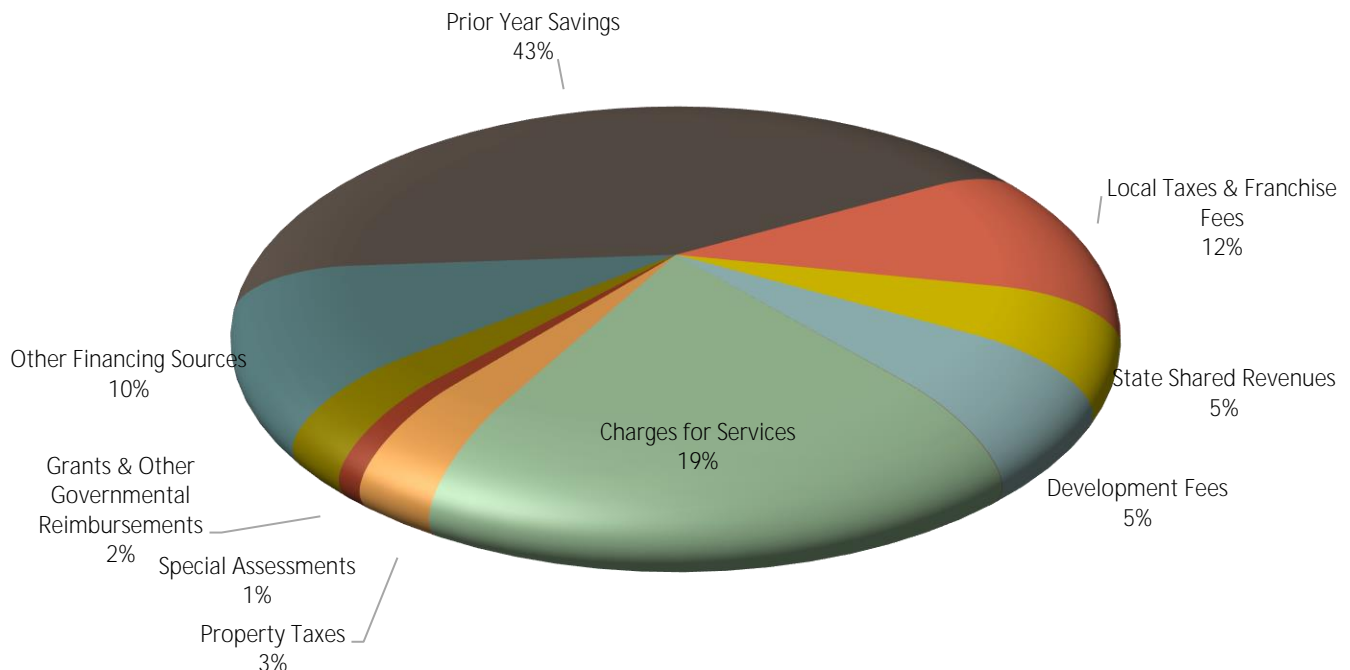
## Where the Money Comes From

Sources	FY 2017/18 Revised Budget	FY 2018/19 Adopted Budget	% increase/ (decrease) year over year
Local Taxes & Franchise Fees	\$ 30,479,052	\$ 29,394,322	(3.6%)
State Shared Revenues	12,152,824	12,725,760	4.7%
Development Fees	19,651,248	14,041,510	(28.5%)
Licenses & Permits	97,420	97,420	0.0%
Charges for Services	43,008,185	47,460,936	10.4%
Property Taxes	6,189,464	6,962,716	12.5%
Special Assessments	2,327,407	2,402,407	3.2%
Grants & Other Governmental Reimbursements	5,705,000	6,333,300	11.0%
Other Financing Sources*	76,580,552	24,561,449	(67.9%)
<b>Subtotal Revenues</b>	<b>\$ 196,191,152</b>	<b>\$ 143,979,820</b>	<b>(26.6%)</b>
Prior Year Savings	16,902,303	107,916,327	
<b>Total Sources</b>	<b>\$ 213,093,455</b>	<b>\$ 251,896,147</b>	

Inter-fund transfers of \$95.7 have not been included in FY 2018/19 budget figures pursuant to Auditor General Budget guidelines.

\*FY 2017/18 included bond proceeds of \$75M

## FY 2018/19 Sources \$251.9M as a Percent of Total Sources



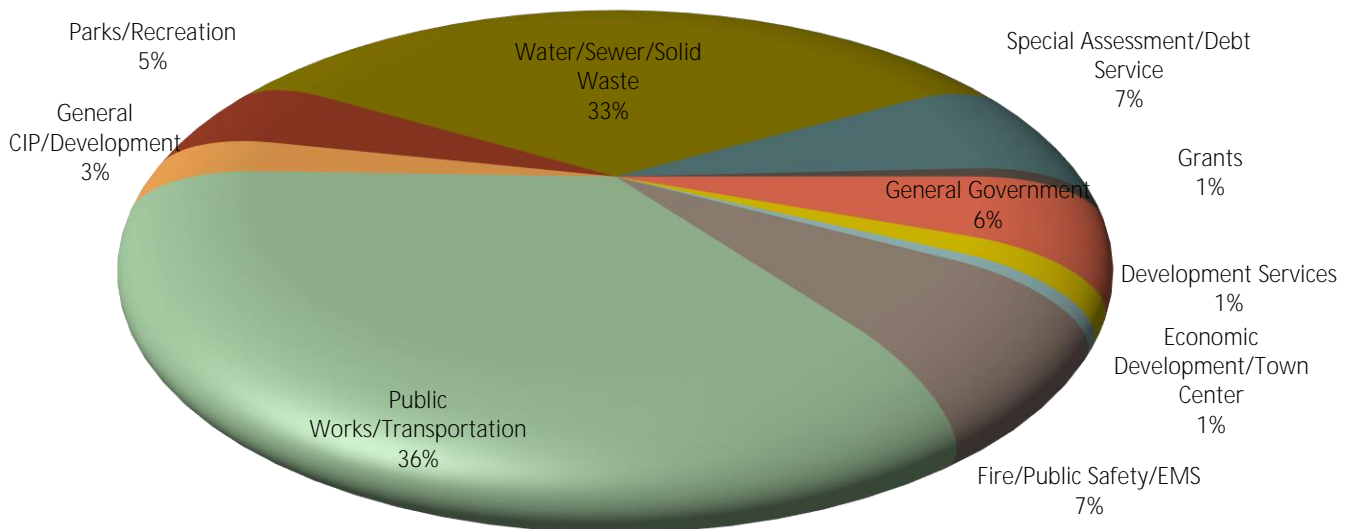


# Uses

## Where the Money Goes

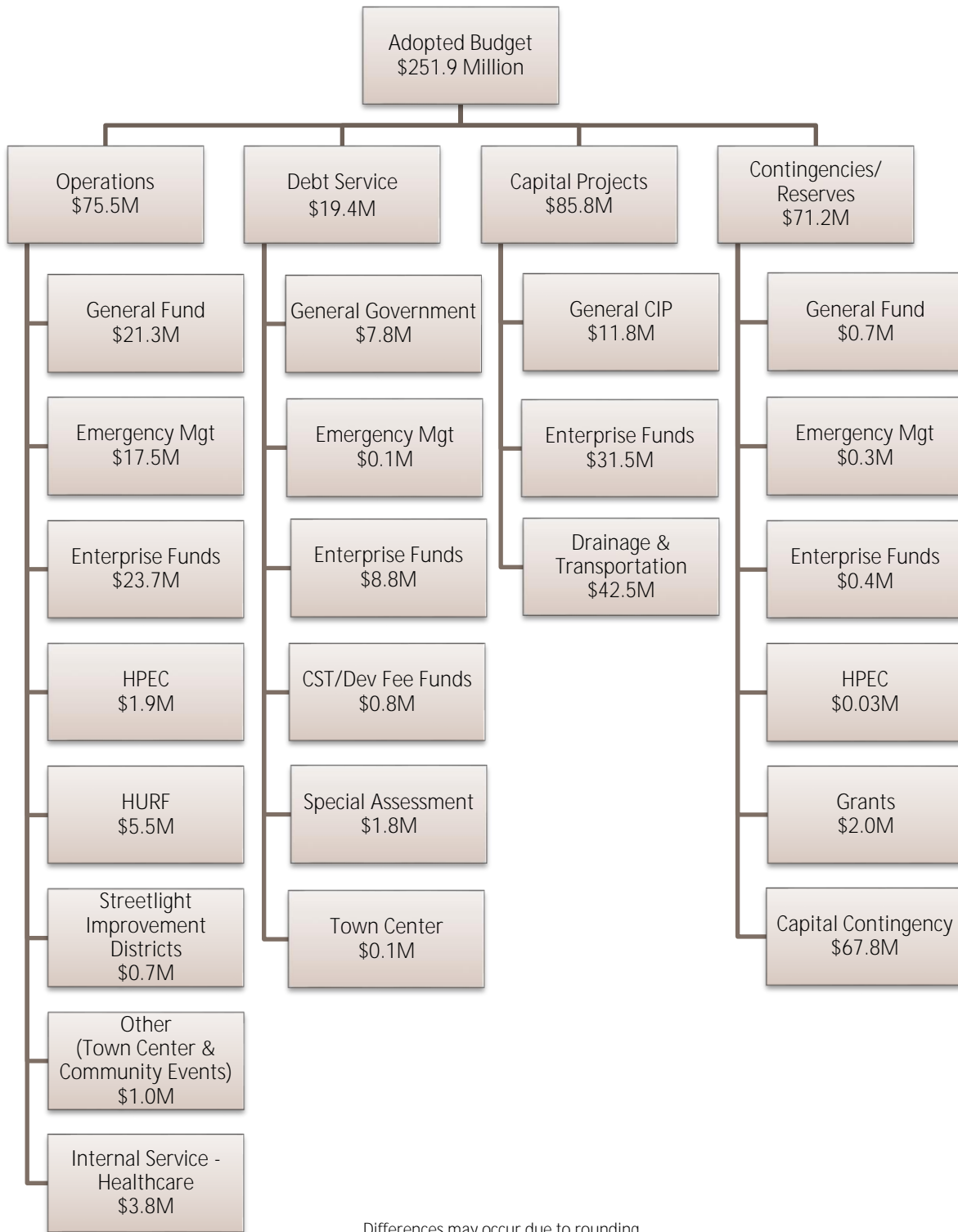
Expenditures	FY 2017/18 Revised Budget	FY 2018/19 Adopted Budget	% increase/ (decrease) year over year
General Government	\$ 12,323,711	\$ 13,995,188	13.6%
Development Services	4,488,468	3,863,837	(13.9%)
Economic Development/Town Center	2,383,503	1,768,089	(25.8%)
Fire/Public Safety/EMS	15,945,702	17,877,120	12.1%
Public Works/Transportation	58,796,694	89,750,052	52.6%
General CIP/Development	6,738,343	7,156,657	6.2%
Parks/Recreation	23,334,362	12,875,094	(44.8%)
Water/Sewer/Solid Waste	72,144,297	84,240,188	16.8%
Special Assessment/Debt Service	14,938,375	18,369,922	23.0%
Grants	2,000,000	2,000,000	0.0%
<b>Total Expenditures</b>	<b>\$ 213,093,455</b>	<b>\$ 251,896,147</b>	<b>18.2%</b>

FY 2018/19 Adopted Budget \$251.9M  
Expenditures by Function as a Percent of Total





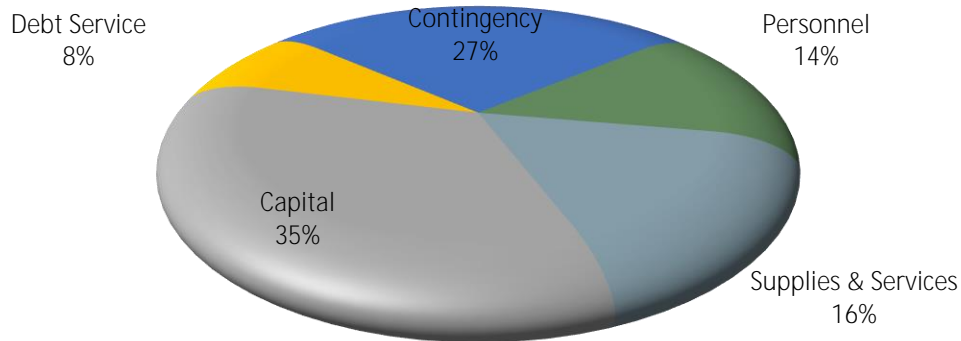
# Uses





# Uses / Total Appropriations Schedule

FY 2018/19 Adopted Budget \$251.9M  
by Category



FY 2018/19 Total Appropriations - Budget by Fund										
	General Fund	EMS Fund	HURF	HPEC	Enterprise	Special Revenue	Capital	Debt	Healthcare	Grand Total
<b>Sources</b>										
Local Sales Tax	\$ 21,577,090	\$ 2,689,690	\$ -	\$ -	\$ -	\$ 4,775,960	\$ -	\$ -	\$ -	\$ 29,042,740
State Shared Revenue	8,570,400	-	4,155,360	-	-	-	-	-	-	\$ 12,725,760
Property Tax	-	6,962,716	-	-	-	-	-	-	-	\$ 6,962,716
Charges for Services	6,506,145	4,272,300	-	581,500	31,865,230	20,000	-	-	4,055,761	\$ 47,300,936
License & Fees	97,420	-	-	-	-	-	-	-	-	\$ 97,420
Franchise Fees	351,582	-	-	-	-	-	-	-	-	\$ 351,582
Special Assessments	-	-	-	-	-	700,000	-	1,702,407	-	\$ 2,402,407
Interest Income	469,279	-	-	-	539,000	108,950	-	-	10,000	\$ 1,127,229
Capacity Fees	-	-	-	-	8,039,200	-	-	-	-	\$ 8,039,200
Impact Fees	-	-	-	-	-	6,002,310	-	-	-	\$ 6,002,310
Other	101,500	236,000	-	161,070	-	3,001,950	26,277,000	-	150,000	\$ 29,927,520
<b>Total Revenues</b>	<b>\$ 37,673,416</b>	<b>\$14,160,706</b>	<b>\$ 4,155,360</b>	<b>\$ 742,570</b>	<b>\$ 40,443,430</b>	<b>\$ 14,609,170</b>	<b>\$ 26,277,000</b>	<b>\$ 1,702,407</b>	<b>\$ 4,215,761</b>	<b>\$ 143,979,820</b>
Transfers In	4,812,461	5,123,144	1,594,308	1,683,101	63,431,826	162,700	11,090,579	7,797,886	-	95,696,005
<b>Total Sources</b>	<b>\$ 42,485,877</b>	<b>\$19,283,850</b>	<b>\$ 5,749,668</b>	<b>\$ 2,425,671</b>	<b>\$103,875,256</b>	<b>\$ 14,771,870</b>	<b>\$ 37,367,579</b>	<b>\$ 9,500,293</b>	<b>\$ 4,215,761</b>	<b>\$ 239,675,825</b>

<b>Uses</b>										
Personnel	13,457,152	\$ 8,269,904	\$ 1,464,278	\$ 672,747	\$ 6,765,706	\$ -	\$ 769,192	\$ -	\$ 3,434,091	\$ 34,833,070
Supplies & Services	7,319,916	\$ 9,216,039	\$ 3,773,375	\$ 661,220	16,559,331	3,275,260	276,438	-	320,592	\$ 41,402,171
Capital	554,293	\$ 26,357	\$ 226,000	\$ 600,000	32,015,200	5,425,000	48,610,897	-	-	\$ 87,457,747
Debt Service	-	\$ 83,380	\$ 20,398	\$ -	8,801,126	502,509	-	9,568,796	-	\$ 18,976,209
Contingency	743,270	\$ 281,440	\$ -	\$ 34,500	23,415,900	3,000,000	41,751,840	-	-	\$ 69,226,950
<b>Total Expenses</b>	<b>\$ 22,074,631</b>	<b>\$17,877,120</b>	<b>\$ 5,484,051</b>	<b>\$ 1,968,467</b>	<b>\$ 87,557,263</b>	<b>\$ 12,202,769</b>	<b>\$ 91,408,367</b>	<b>\$ 9,568,796</b>	<b>\$ 3,754,683</b>	<b>\$ 251,896,147</b>
Transfers Out	15,817,237	\$ 1,406,730	\$ 265,617	\$ 297,204	63,431,826	14,477,391	-	-	-	95,696,005
<b>Total Uses</b>	<b>\$ 37,891,868</b>	<b>\$19,283,850</b>	<b>\$ 5,749,668</b>	<b>\$ 2,265,671</b>	<b>\$150,989,089</b>	<b>\$ 26,680,160</b>	<b>\$ 91,408,367</b>	<b>\$ 9,568,796</b>	<b>\$ 3,754,683</b>	<b>\$ 347,592,152</b>
Change in Fund Balance	\$ 4,594,009	\$ -	\$ -	\$ 160,000	(\$ 47,113,833)	(\$ 11,908,290)	(\$ 54,040,788)	(\$ 68,503)	-	(\$ 107,916,327)

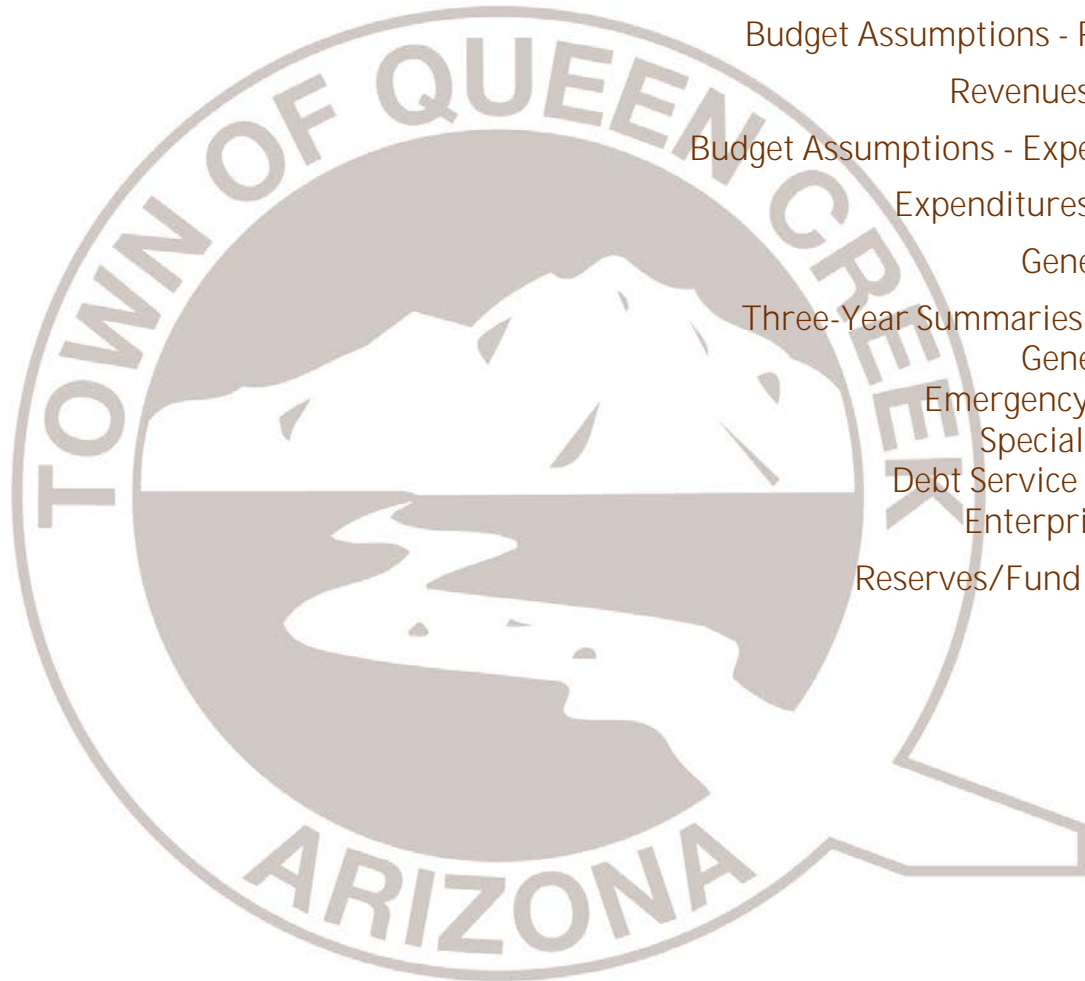


FY 2018/19  
Budget



# Budget

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- Budget Development
  - Budget Overview
  - Policy Issues
  - Budget Calendar
  - Budget Assumptions - Revenues
    - Revenues by Fund
  - Budget Assumptions - Expenditures
    - Expenditures by Fund
      - General Fund
    - Three-Year Summaries by Fund:
      - General Fund
      - Emergency Services
      - Special Revenue
      - Debt Service & Capital
      - Enterprise Funds
    - Reserves/Fund Balances





# Budget Development

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The budget is evaluated by a group composed of the Town Manager, Assistant Town Manager, Finance Director/Chief Financial Officer (CFO), Budget Administrator, department directors and three Town Council members acting as the Town Council Budget Committee. The Town Council Budget Committee makes recommendations for funding to the full Town Council. The major steps in preparation of the budget are:

- Council input on priorities through a Council Retreat, underlying strategic plan and community input through citizen surveys
- Forecast revenue and fund balances
- Identify reserve/debt requirements
- Determine base staffing priorities
- Determine base expenditure levels
- Determine amount of supplemental requests that can be funded to ensure a balanced budget
- **Present to Council's Budget Committee for review**
- Present to full Council for review, tentative and final adoption

The budget process for the ensuing fiscal year typically begins in early December with necessary staff to complete a comprehensive long-range forecast of revenues. A meeting of all Town staff who are involved in the budget development process occurs in early January to discuss revenue forecasts and share base budget targets and assumptions.

Assumptions are developed during December based upon:

- Projected revenues for all revenue sources
- Estimated wage increases for staff
- Increases in Arizona State Retirement System contributions and/or health insurance
- Inflation rate nationally and in the local area
- Use of Consumer Price Index for additional inflationary factors
- The status of the local economy based upon data from the Arizona Department of Economic and Business Research

Estimates of projected state-shared revenues for the upcoming fiscal year are usually provided in lump sum figures from the state departments actually distributing the funds. These funds are distributed on a population basis.

An analysis of all factors results in a recommendation to the Town Manager of the growth and inflation factor, if any, that should be allotted to each department in order to maintain its base budget and provide the same level of service in the coming fiscal year. Queen Creek operates under home rule, so it is not limited by the State of Arizona's expenditure limit for local jurisdictions. The home rule, which requires voter-approval, sets the expenditures limit as the total expenditure budget adopted by Council. Queen Creek voters approved a four-year continuation of home rule in the August 2014 primary election. The FY 2018/19 budget is the last budget in the current approved four-year cycle. A Fall 2018 election is scheduled for the next renewal.



# Budget Development

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Once confident with the revenue estimates, the next step is to analyze the anticipated expenditures for the upcoming year. These estimates are developed in the budget preparation phase and are based on the following considerations:

1. **Departmental Key Result Areas (KRAs) as identified in the Town's Corporate Strategic Plan** - these KRAs should be related to departmental/divisional performance measures.
2. The variety, type and level of services the Town wants to provide. This includes the maintenance or abandonment of current programs, as well as the initiation of any new services. The Town Council plays a significant role in these decisions and the core service analysis that departments analyze during the budget process are also useful.
3. A comprehensive price list is developed for anticipated costs on items in the general category of supplies and contractual services, including operating costs for infrastructure placed into service. This list includes costs for any new anticipated major capital expenditures since expenditures of this nature usually require a considerable amount of budget planning.
4. Known cost factors, including such items as debt service schedules, employee benefits increases such as contribution rates to employee pension and retirement funds, medical and dental insurance coverage **premiums, changes to worker's** compensation rates and other similar costs.
5. The main business of the Town is service, and service requires employees. The cost of employee salaries **is one of the largest expenditures in the Town's budget.** In 2014 Town Council voted to maintain a competitive compensation policy whereby employee base salary ranges are adjusted at the beginning of each fiscal year in relation to the Employment Cost Index (ECI).
6. Changes in employee fringe benefits includes any changes affecting vacation policy, overtime, holiday, health insurance and sick leave. Changes in any of these areas could affect expenditures.

Once this analysis is completed, priorities are set based on department needs to maintain current service levels and the revenues needed to accomplish them. If there is sufficient revenue over expenses, the decision may be made to fund supplemental budget requests. Following several reviews with the Town Manager, Assistant Town Manager, Finance Director/CFO, Budget Administrator and department directors, the Town Manager presents a proposed balanced budget to the Town Council Budget Committee for review preceding submission to the full Town Council for consideration and approval.



# Budget Overview FY 2018/19

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The Town’s expenditure budget for FY 2018/19 is \$251.9 million. This budget includes appropriations for the General Fund of \$22.1 million, Emergency Services of \$17.9 million, HURF of \$5.5 million, and HPEC of \$1.5 million, collectively referred to as the **Town’s Operating Budget**. The **Enterprise portion of the FY 2018/19 budget consists** of the Water Fund at \$16.9 million, the Sewer Fund at \$4.3 million and Solid Waste at \$2.9 million. Capital Improvement Funds (CIP) total \$124.0 million. The remaining dollars that comprise the budget include appropriations for grants, special assessments, special districts and debt service.

Given the recent economic growth in Queen Creek, FY 2018/19 is the fourth consecutive year that there is a projected surplus in the operating budget. However, there are funds that have projected shortfalls in FY 2018/19, including the Emergency Services Fund (\$5.1 million), HURF (\$1.6 million) and HPEC (\$1.2 million) that need to be addressed with General Fund transfers and contributions. However, even with these transfers, the Operating Budget net results remain positive, and continue to include ongoing CIP Pay-As-You-Go funding of \$3.9 million. This funding placeholder was created at \$6.5 million, and with the new Transportation Debt Issue, \$2.6 million of that placeholder is now used for debt service, leaving \$3.9 million to annually fund Transportation CIP projects.

Although the Council considers the budget in June, the budget process starts almost six months prior with development of an annual long-range financial plan and associated budget assumptions, preparation of base budgets for the Town programs and estimating the revenues that support the budget. Following this initial analysis, the Operating Budget (which consists of the General Fund, Emergency Services Fund, HURF and Horseshoe Park Fund) showed a surplus for FY 2018/19 of approximately \$0.7M million even with the addition of 25.4 new FTE.

Overall, there are 35.4 new positions (Full-Time Equivalent, FTE) included in the FY 2018/19 Budget:

IT Analyst (1.0 FTE)	Streets M&O Specialist (1.0 FTE)	Irrigation Meter Technician (1.0 FTE)
Sr Financial Analyst (1.0 FTE)	Deputy Fire Chief (1.0 FTE)	Well Technician (1.0 FTE)
CIP Financial Analyst (1.0 FTE)	Firefighter (6.0 FTE)	Utility IT Analyst (1.0 FTE)
Grounds M&O Assistant (0.4 FTE)	Fire Engineer (3.0 FTE)	Utility Accounting Analyst (1.0FTE)
Grounds M&O Technician (4.0 FTE)	Fire Captain (3.0 FTE)	Utility Customer Service Rep(1.0 FTE)
Grounds Crew Leader (1.0 FTE)	Utility Deputy Director (1.0 FTE)	Cashier (1.0 FTE)
Park Ranger (1.0 FTE)	Utility Engineer (1.0 FTE)	
Facility M&O Technician (1.0 FTE)	Water Flexnet Analyst (1.0 FTE)	
Streets M&O Technician (1.0 FTE)	Utility Analyst (1.0 FTE)	

In addition to the FTE identified above, a 15% increase in Recreation seasonal staff (0.37 FTE) is included to address increased program needs in response to increased patronage. The anticipated ending Operating Fund balance for FY 2018/19 will stand at approximately 55% of Operating revenues, or approximately \$31.2 million, which remains well above the **Council’s stated** policy of 25%.














Capital projects are also included in the FY 2018/19 budget. The transportation capital program comprises the largest capital program appropriation at \$82.3 million, which includes \$36.8 million of carry-forward budget authority for projects already approved and/or underway. The water capital program appropriations are set at \$28.1 million, which includes carry-forward budget authority of \$12.9 million. The wastewater capital program appropriations are set at \$26.5 million and include carry-forward budget authority of \$10.1 million. The parks development fund includes a capital program appropriation at \$4.6 million for Trail extensions and design for the next park, plus \$3 million of carry-forward budget authority for projects already approved/underway.

On June 6, 2018, the Town of Queen Creek FY 2018/19 budget was approved by the Mayor and Town Council.



# Policy Issues FY 2018/19

During the development of the FY 2018/19 Budget, the following policy issues were addressed:

Issue/Link to CSP	Town Manager Recommendation
Impact Fee Update    	Finalize and Implement the Impact Fee and Capacity Fee Studies.
Public Safety Levels of Service 	Include resources to staff a new 4 <sup>th</sup> Fire Station and begin construction.  Add additional patrol/traffic unit beats for MCSO.
Public Safety Pension Unfunded Liability Pension Funding – MCSO 	Reserve entire amount of the Town’s share of the Maricopa County Sheriff’s Office Unfunded Pension Liability from the Operating Fund Balance; removing that portion of the annual expense to create additional capacity to increase levels of service for Public Safety.
5-Year Staffing Plans  	Include additional staffing (35.4 FTE) to strategically address the increasing complexity of the organization and expanding infrastructure within the organization.
Employee Compensation 	Include Merit and Market increases for all other employees at indices recommended in Compensation Plan adopted in 2014.
Water Operations Analysis 	Implement recommendations of water operations efficiency and effectiveness study.
Non-Profit/Social Services Agency Funding  	Enhance Non-Profit Support to only address Social and Community Services Organizations, removing the Historical Society from this process and enter into separate contractual support for that agency. Per Policy, the allocation amount for non-profit support is \$41,750 (0.2% of General Fund Budget). Total requests of \$37.6K were able to be fully funded.
<b>Water Fund’s Return on Investment to Support Public Safety</b> 	Include resources from Water and Wastewater Operations to support Public Safety.



# Budget Calendar

January 2018	
January 15	Department 5-Year Staffing Projections Due
January 17	Budget Development Kickoff with Department Directors
January 18	Non-profit applications emailed with packets
January 11 – January 31	Departments work on base budget realignments Departments prepare budget narratives highlighting changes made to base budgets Departments prepare supplemental Requests Departments prepare CIP requests Departments prepare O&M base additions for completed CIP projects
January 23	Department Head meeting to discuss staffing projections
January 31	Employment Cost Index Released by BLS
February 2018	
February 1	Non-profit applications due
February 5	Valley Schools Benefits Renewal Meeting
February 5	Department Budget Materials Due (including all narratives describing key drivers of FY 2018/19 budget)
February 20	Budget Office finalizes revenue forecasts County Assessor valuations received mid-February
February 22	Budget Materials for Town Manager led department meetings released
February 23	Council Strategic Planning Session
March 2018	
March 8	Town Manager Budget Meetings with Departments to review base budgets and supplemental requests
March 15	Budget Office posts required public notice of potential increased fees
March 20	Town Manager Meeting to review non-profit apps, level of funding for FY 2018/19; Finalize outstanding budget items
March 21	Fire District Meeting to review FY 2018/19 levy rate
April 2018	
April 4	Town Council to review Property Tax options for FY 2018/19 1 <sup>st</sup> Public Hearing on Home Rule
April 5	<b>Town Manager's Recommended FY 2018/19 Budget Released</b>
April 11 – 12	Town Manager briefings with Council on FY 2018/19 Budget
April 18	2 <sup>nd</sup> Public Hearing on Home Rule Council Vote to approve Resolution to include on Fall Election Ballot
April 25 - meeting #1 April 26 - meeting #2	Budget Committee Meetings to review and recommend Town Manager Recommended Budget (non-council meeting week)
April 30	Budget Committee Report to Council



# Budget Calendar

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May 2018	
<b>May 7</b>	Tentative Budget materials due to Clerk for May 16 Council meeting
<b>May 16</b>	Budget Committee Report to Council
<b>May 16</b>	Town Council considers and votes on Tentative Budget
<b>May 17</b>	Tentative budget schedules posted to website
<b>May 23</b>	1 <sup>st</sup> Truth in Taxation (TNT) Newspaper Ad runs (14 days before TNT hearing)
<b>May 24</b>	1 <sup>st</sup> Tentative Budget Ad
<b>May 30</b>	2 <sup>nd</sup> Truth in Taxation Newspaper Ad (7 days before TNT hearing)
June 2018	
<b>June 6</b>	2018-2023 Corporate Strategic Plan approval Town Council Final Budget Hearing and Adoption Truth in Taxation Hearing and Setting Levy Date
<b>June 7</b>	Adopted budget schedules post to Town website
<b>June 20</b>	Adopt Property Tax Levy at Council meeting
<b>June 21</b>	Tax Levy information sent to Counties & Property Tax Commission





# Budget Assumptions - Revenues

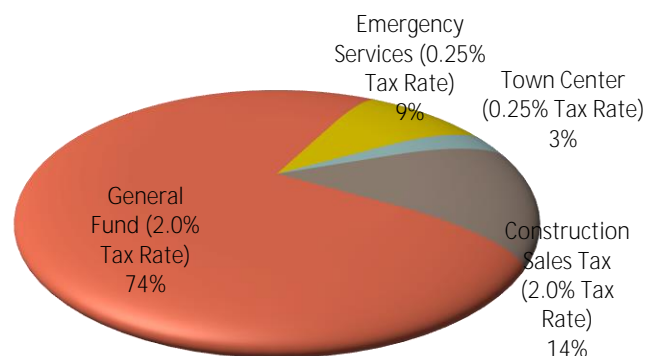
Queen Creek anticipates to collect revenue in FY 2018/19 equal to the amount necessary to pay the costs of operating and maintaining current Town programs. The economic climate in the town continues to improve. This improvement allows for program enhancements in support of Town Council goals as stated in the Corporate Strategic Plan. Sales tax revenue forecasts are determined by a revenue trend analysis in conjunction with known commercial facilities opening and closing, as well as economic indicators available for the region and nation. Based on growth projections, the total adopted FY 2018/19 sales tax is 3.6% less than the revised FY 2017/18 budget and is a 4.5% decrease versus FY 2016/17 actual figures. This decline is related solely to the construction contracting category, which has a projected 27% decline from FY 2017/18. The remaining sales tax base is projected to increase by 11%.

**Town Sales Tax** – The Town collects sales tax revenues at a rate of 2.25%, of which 2.0% is dedicated to the General Fund and 0.25% to the Emergency Services Fund. In addition, the Town collects an additional 0.25% from transactions from major retail developments in the Town Center district, which is dedicated to the Town Center Fund for projects specific to this part of the Town. Town Sales tax accounts for 58% of the General Fund revenues in FY 2018/19.

**Construction Sales Tax** – In addition to the 2.25% sales tax, a 2.0% construction or contracting sales tax is collected specifically for the Capital Improvement Program (CIP) and is the revenue source for the Construction Sales Tax Fund. **Revenue from construction activity is also based on trend analysis and the region’s anticipated economic factors.** This particular sales tax is anticipated to decrease by 27% in FY 2018/19 over the revised FY 2017/18 budget and is a 38% decrease compared to the FY 2016/17 actual. Additionally, approved Town projects will add to this revenue stream in the coming years. Reductions in expected construction sales tax revenues stem from reduced new single family home permitting from FY 2017/18 relative to the budget. In recent history, single-family home construction constitutes approximately 80% of all construction sales tax revenue.

Sales Tax Category	FY 2018/19 Sales Tax Budget
Construction	\$ 8,453,118
Retail	12,697,302
Restaurants & Bars	2,651,310
Communications & Utilities	2,063,600
Real Estate, Rental & Leasing	1,599,990
All Other Categories	1,577,410
<b>Total Town Sales Tax</b>	<b>\$ 29,042,730</b>

Fund	FY 2018/19 Sales Tax Budget
General Fund (2.0% Tax Rate)	\$ 21,577,090
Emergency Services (0.25% Tax Rate)	2,689,690
Town Center (0.25% Tax Rate)	802,990
Construction Sales Tax (2.0% Construction Tax Rate)	3,972,970
<b>Total Town Sales Tax</b>	<b>\$ 29,042,730</b>

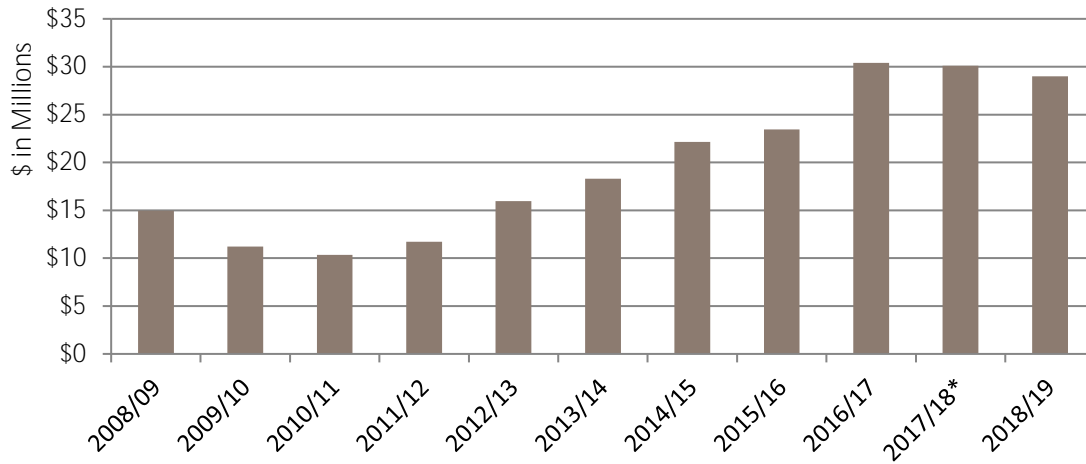




# Budget Assumptions - Revenues

Sales Tax History/Projection - All Transactions				
Fiscal Year	Adopted Budget	Budget % Change	Actual/Projected*	Actual % Change
2009/10	\$ 15,630,000	(6.0%)	\$ 11,194,412	(25.2%)
2010/11	12,415,000	(20.6%)	10,358,431	(7.5%)
2011/12	11,715,000	(5.6%)	11,700,710	13.0%
2012/13	11,358,000	(3.0%)	15,977,567	36.6%
2013/14	13,119,117	15.5%	18,294,821	14.5%
2014/15	18,777,000	43.1%	22,151,449	21.1%
2015/16	20,700,300	10.2%	23,450,410	5.9%
2016/17	25,069,480	21.1%	30,395,632	29.6%
2017/18*	29,416,310	17.3%	30,113,560	(0.9%)
2018/19	\$ 29,042,730	(1.3%)	\$ 29,042,730	(3.6%)

Sales Tax History/Projection



\*Revised Budget

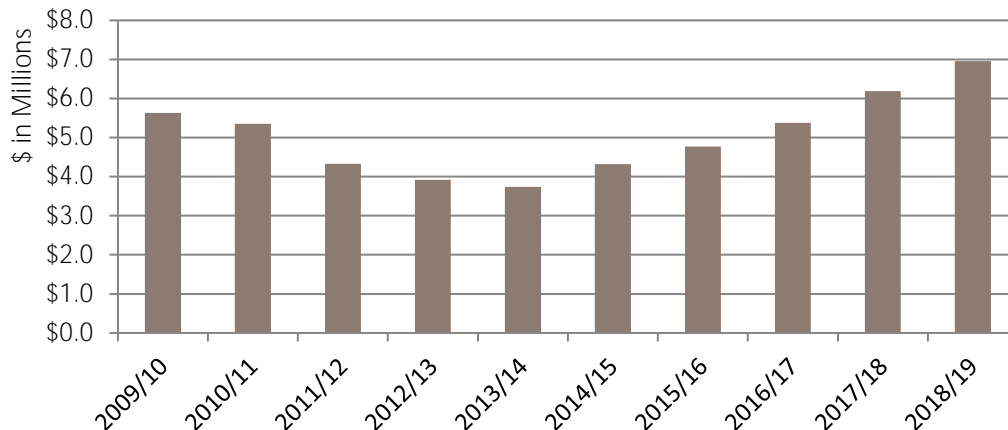


# Budget Assumptions - Revenues

**Property Tax** – Beginning in FY 2007/08, the Town of Queen Creek began levying a primary ad valorem property tax for Public Safety uses at a rate of \$1.95 per \$100 of assessed limited property value. Valuation notices are sent out every February by the county assessor for the fiscal year starting in July. The Town uses trend analysis processes, as well as information provided by the state to project five years of revenues. Limited Property Values are projected to continue their recovery at a pace slower than the drastic decline experienced from the housing construction crash. Appreciation in Limited Property Values is capped by state statute at 5% for properties with no physical change to the land or improvements, no change in land use, and were included in the previous year tax roll. Other increases to Limited Property Value that fall into the appreciation category could include: land which was not included on the previous year tax roll; properties changing land use categories; properties modified by new construction or were subject to changes in existing improvements since the preceding valuation year. Total Limited Property Values are slated to increase by \$39M or 12.5% over FY 2017/18 in FY 2018/19, of which \$17M or 5% is attributed to appreciation in values (which equates to an additional \$337K in revenue) and \$22M or 7% is attributed to new construction (which equates to \$435K).

Property Tax History/Projection				
Fiscal Year	Adopted Budget	Budget % Change	Actual/Projected	Actual % Change
2009/10	\$ 5,750,000	15.0%	\$ 5,634,456	16.9%
2010/11	5,330,445	(7.3%)	5,355,086	(5.0%)
2011/12	4,216,000	(20.9%)	4,328,481	(19.2%)
2012/13	3,780,217	(10.3%)	3,917,854	(9.5%)
2013/14	3,628,882	(4.0%)	3,739,042	(4.6%)
2014/15	4,404,000	21.4%	4,323,971	15.6%
2015/16	4,769,000	8.3%	4,866,564	12.5%
2016/17	5,379,190	12.8%	5,462,547	12.3%
2017/18	6,189,464	15.1%	6,189,464	13.3%
2018/19	\$ 6,962,716	12.5%	\$ 6,962,716	12.5%

Property Tax History/Projection





## Budget Assumptions - Revenues

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**Development Impact Fees** – Development impact fees are collected with each building permit issued and may be spent only for specific capital expenses or debt service. These funds are restricted by Arizona law and may be spent only for the purpose defined in the fee ordinances. In 2011, Arizona’s Fiftieth Legislature passed Senate Bill 1525, which legislated a series of significant changes to the calculation, collection, and use of development fees. This legislation fundamentally moved away from the principle of new growth paying for itself, and shifted the burden of paying for this infrastructure on to existing residents and businesses. In addition, city and town councils previously had the ability to determine what constitutes “necessary public services” for their communities; the new bill now narrowly defines what these are allowed to include. The law took effect on January 1, 2012 and included a series of implementation dates, with a requirement that all development fee programs become fully compliant by August 1, 2014. In response to the established deadlines, the Town Council passed Resolution 892-11 on December 21, 2011, which dropped fees from \$15,007 to \$13,883 per single family home. The next change for development fees under SB 1525 went into effect August 1, 2014, further reducing the fees to \$6,794 from \$8,941 (excluding the wastewater fee, which has been converted to a capacity fee).

Revenues collected in this category are projected through a collaborative effort, working with Development Services to come to a consensus on the anticipated five-year projection. This process takes into consideration current data on all active and inactive subdivisions within the Town, as well as information in the planning and engineering pipelines, including information from the Economic Development group. Single-family housing units are projected at 651 for FY 2018/19. Five-year projections are conservatively based on a slight decrease in single-family housing units, as well as moderate commercial building activity.

At this time, the Town is currently in the process of revising its impact fees. As part of this process, the Town has collaborated with a focus group of stakeholders and consultants in order to maximize community input and ensure an open and collaborative methodology. The update process is expected to conclude sometime in FY 2018/19 and the new fees will take effect about 6 months from adoption.

**Building Revenue** – A regression analysis is done on this very unpredictable revenue stream. Additional knowledge of housing sector and building community trends is sought monthly. Revenues collected in this category are projected through a collaborative effort, working with Development Services to come to a consensus on the anticipated five-year projection.

**Utility User Fees** - Solid Waste fees are based on the rate schedule that went into effect in fall 2013. In FY 2011/12 Town Council approved a six-year sewer rate increase program; however, in FY 2015/16 it was determined that the program would be reviewed on an annual basis to determine need. No rate increases were included for FY 2018/19 budget projections, however a study is underway to evaluate rates, which could result in changes during FY 2018/19.

**State-Shared Revenue** – The State of Arizona distributes a portion of state income tax, sales tax, HURF and vehicle license tax to municipalities based on population. For FY 2018/19, State Shared Revenues account for 23% of the General Fund revenues. As a result of newly developed distribution method, annually the state-shared proportion are recalculated based on Census estimates. This will eliminate the large jumps in revenue amounts every five years and smooth those increases out between official Census counts.

The Arizona Joint Legislative Budget Committee releases a four-sector projection annually for all state-shared revenues. Preliminary numbers are shared with municipalities each October with more accurate projections released each Spring from the League of Arizona Cities and Towns. Both entities share long-term state projections for sales tax and income tax. This information is used in conjunction with Town trend analysis and other news and research on anticipated economic trends.

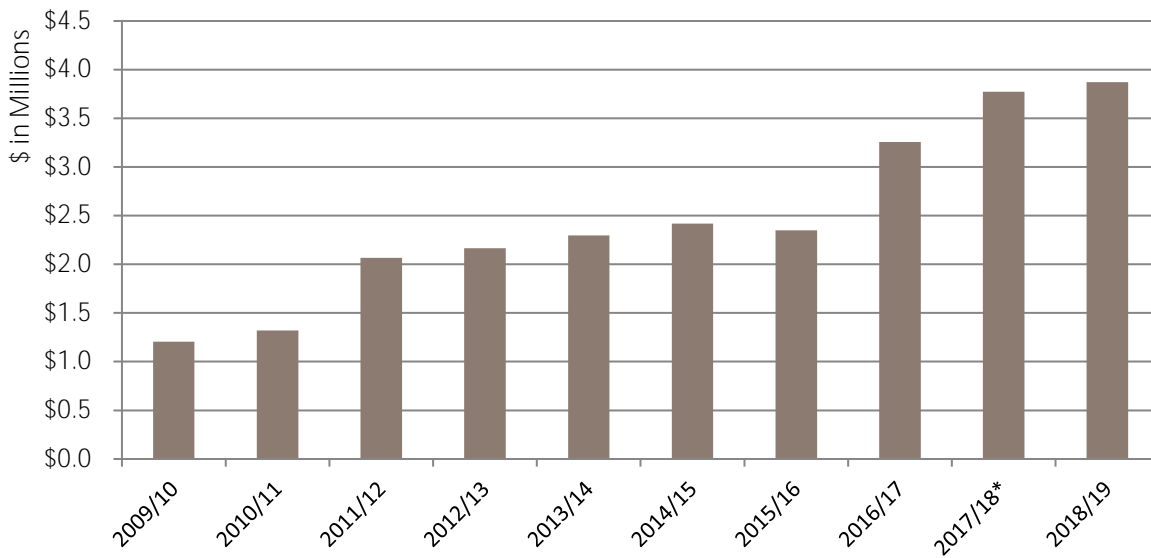


# Budget Assumptions - Revenues

*State-Shared Sales Tax* - Cities and towns share in a portion of the 5.6 % sales tax collected by the State. The distribution base (shared portion) varies by category. For example, retail sales is 40% shared and 60% non-shared (retained by the State). Of the shared portion, 25% is returned to incorporated cities and towns, 40.51% is returned to counties and 34.49% is returned to the State General Fund.

State-Shared Sales Tax History/Projection				
Fiscal Year	Adopted Budget	Budget % Change	Actual/ *Projected	Actual % Change
2009/10	\$ 1,261,916	(15.0%)	\$ 1,204,549	(7.8%)
2010/11	1,229,132	(2.6%)	1,321,605	9.7%
2011/12	1,994,378	62.3%	2,068,235	56.5%
2012/13	2,204,313	10.5%	2,167,053	4.8%
2013/14	2,278,000	3.3%	2,298,195	6.1%
2014/15	2,382,000	4.6%	2,419,249	5.3%
2015/16	2,518,348	5.7%	2,349,301	(2.9%)
2016/17	3,258,371	29.4%	3,175,351	35.2%
2017/18*	3,560,500	9.3%	3,774,000	18.9%
2018/19*	\$ 3,871,400	8.7%	\$ 3,871,400	3.0%

State-Shared Sales Tax History/Projection



\*Revised Budget

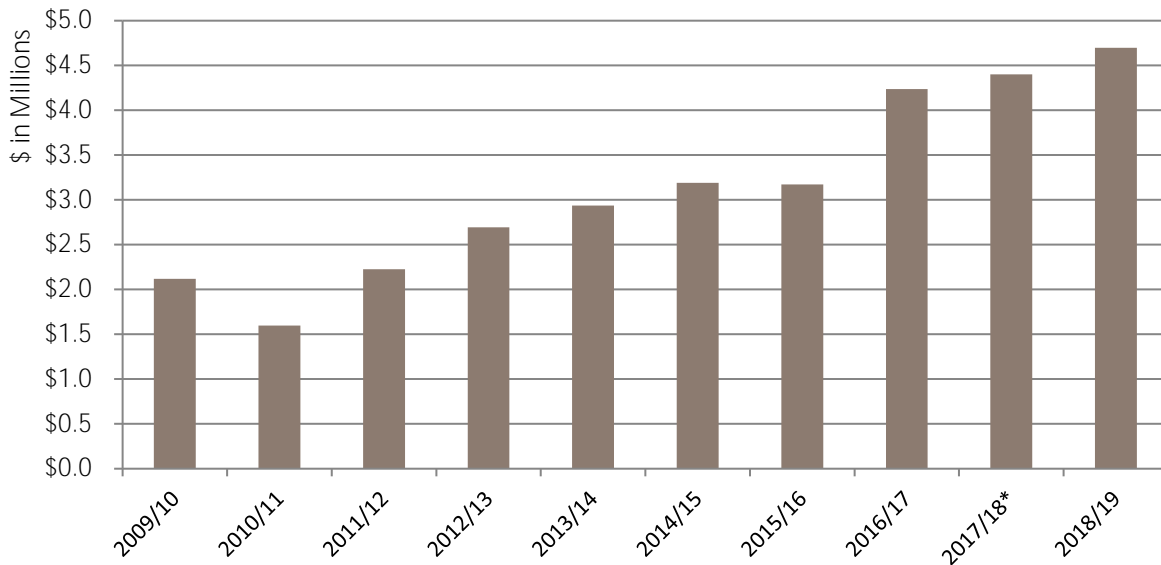


# Budget Assumptions - Revenues

*State-Shared Income Tax* - Cities and towns in Arizona are prohibited from levying a local income tax; however, 15% of the state income tax collections are shared with the cities and towns. There is a two-year lag between the time citizens report income to the State and when the State remits shared income tax revenues to cities and towns.

State-Shared Income Tax History/Projection				
Fiscal Year	Adopted Budget	Budget % Change	Actual/ *Projected	Actual % Change
2009/10	\$ 2,119,156	(12.4%)	\$ 2,119,220	(12.7%)
2010/11	1,597,380	(24.6%)	1,597,620	(24.6%)
2011/12	2,224,980	39.3%	2,224,888	39.3%
2012/13	2,692,475	21.0%	2,692,719	21.0%
2013/14	2,941,000	9.2%	2,938,268	9.1%
2014/15	3,191,000	8.5%	3,191,162	8.6%
2015/16	3,173,861	(0.5%)	3,173,861	(0.5%)
2016/17	4,235,175	33.4%	4,234,773	33.4%
2017/18*	4,552,500	7.5%	4,399,985	3.9%
2018/19*	\$ 4,699,000	3.2%	\$ 4,699,000	6.8%

State-Shared Income Tax History/Projection



\*Revised Budget



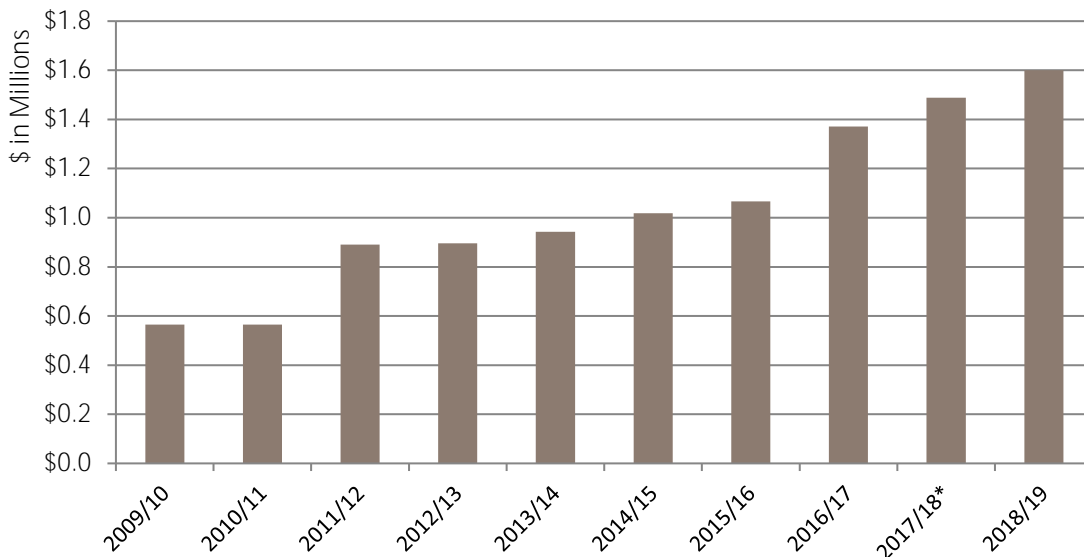


# Budget Assumptions - Revenues

*State-Shared Vehicle License Tax (VLT)* – This tax is part of the vehicle license fees collected when registering a vehicle with the Arizona Department of Transportation. Twenty-five percent of the net revenues are distributed back to the cities and towns based on population. The only stipulation on the use of this revenue is that it must be spent on a public purpose. Prior to FY 2015/16, this revenue was recorded in the General Fund but is now recorded in the Highway User Revenue Fund (HURF).

State-Shared VLT History/Projection				
Fiscal Year	Adopted Budget	Budget % Change	Actual/ *Projected	Actual % Change
2009/10	\$ 566,334	(19.1%)	\$ 565,207	(7.5%)
2010/11	570,324	0.7%	564,930	0.0%
2011/12	888,969	55.9%	890,371	57.6%
2012/13	873,907	(1.7%)	895,188	0.5%
2013/14	879,000	0.6%	942,652	5.3%
2014/15	932,000	6.0%	1,018,304	8.0%
2015/16	1,041,872	11.8%	1,066,106	4.7%
2016/17	1,345,029	29.1%	1,370,993	28.6%
2017/18*	1,441,000	7.1%	1,488,249	8.6%
2018/19*	\$ 1,600,800	11.1%	\$ 1,600,800	7.5%

State Shared VLT History/Projection



\*Revised Budget

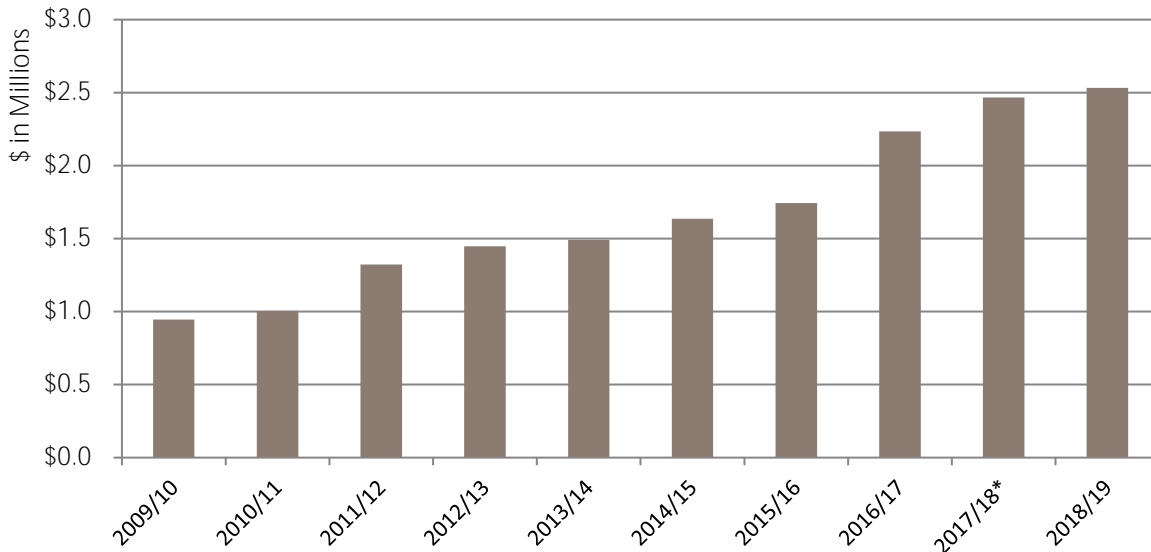


# Budget Assumptions - Revenues

*Highway User Revenue Fund (HURF)* - The State of Arizona taxes motor fuels and collects a variety of fees and charges relating to the registration and operation of motor vehicles on the public highways of the state. These revenues are deposited in the Arizona Highway User Revenue Fund (HURF) and are then distributed to the cities, towns and counties and to the State Highway Fund. Revenues received by the Town must be used for expenditures in the right-of-way, including streets, sidewalks, curb and gutter, etc. These revenues fund a portion of the Town's pavement maintenance plan.

HURF History/Projection				
Fiscal Year	Adopted Budget	Budget % Change	Actual/ *Projected	Actual % Change
2009/10	\$ 991,969	(16.0%)	\$ 945,341	(4.9%)
2010/11	965,591	(2.7%)	1,004,733	6.3%
2011/12	1,327,292	37.5%	1,323,269	31.7%
2012/13	1,483,531	11.8%	1,446,984	9.3%
2013/14	1,487,000	0.2%	1,492,216	3.1%
2014/15	1,500,000	0.9%	1,637,127	13.1%
2015/16	1,644,939	9.7%	1,742,531	6.4%
2016/17	2,091,787	27.2%	2,235,438	28.3%
2017/18*	2,277,000	8.9%	2,467,000	10.4%
2018/19*	\$ 2,531,700	11.2%	\$ 2,531,700	2.6%

HURF History/Projection



\*Revised Budget



# Revenues/Sources by Fund

Fund	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted	FY 2018/19 % of Total Budget
General Fund	\$36,174,559	\$37,805,201	\$37,601,801	\$37,673,416	26.2%
Sewer/Wastewater	10,222,809	6,331,591	6,331,591	6,853,750	4.8%
Waste Water – Capacity	5,167,358	5,716,860	5,716,860	4,131,270	2.9%
Solid Waste	2,416,919	2,643,507	2,643,507	2,859,694	2.0%
Water Operating	23,662,223	21,265,692	21,265,692	22,535,786	15.7%
Water – Capacity	4,689,665	5,628,390	5,628,390	4,062,930	2.8%
Water – Capital	53,806	-	-	-	-%
Drainage & Transportation	1,508,965	78,732,421	78,732,421	26,277,000	18.3%
Streets – HURF	3,637,819	3,763,590	4,000,839	4,155,360	2.9%
Streets & Roads – LTAF	76,030	-	-	-	-
Town Center	740,529	735,520	764,412	843,990	0.6%
Street Lighting Districts	597,309	625,500	625,500	700,000	0.5%
Housing Rehab Fund	305	-	-	-	-%
Construction Sales Tax	6,411,826	5,455,850	5,455,850	3,972,970	2.8%
Parks & Open Space	4,221,087	4,482,681	4,482,681	3,996,750	2.8%
Town Buildings	597,583	645,512	645,512	486,900	0.3%
Transportation Dev Fees	1,642,815	1,779,197	1,779,197	1,319,870	0.9%
Library Development	826,869	865,010	865,010	604,500	0.4%
Public Safety Development	215,125	252,820	252,820	188,460	0.1%
Emergency Services	9,777,271	10,505,444	10,584,059	14,160,706	9.8%
Fire Development Fees	619,608	665,278	665,278	493,780	0.3%
Parks & Rec Trust Fund	1,450	-	-	-	-%
Community Events Fund	83,929	75,000	75,000	74,650	0.1%
Horseshoe Park Equestrian Ctr.	606,436	565,590	565,590	742,570	0.5%
Grants	0	2,000,000	2,000,000	1,927,300	1.3%
Special Assess. Improvement	1,756,552	1,702,407	1,702,407	1,702,407	1.2%
Debt Service	57,303,830	-	-	-	-%
Medical Self-Insurance	3,013,448	3,806,735	3,806,735	4,215,761	2.9%
Sub-Total Revenues	\$176,026,126	\$196,049,796	\$196,191,152	\$121,819,820	100.0%
Inter-fund Transfers **	43,086,987	65,397,794	66,860,866	95,696,005	
Total Sources	\$219,113,113	\$261,447,590	\$263,052,018	\$239,675,825	

\* Grant funding is placed in the budget to account for any unanticipated grant awards

\*\* Inter-fund Transfers are used to cover debt service, operating expenditures and one-time capital improvements in Development Fee Funds, Capital Funds and Special Revenue/Public Safety Funds.



# Budget Assumptions - Expenditures

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**General Government Operating Funds** – Overall, FY 2018/19 expenditure budgets were increased based on the following assumptions:

- Personnel budgets include an allowance for up to a 3% merit increase for non-sworn personnel and a 5% step program for Sworn Fire Personnel based on performance
- **In accordance with the Town’s compensation policy, base employee compensation was increased by 2.5%**, which is benchmarked to the Employment Cost Index for Government Employers
- Retirement rates for the Arizona State Retirement System (ASRS) increased slightly from 11.5% in FY 2017/18 to 11.8% in FY 2018/19; Public Safety Personnel Retirement System (PSPRS) rates increased from 15.99% to 16.72% for Tiers 1 and 2 employees.
- Based on recent claims experiences, healthcare rates are increasing 4% for the Town portion of employee healthcare premiums, employee rates remain unchanged
- Contractual services and commodities were budgeted based on projected spending patterns, and known contract increases
- Additional operating costs for newly completed Town facilities (Community Chambers, Law Enforcement Building and two new fire stations)
- Operating contingencies are set at 3%

**General Fund** - This fund pays the cost of general government operations, of which personnel costs account for 61% of the General Fund budget. Historically, one of the more substantial expenses in the General Fund has been the Transportation Development Rebate (a portion of sales tax generated on activity from the two major Town retail developments). In FY 2016/17, two of the three development agreements were paid off, creating capacity for the General Fund to allocate resources on an ongoing basis for capital infrastructure and/or debt service related to capital infrastructure improvements. General Fund contingency for FY 2018/19 is set at \$0.7 million.

In addition to operating expenditures for general government, the General Fund must make several transfers out to other funds. Transfers out are necessary to account for the General Fund share of debt service for non-growth portion of capital, to cover anticipated deficits in general government operating funds, and to provide support to other programs, such as capital and community events. Included in FY 2018/19 are transfers of a \$3.5 million to cover debt service, transfers of \$7.9 million to cover operation and maintenance expenditures in Emergency Services, Horseshoe Park and HURF, and transfers for transportation capital improvements (CIP) of \$3.9 million.

*Departments accounted for within these funds: Town Council, Town Manager, Legal Services, Town Clerk, Finance, Communications Marketing & Recreation, Development Services, Public Works: Facilities, Fleet, Grounds, Workforce & Technology, Economic Development*



# Budget Assumptions - Expenditures

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**Emergency Services** – This fund pays for the cost of providing public safety services and includes fire and law enforcement. Queen Creek operates its own fire service; however, law enforcement is provided through a contract with the **Maricopa County Sheriff's Office (MCSO)**. In addition, this fund is charged for department support provided by the General Fund for services such as human resources, finance and accounting, budget, and technology, based on approved cost accounting allocations. The FY 2018/19 budget includes a full year of operations and staffing for a new Fire Station (**Queen Creek's 4<sup>th</sup>**), which will operate from a temporary facility pending construction of the new station. The Fire Academy for the new fire personnel is scheduled to begin shortly after the start of the fiscal year. Operating contingency in this fund for FY 2018/19 is budgeted at \$281K.

*Departments accounted for within this funds: Emergency Management Services (Fire) and Public Safety*

**Horseshoe Park** - This fund pays for the cost of operating Horseshoe Park Equestrian Center. In addition, this fund is charged for department support provided by the General Fund for services such as human resources, finance and accounting, budget and technology, based on approved cost accounting allocations. Operating contingency in this fund for FY 2018/19 is budgeted at \$34,500.

*Departments accounted for within these funds: Economic Development and Horseshoe Park Equestrian Center*

**Highway User Revenue Fund** – Expenditures match annual revenue in this fund. These dollars are restricted by statute to expenditures in the right-of-way. Beginning in FY 2015/16, all street operations are now accounted for in this fund, with vehicle license tax (VLT) as a source, as well as a transfer in from the General Fund to cover any shortages between revenues and general street operations. HURF revenues are dedicated to pavement preventative maintenance and reconstruction projects. Contingency for this fund is included in the General Fund contingency amount.

*Departments accounted for within these funds: Public Works: Streets*

**Enterprise Funds** - The Enterprise FY 2018/19 operating budgets followed the same assumptions as the general government. In addition, these funds are charged for department support costs for expenditures in the General Fund that benefit the other funds, such as human resources, finance and accounting, budget, technology and other general support from the General Fund based on approved cost accounting allocations. These costs vary depending on enterprise fund needs and use of General Fund resources. New for FY 2018/19 is a Return on Investment Expense whereby the Utility Operating Funds will contribute a portion of revenues to fund Public Safety. These charges are similar to charges a private utility company would be obligated to pay the Town. Debt service is budgeted in all enterprise funds according to established schedules. In accordance with established operating fund policy, operating contingency funding has been built in at 3% for each fund in this category.

*Departments accounted for within these funds: Solid Waste, Sewer, Water*



# Budget Assumptions - Expenditures

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**Other/Special Revenue Funds** – Expenditures for these funds are budgeted based on projected activity rather than the general expenditure assumptions for operating funds.

**Town Center** – The FY 2018/19 budget includes amounts for projects and activities related to the Town Center, such as Town Center Decorative Elements/Art, as well as continuation of the Façade Improvement Program that started in FY 2012/13. Included in this fund for FY 2018/19 is expenditure authority for special construction projects that have not yet been specifically identified. New for FY 2018/19 is the transfer from Town Center Revenues to cover the portion of the Improvement District Debt Service. The General Fund previously covered this portion of the debt, but since the Improvement District was created specifically in Town Center for the Ellsworth Loop Road Improvement, it makes more sense for the debt to be paid from there. Since this fund has a dedicated revenue stream, all projects and operating expenditures must fall within the Town Center.

*Departments accounted for within these funds: Economic Development*

**Street Light Improvement Districts** – As of budget development there were 91 streetlight districts in Queen Creek. Expenditures in this fund are exclusively **for electrical consumption of the Town's street light districts**. Expenditure assumptions are included for new subdivisions where streetlights will be activated during FY 2018/19.

*Departments accounted for within these funds: Centralized Services / General Operations*

**Development Fee Funds** – Development Fee Funds account for the revenues received for impact fees related to specific types of development in Queen Creek. Expenditures in these funds for FY 2018/19 can only be used for authorized purposes, such as growth related projects as well as updates to fee studies. Transfers out from these funds are for the growth share of debt service for capital projects. Detailed information by fund is located in the CIP section of the budget book. Debt schedules can be found in the debt section of the budget book.

**Healthcare Self-Insurance Fund** – This internal service fund was created in FY 2015/16 to account **for the Town's employee healthcare related expenses**. The premiums received as revenue into this fund are generated through payroll and are recorded as expenses to the operating divisions and include the employee deductions. The expenses recorded in the Healthcare Fund are for medical claims and insurance costs for dental, vision, and life insurances.

**Capital Project Funds** – FY 2018/19 expenditures for these funds are based on anticipated capital projects. Detailed information by fund is located in the CIP section of the budget book.

**Drainage & Transportation** – This capital fund, in addition to housing new roadway and intersection projects, is often home to necessary studies leading up to projects. FY 2018/19 includes \$41.5 million in new expenditure authority for construction projects. Additionally, \$41.8 million is included for projects currently under contract and previously approved project budgets that will be carried forward from FY 2017/18. Also included in this fund are project management expenses of \$1.0 million. In FY 2017/18 bonds were issued, providing approximately \$65M to fund transportation projects over the next 3 years.





## Budget Assumptions - Expenditures

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**General CIP** – This capital fund was created during FY 2014/15 to house general government related capital projects. **Construction is set to begin on the Town’s next fire station, with funding transfers from the Operating Budget and the Fire Impact Fees.** More information can be found in the CIP section of the budget book for the five-year projection for this fund.

**Water and Wastewater Capital Infrastructure** – The two funds account for capital infrastructure improvements related to water and wastewater for both expanded needs related to growth as well as aging infrastructure replacement. FY 2018/19 includes a combined \$31.6 million in expenditure authority. Additionally \$23.0 million is included for projects currently under contract and previously approved project budgets that will be carried forward from FY 2017/18. The major funding sources for these improvements are capacity fees for the growth share of the improvements. The non-growth share is funded by the Water and Wastewater operating funds from user rates.

**Construction Sales Tax Fund** – This fund was created during FY 2014/15 to account for the 2.0% **construction contracting sales tax charged in addition to the Town’s regular sales tax rate of 2.25%** for major construction activities. Use of this revenue is restricted to infrastructure improvements, including Transportation Development Reimbursement Agreements, as well as the growth share of the debt service for the 2006 Improvement District Bond for Ellsworth Loop Road Improvements and street improvements included in the 2016 Refunding of the 2007 Excise Tax Bond.



# Expenditures/Uses by Fund

Fund	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted	FY 2018/19 % of Total Budget
General Fund	\$ 24,163,809	\$ 20,531,283	\$ 21,742,772	\$ 22,074,631	8.8%
Wastewater/Sewer	8,255,978	26,151,119	24,493,370	34,007,059	13.5%
Solid Waste	2,601,470	2,642,876	2,642,876	2,948,531	1.2%
Water	19,621,178	51,505,532	46,744,420	50,601,673	20.1%
Drainage & Transportation	13,020,890	56,480,816	53,760,080	84,251,710	33.4%
General CIP	17,200,577	700,000	7,619,145	7,156,657	2.8%
Construction Sales Tax	18,803,394	450,000	450,000	772,758	0.3%
Streets Program - HURF	4,131,057	4,841,050	6,231,047	5,484,051	2.2%
Streets & Roads - LTAF	-	-	33,000	-	-
Town Center	4,133,837	1,212,700	1,530,728	939,200	0.4%
Street Light Districts	565,785	625,000	625,000	700,000	0.3%
Parks, Open Space Rec.	673,504	15,324,990	18,626,496	7,600,000	3.0%
Town Building & Vehicles	-	-	15,000	-	0.0%
Transportation Development	50,105	-	63,579	26,161	0.0%
Library Development	-	15,000	30,000	-	0.0%
Public Safety Development	-	50,000	96,450	-	0.0%
Emergency Services	12,884,113	14,663,303	15,329,483	17,877,120	7.1%
Fire Development	173,318	473,319	519,769	-	0.0%
Community Events	111,388	162,650	162,650	164,650	0.1%
Horseshoe Park	1,385,823	1,428,893	1,420,003	1,968,467	0.8%
Grants	-	2,000,000	2,000,000	2,000,000	0.8%
Special Assessment	2,428,787	1,702,407	1,702,407	1,765,910	0.7%
Debt Service	3,121,482	9,217,127	4,339,750	7,802,886	3.1%
Healthcare Self-Insurance	3,427,650	2,915,430	2,915,430	3,754,683	1.5%
<b>Actual/Adopted Expenditures</b>	<b>\$136,754,145</b>	<b>\$213,093,455</b>	<b>\$213,093,455</b>	<b>\$251,896,147</b>	<b>100%</b>
<b>Inter-fund Transfers *</b>	<b>65,397,794</b>	<b>66,914,367</b>	<b>66,914,367</b>	<b>95,696,005</b>	
<b>Total Uses</b>	<b>\$202,151,939</b>	<b>\$280,007,822</b>	<b>\$280,007,822</b>	<b>\$347,592,152</b>	

\* Inter-fund Transfers are used to cover debt service, operating expenditures and one time capital improvements in development fee funds, capital funds and public safety funds where revenues are projected to be less than budgeted obligations.



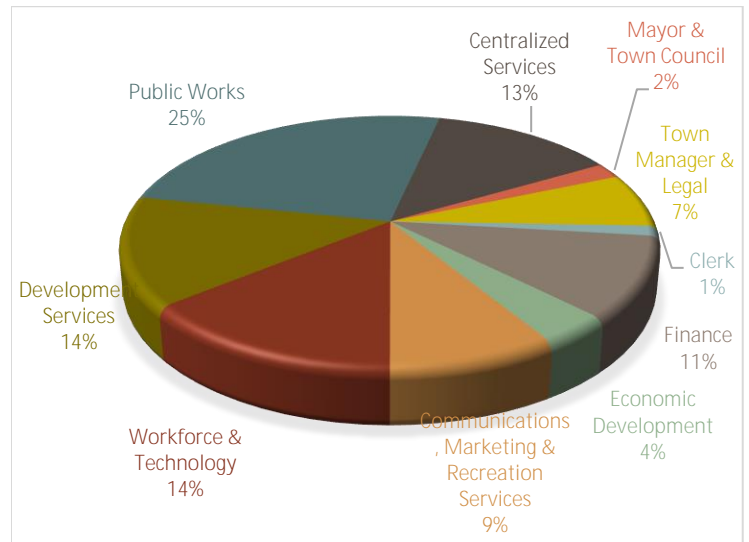
# Adopted General Fund Budget

General Fund adopted expenditures for FY 2017/18 were \$20.5 million, with year-end expenditures projected at \$21.6 million excluding inter-fund transfers. The FY 2018/19 General Fund is budgeted at \$22.1 million excluding inter-fund transfers. The increase of 3.7% between years is attributed to increased staffing for Parks and Grounds, as well as increases in employee compensation and healthcare benefits. The inter-fund transfers for public safety, debt service, capital improvement programs and various other approved programs amount to \$15.8 million for FY 2018/19, increasing approximately \$1.9 million from FY 2017/18 adopted, primarily related to the EMS program that is increasing in FY 2018/19 for the staffing and construction of a new fire station.

## Departments by Dollars

Department	Budget Amount
Mayor and Town Council	\$ 431,085
Town Manager & Legal Services	1,530,347
Town Clerk	284,295
Finance	2,336,798
Economic Development	828,889
Communications, Marketing & Recreation Services	1,948,791
Workforce & Technology	3,127,351
Development Services	3,102,206
Public Works	5,573,326
Centralized Services	2,911,543
Adopted Expenditures	\$ 22,074,631
Inter-fund Transfers	15,817,237
<b>Total Uses</b>	<b>\$ 37,891,868</b>

## Departments by Percentage



## Historical General Fund Expenditures and Inter-fund Transfers

	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Expenditures	\$21,043,881	\$19,626,539	\$24,163,809	\$21,742,772	\$22,074,631
Inter-fund Transfers	12,455,050	14,646,627	26,215,320	13,931,413	\$15,817,237
<b>Total</b>	<b>\$33,498,930</b>	<b>\$34,273,166</b>	<b>\$50,379,129</b>	<b>\$35,674,185</b>	<b>\$37,891,868</b>

## Historical General Fund Expenditures by Type

Expenditure Type	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Salaries & Fringes	\$ 9,778,802	\$ 10,279,127	\$ 10,508,240	\$ 12,096,320	\$ 13,527,152
Supplies & Services	9,907,608	8,127,759	13,056,293	7,664,934	7,249,916
Capital	822,499	271,675	265,459	1,045,613	554,293
Operating Projects	511,849	942,197	333,093	935,905	-
Debt Service	23,121	5,780	-	-	-
Reserves/Contingency	-	-	-	-	743,270
Expenditure Total	\$ 21,043,881	\$ 19,626,539	\$ 24,163,809	\$ 21,742,771	\$ 22,074,631
Inter-fund Transfers	12,455,050	14,646,627	26,215,320	13,931,413	15,817,237
<b>Total Uses</b>	<b>\$ 33,498,930</b>	<b>\$ 34,273,166</b>	<b>\$ 50,379,129</b>	<b>\$ 35,674,185</b>	<b>\$ 37,891,868</b>



# Three-Year Summaries by Fund Types

## General Fund

General Fund pays for the daily operations of Queen Creek government including the majority of staff salaries and benefits, and maintenance and operating expenditures related to Town services and programs.

Funding Sources	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Local Sales Tax	\$ 20,703,382	\$ 20,681,790	\$ 21,317,405	\$ 21,577,090
State Shared Revenues	7,410,124	8,113,000	8,173,985	8,570,400
Charges for Services	7,408,160	8,234,371	7,334,371	6,506,145
Interest Income	81,623	259,000	259,000	469,279
Franchise/License Fees	320,847	319,620	319,620	351,582
License & Permits	87,053	97,420	97,420	97,420
Miscellaneous	306,578	100,000	100,000	101,500
Subtotal Revenues	\$36,317,769	\$ 37,805,201	\$37,601,801	\$37,673,416
Inter-fund Transfers	1,628,351	-	-	4,812,461
Total Revenues & Other Financing Sources	\$37,946,118	\$ 37,805,201	\$ 37,601,801	\$42,485,877

Expenditures/Uses	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
General Government	\$ 14,239,202	\$ 8,866,315	\$ 9,558,281	\$ 9,622,705
Public Works*	2,954,672	3,307,814	3,553,471	3,597,968
Development Services	3,604,103	4,055,598	4,488,468	3,863,837
Economic Development	844,140	840,210	852,775	828,889
Parks/Recreation Services	2,521,690	2,729,046	3,289,777	3,417,962
Contingency	-	732,300	-	743,270
Adopted/Actual Expenditures	\$ 24,163,809	\$ 20,531,283	21,742,772	\$ 22,074,631
Inter-fund Transfers	26,215,320	13,931,413	14,518,977	15,517,237
Total Expenditures & Other Uses	\$ 50,379,129	\$ 34,462,696	\$ 36,261,749	\$ 37,891,868

<i>Beginning Fund Balance</i>			\$26,386,534	\$ 29,726,586
<i>Projected Ending Fund Balance</i>			\$ 29,726,586	\$ 34,320,777

*Use of Fund Balance* \$ -

\* Excludes Parks and Grounds Maintenance, which is reported under Parks/Recreation Services on this schedule.



# Three-Year Summaries by Fund Types

## Emergency Services

A 0.25% sales tax and a dedicated primary property tax (\$1.95/\$100 assessed value) help pay for fire and Maricopa County Sheriff's Office services in the community. Despite rising assessed values, property tax collections revenues are not able to keep pace with rising expenditures. The creation of a county island fire district has alleviated some of the shortfall in this fund.

Funding Sources	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Local Taxes	\$2,587,182	\$ 2,584,150	\$ 2,662,765	2,689,690
Property Taxes	5,462,547	6,189,464	\$6,189,464	6,962,716
Utility ROI Dedicated to Public Safety	-	-	-	2,468,100
Fire District Revenue	1,318,234	1,422,330	1,422,330	1,713,200
Charges for Services	295,541	211,000	211,000	227,000
PSPRS Premium Tax Credit	106,305	77,500	77,500	100,000
Grant	9,223	21,000	21,000	-
Miscellaneous	1,240	-	-	-
<b>Subtotal Revenues</b>	<b>\$ 9,777,271</b>	<b>\$ 10,505,444</b>	<b>10,584,059</b>	<b>\$14,160,706</b>
Inter-fund Transfers	3,118,162	4,157,859	4,745,424	5,123,144
<b>Total Revenues &amp; Other Financing Sources</b>	<b>\$ 12,895,434</b>	<b>\$ 14,663,303</b>	<b>\$ 15,329,483</b>	<b>\$19,283,850</b>

Expenditures/Uses	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Public Safety	\$ 5,982,348	\$ 6,423,145	\$ 6,423,145	\$ 7,687,215
Fire/EMS	6,901,765	8,014,358	8,906,338	9,908,465
Contingency	-	225,800	-	281,440
<b>Actual/Adopted Expenditures</b>	<b>\$ 12,884,113</b>	<b>\$ 14,663,303</b>	<b>\$ 15,329,483</b>	<b>\$17,877,120</b>
Inter-fund Transfers	-	-	-	1,406,730
<b>Total Expenditures &amp; Other Uses</b>	<b>\$ 12,884,113</b>	<b>\$ 14,663,303</b>	<b>\$ 15,329,483</b>	<b>\$19,283,850</b>

<i>Beginning Fund Balance</i>			\$ 300,238	\$ 300,238
<i>Projected Ending Fund Balance</i>			\$ 300,238	\$ 300,238

*Use of Fund Balance* \$ -



# Three-Year Summaries by Fund Types

## Special Revenue

The majority of funds captured within Special Revenues are Development Fee Funds. Also included in Special Revenue is HURF, Construction Sales Tax Fund, the Town Center Fund, Horseshoe Park and Equestrian Centre and the Town Street Light Improvement Districts (SLIDs) The Town currently has six development fee funds: Parks, Open Space and Recreation, Town Buildings and Vehicles, Transportation, Library, Public Safety, and Fire.

Funding Sources	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Local Taxes	\$ 7,110,997	\$ 6,150,370	\$ 6,179,262	\$ 4,775,960
State Shared Revenues	3,701,296	3,741,590	3,978,839	4,155,360
Charges for Services/User Fees	591,915	564,550	564,550	741,500
Interest Income	98,798	273,000	273,000	108,950
Contributions/Grants	100,629	2,075,000	2,075,000	2,001,950
Miscellaneous	36,441	21,040	21,040	21,070
Development Fees	8,041,757	8,460,998	8,460,998	6,002,310
Special Assessments	596,886	625,000	625,000	700,000
Bond/Loan Proceeds	-	-	-	1,000,000
<b>Subtotal Revenues</b>	<b>\$ 20,278,719</b>	<b>\$21,911,548</b>	<b>\$ 22,177,689</b>	<b>\$ 19,507,100</b>
Inter-fund Transfers	27,953,277	3,154,373	3,154,373	3,440,109
<b>Total Revenues &amp; Other Financing Sources</b>	<b>\$ 48,231,996</b>	<b>\$ 25,065,921</b>	<b>25,332,062</b>	<b>\$ 22,947,209</b>

Expenditures/Uses	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Public Safety	\$ -	\$ 50,000	\$ 96,450	\$ -
Fire Development Fee Fund	173,318	473,319	519,769	-
Public Works/Transportation	22,984,556	5,291,050	6,777,626	6,282,970
Parks/Recreation Services	2,170,715	16,931,533	20,239,149	9,733,117
Town Building/Vehicle Dev Fund	-	-	15,000	-
Municipal Town Center	4,133,837	1,212,700	1,530,728	939,200
Streetlight Improvement District	565,785	625,000	625,000	700,000
Grants	-	2,000,000	2,000,000	2,000,000
<b>Actual/Adopted Expenditures</b>	<b>\$ 30,028,211</b>	<b>\$26,583,602</b>	<b>\$31,803,722</b>	<b>\$19,655,287</b>
Inter-fund Transfers	13,508,823	8,571,890	8,571,890	15,040,212
<b>Total Expenditures &amp; Other Uses</b>	<b>\$43,537,033</b>	<b>\$ 35,155,492</b>	<b>\$40,375,612</b>	<b>\$34,695,499</b>
Allowance for Unexpended			(3,000,000)	
<i>Beginning Fund Balance</i>			\$ 29,043,131	\$ 17,293,163
<i>Projected Ending Fund Balance</i>			\$ 17,296,163	\$ 4,384,873

*Use of Fund Balance* \$ 12,908,290





# Three-Year Summaries by Fund Types

## Debt Service and Capital

The funds reported here include Drainage and Transportation capital improvement projects as well as Public Safety and General Government capital improvement projects. Construction sales tax is reported under special revenue and is transferred in to the Drainage and Transportation Fund to fund eligible projects. Debt service on these types of projects is also included here.

Funding Sources	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Third Party/Govt Agency Reimbursements	\$ 524,811	\$ 3,555,000	\$ 3,555,000	\$ 4,277,000
Interest Income	6,848	-	-	-
Contributions/Grants	376,447	177,421	177,421	-
Special Assessments	1,756,552	1,702,407	1,702,407	1,702,407
Loan/Bond Proceeds	-	75,000,000	75,000,000	22,000,000
Other	600,860	-	-	-
Subtotal Revenues	\$ 3,265,517	\$ 80,434,828	\$ 80,434,828	\$ 27,979,407
Inter-fund Transfers	22,852,704	14,375,200	14,375,200	18,888,465
Total Revenues & Other Financing Sources	\$ 25,517,361	\$ 94,810,028	\$ 94,810,028	\$ 46,867,872

Expenditures/Uses	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Drainage and Transportation	\$ 13,004,444	\$ 56,480,816	\$48,771,899	\$ 84,251,710
General Government	3,110,240	700,000	3,621,562	-
Public Safety	14,090,337	-	3,312,134	7,156,657
Debt Service	4,508,424	10,919,494	6,042,157	9,568,796
Actual/Adopted Expenditures	\$ 34,077,827	\$ 68,100,310	\$61,747,752	\$ 100,977,163
Inter-fund Transfers	-	-	-	-
Total Expenditures & Other Uses	\$ 34,077,827	\$ 68,100,310	\$61,747,752	\$ 100,977,163
Allowance for Unexpended			(\$17,000,000)	
<i>Beginning Fund Balance</i>			\$ 7,664,934	\$ 50,062,276
<i>Projected Ending Fund Balance</i>			\$ 50,062,276	\$ -4,047,015
			<i>Use of Fund Balance</i>	\$54,109,291



# Three-Year Summaries by Fund Types

## Enterprise Funds

Enterprise Funds for the Town include Water, Sewer, and Solid Waste services. It is intended that all expenditures necessary, including capital and debt service costs, are captured in the fees related to the utility.

Funding Sources	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Interest Income	\$ 195,534	\$ 442,591	\$ 442,591	\$ 539,000
Contributions/Grants	-	26,000	26,000	26,000
Miscellaneous	408,771	345,692	345,692	358,895
Development/Capacity Fees	9,782,112	11,190,250	11,190,250	8,039,200
User Fees	28,943,798	29,581,507	29,581,507	31,480,335
<b>Subtotal Revenues</b>	<b>\$ 39,330,216</b>	<b>\$ 41,586,040</b>	<b>\$ 41,586,040</b>	<b>\$40,443,430</b>
Inter-fund Transfers	9,845,300	45,226,934	45,226,934	63,431,826
<b>Total Revenues &amp; Other Financing Sources</b>	<b>\$ 49,175,516</b>	<b>\$ 86,812,974</b>	<b>\$86,812,974</b>	<b>\$ 103,875,256</b>

Expenditures/Uses	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2017/18 Revised	FY 2018/19 Adopted
Sewer Operating*	\$5,788,900	\$ 6,714,948	6,817,943	\$ 7,403,816
Sewer Capital	2,431,339	19,356,071	17,675,422	26,523,143
Water Operating*	16,155,619	16,533,807	16,956,447	22,200,316
Water Capital	3,031,420	34,677,925	35,969,281	28,107,557
Solid Waste	2,550,953	2,642,876	2,642,876	2,948,531
Operating Contingency	-	373,900	80,100	373,900
<b>Actual/Adopted Expenditures</b>	<b>\$29,958,232</b>	<b>\$ 80,299,527</b>	<b>\$80,142,069</b>	<b>\$ 87,557,263</b>
Inter-fund Transfers	25,673,651	44,411,064	14,411,063	63,431,826
<b>Total Expenditures &amp; Other Uses</b>	<b>\$55,631,883</b>	<b>\$124,710,591</b>	<b>\$ 94,553,132</b>	<b>\$ 150,989,089</b>

\* includes Debt Service



# Reserves/Fund Balances

Fund balances are the result of sources exceeding uses. Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. Per Town Council policy, specific approval is required to spend fund balance.

Fund Balance	FY 2014/15 Actual Year End	FY 2015/16 Actual Year End	FY 2016/17 Actual Year End
General Fund	\$22,389,813	\$ 19,733,880	\$ 17,600,360
Development Fee Funds	12,020,476	15,004,302	22,805,223
Emergency Services Fund	341,702	363,378	539,493
Improvement District Debt Service	732,848	263,539	326,216
Drainage & Transportation Fund	15,709,706	7,943,948	7,338,718
General CIP Fund	4,598,811	8,472,394	-
HURF	2,377,473	2,028,991	1,629,995
LTAf	517,635	520,666	596,696
Municipal Town Center Fund	2,456,202	2,143,958	1,908,853
SLIDs	54,688	54,656	89,134
Other Non-Major Govt Funds	280,361	835,558	1,377,043
<b>Total</b>	<b>\$61,479,715</b>	<b>\$57,365,270</b>	<b>\$54,211,731</b>

Fund Balance	FY 2017/18 Projected Year End	FY 2018/19 Projected Year End	Increase/ (Decrease)
General Fund	\$ 29,726,586	\$34,320,777	\$4,594,009
Development Fee Funds	10,214,344	541,433	(9,672,911)
Emergency Services Fund	300,238	300,238	-
Improvement District Debt Service	92,319	92,319	-
Drainage & Transportation Fund	75,498,888	21,458,100	(54,040,788)
General CIP Fund	-	-	-
HURF	152,370	152,730	-
LTAf	596,696	596,696	-
Municipal Town Center Fund	2,064,401	1,569,147	(495,254)
SLIDs	89,134	89,134	-
Other Non-Major Govt Funds	3,460,913	1,880,788	(1,580,125)
<b>Total</b>	<b>\$122,195,889</b>	<b>\$61,001,002</b>	<b>(\$57,673,292)</b>

The major cause of the large fluctuations is the result of substantial infrastructure funding and expenses planned in FY 2018/19



# Town Programs & Performance

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Section Overview

How to Use this Section

Glossary

Town Programs & Performance Overview

Departments - Organizational Chart, Description, Mission, Objectives, Staffing,  
Budget, Performance & Analysis

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Mayor & Town Council

Town Manager & Legal Services

Town Clerk

Finance

Workforce & Technology

Communications, Marketing & Recreation Services

Economic Development

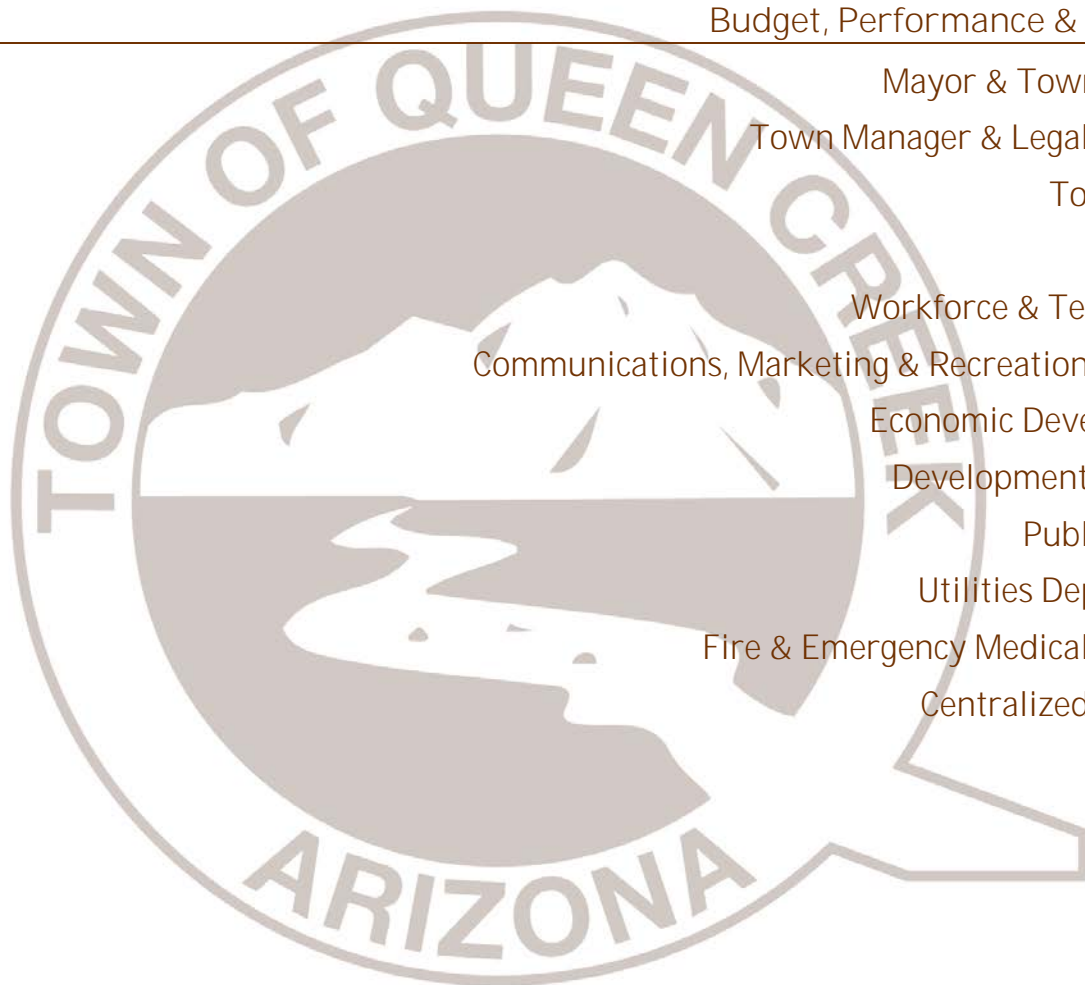
Development Services

Public Works

Utilities Department

Fire & Emergency Medical Services

Centralized Services





# How to Use This Section

## How to Use This Section

The following provides a breakdown of the information provided for each operating department in the Town.

Department Org Chart showing FTE

If no FTE is indicated for a position then it is budgeted elsewhere, but has functional reporting in this department; shared positions are noted

Describes services and divisions within department

Describes departmental purpose

FY 2018/19  
Adopted Budget

## Economic Development

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graph TD
    AM[Assistant Town Manager] --> D[Director 1.0 FTE]
    D --> SAA1[Sr. Admin Assistant 1.0 FTE]
    D --> EDC[Economic Dev. Coordinator 1.0 FTE]
    D --> EDRS[Economic Dev. Research Specialist 1.0 FTE]
    D --> HPGM[HPEC General Manager 1.0 FTE]
    HPGM --> SAA2[Sr. Admin Assistant 1.0 FTE]
    HPGM --> MOS[M&O Supervisor 1.0 FTE]
    MOS --> MOSP[M&O Specialist 4.0 FTE]
    REWC[Real Estate & Right of Way Coordinator 0.1 FTE] -.-> PW[Reports to Public Works]
    REWC -.-> ED[Position partially funded from Economic Development]
    CM[Shared with Communications & Marketing]
  
```

**Department Description and Programs**

The Economic Development Department consists of two divisions: Economic Development and Horseshoe Park and Equestrian Centre (HPEC). The Economic Development Division is responsible for business attraction, retention and expansion, as well as the promotion of opportunities available for private investment in the community.

The HPEC division is responsible for the management of HPEC, including event planning and coordination, promoter relations and facility maintenance.

**Department Mission**

The goal of the Economic Development Department is to provide for the long-term economic sustainability of community through a comprehensive and coordinated program of economic development, which includes business attraction, retention and expansion; event development and tourism activities.

Town of Queen Creek, Arizona




# How to Use This Section

Indicates link to Corporate Strategic Plan Strategic Priorities

Indicates specifically what the department aims to achieve this fiscal year

Summarizes the full-time equivalents by division within the department and provides details regarding the FTE changes.




FY 2018/19  
Adopted Budget

## Economic Development


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**Strategic Priorities**

**Secure Future**



**Quality Lifestyle**



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**FY 2018/19 Objectives**

- Implement strategies outlined in the Economic Development Strategic Plan focusing on business development, entrepreneurship, agritainment/destination tourism, economic foundations and enhanced marketing and promotion.
- Enhance opportunities for business success and the Town as a premier investment choice within the region. Proactively market the Town as the place for new business investment and job creation; actively market existing businesses to residents.
- Implement the key action items identified in the updated adopted Town Center Plan. Generate more economic synergy within the Town Center, and enhance the sense of place by attracting additional investment

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**Staffing by Division**

Division	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
	Actual	Actual	Actual	Revised	Adopted
Economic Development	6.00	5.00	5.00	4.00	4.00
Horseshoe Park Equestrian Centre	7.00	7.00	7.00	7.00	7.00
<b>Department FTE</b>	<b>13.00</b>	<b>12.00</b>	<b>12.00</b>	<b>11.00</b>	<b>11.00</b>

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**FTE Changes**  
Staffing levels for FY 2018/19 are unchanged. Prior year changes are the result of a reorganization with one staff member moving to the Finance Department in FY 2016/17 and one staff member moving to Public Works in FY 2015/16.





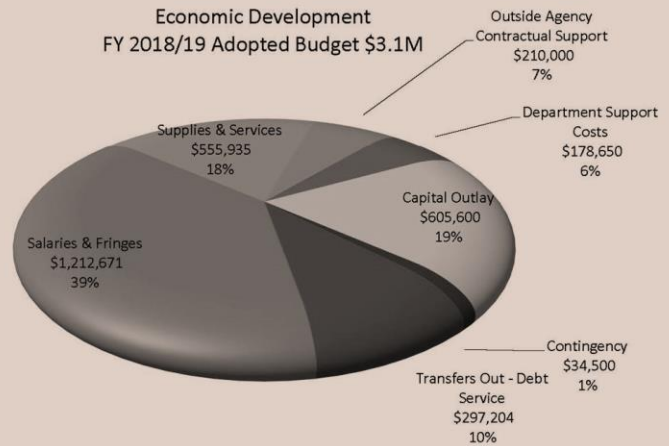
# How to Use This Section

Provides graphical breakdown of department expenditure by type



## Economic Development

Economic Development  
FY 2018/19 Adopted Budget \$3.1M



Highlights funding source for departments that span multiple funds

### Funding Sources

Funding Sources	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Horseshoe Park Equestrian Center Fund	\$ 457,972	\$ 513,177	\$ 606,436	\$ 565,590	\$ 582,570	\$ 16,980	3%
General Fund	\$ 1,795,500	\$ 2,026,097	\$ 1,834,479	\$ 2,007,665	\$ 2,511,990	\$ 504,325	25%
<b>Total</b>	<b>\$ 2,253,472</b>	<b>\$ 2,539,274</b>	<b>\$ 2,440,915</b>	<b>\$ 2,573,255</b>	<b>\$ 3,094,560</b>	<b>\$ 521,305</b>	<b>20%</b>
		\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
		13%	(4%)	5%	20%		

### Expenditure by Fund


Fund	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Horseshoe Park Equestrian Center	\$ 1,404,398	\$ 1,654,157	\$ 1,596,775	\$ 1,720,480	\$ 2,265,671	\$ 545,191	32%
General Fund	\$ 849,075	\$ 885,117	\$ 844,140	\$ 852,775	\$ 828,889	\$ (23,886)	(3%)
<b>Department Total</b>	<b>\$ 2,253,472</b>	<b>\$ 2,539,274</b>	<b>\$ 2,440,915</b>	<b>\$ 2,573,255</b>	<b>\$ 3,094,560</b>	<b>\$ 521,305</b>	<b>20%</b>
		\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
		13%	(4%)	5%	20%		



# How to Use This Section

Provides detail by expenditure type for the department – Refer to the Glossary in this section for a description of the expenditure types

Provides totals by division within the department



FY 2018/19  
Adopted Budget

## Economic Development

### Expenditure by Type


Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 1,142,885	\$ 1,147,184	\$ 1,172,779	\$ 1,173,789	\$ 1,212,671	\$ 38,882	3%
Supplies & Services	\$ 425,883	\$ 527,238	\$ 520,672	\$ 608,925	\$ 555,935	\$ (52,990)	(9%)
Outside Agency Contractual Support	\$ 205,750	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ -	0%
Department Support Costs	\$ 135,008	\$ 167,248	\$ 174,273	\$ 173,564	\$ 178,650	\$ 5,086	3%
Capital Outlay	\$ 5,151	\$ 146,854	\$ 152,239	\$ 106,500	\$ 605,600	\$ 499,100	469%
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 34,500	\$ 34,500	N/A
<b>Subtotal Expenses</b>	<b>\$ 1,914,678</b>	<b>\$ 2,198,524</b>	<b>\$ 2,229,963</b>	<b>\$ 2,272,778</b>	<b>\$ 2,797,356</b>	<b>\$ 524,578</b>	<b>23%</b>
Transfers Out - Debt Service	\$ 338,794	\$ 340,750	\$ 210,952	\$ 300,477	\$ 297,204	\$ (3,273)	(1%)
<b>Department Total</b>	<b>\$ 2,253,472</b>	<b>\$ 2,539,274</b>	<b>\$ 2,440,915</b>	<b>\$ 2,573,255</b>	<b>\$ 3,094,560</b>	<b>\$ 521,305</b>	<b>20%</b>
		\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
		13%	(4%)	5%	20%		

### Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Economic Development	\$ 849,075	\$ 885,117	\$ 844,140	\$ 852,775	\$ 828,889	\$ (23,886)	(3%)
Horseshoe Park Equestrian Center	\$ 1,404,398	\$ 1,654,157	\$ 1,596,775	\$ 1,720,480	\$ 2,265,671	\$ 545,191	32%
<b>Department Total</b>	<b>\$ 2,253,472</b>	<b>\$ 2,539,274</b>	<b>\$ 2,440,915</b>	<b>\$ 2,573,255</b>	<b>\$ 3,094,560</b>	<b>\$ 521,305</b>	<b>20%</b>
		\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
		13%	(4%)	5%	20%		

Provides detail by expenditure type for each division within the department

Describes significant changes to the budget since last fiscal year



FY 2018/19  
Adopted Budget

## Economic Development

### Operating Expenditures - Economic Development

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 585,787	\$ 552,047	\$ 539,553	\$ 510,210	\$ 536,324	\$ 26,114	5%
Supplies & Services	\$ 57,538	\$ 123,070	\$ 94,588	\$ 132,565	\$ 82,565	\$ (50,000)	(38%)
Outside Agency Contractual Support	\$ 205,750	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ -	0%
<b>Division Total</b>	<b>\$ 849,075</b>	<b>\$ 885,117</b>	<b>\$ 844,140</b>	<b>\$ 852,775</b>	<b>\$ 828,889</b>	<b>\$ (23,886)</b>	<b>(3%)</b>
		\$ 36,042	\$ (40,976)	\$ 8,635	\$ (23,886)		
		4%	(5%)	1%	(3%)		

### Budget Notes and Changes

**Salaries and Fringes:**  
Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Staff reclassifications are driving the remaining increase in this category.

**Supplies & Services:**  
The Economic Development supplies and service budget for FY 2018/19 reflects a decrease of \$50K (-15%) as the Festival Partnership Program (FPP) was discontinued. No other significant changes within the Economic Development budget are identified.

**Outside Agency Contractual Support:**  
This category reflects the amount of support the Town of Queen Creek provides the Queen Creek Performing Arts Center (\$135K), and the Queen Creek Chamber of Commerce (\$75K). This budget reflects no change from FY 2017/18.



# How to Use This Section

Provides performance metrics detail for the division and the linkage to Key Result Areas of the Corporate Strategic Plan



## Economic Development

### Program Performance - Economic Development

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement	Number of staff-assisted locates, staff-assisted business expansion and staff-assisted business retention special projects <sup>1</sup>	32	45	37	40
Image & Identity	Average weekly users of Gangplank Program <sup>2</sup>	12	13	12	15
Land Use & Economic Development	Percent increase in sales tax revenue <sup>3</sup>	17%	6%	12%	12%

### Analysis of Performance

1. This includes the number of total prospects, including GPEC RFIs, staff assisted business expansion and retention projects.
2. Number of average weekly users of Gangplank Program. These numbers do not include weekly Hacknight attendance or any other special programs that Gangplank hosts outside the hours of 8am-5pm, Mon-Fri.
3. Sales tax revenue is highly dependent on the larger Arizona economy. The target and actual are based on year over year increases in sales tax collections within the following Economic Development categories:
  - Retail Trade
  - Wholesale Trade
  - Restaurants & Bars
  - Manufacturing
  - Hotels & Other Lodging/Accommodations
  - Services
  - Arts & Entertainment



# Expenditure Glossary

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## **Salaries & Fringes:**

- All pay for employees (includes over-time, call-out, and stand-by pay)
- All benefits and deductions paid by the Town on behalf of employees
  - FICA, Medicare, Workers Compensation
  - Retirement
    - Arizona State Retirement System
    - Public Safety Retirement System
  - Premiums for health, dental, vision, life ins, disability
  - Stipends (cell phone, mileage)

## **Supplies & Services:**

- Contractual Services
  - Professional services (engineering, legal)
  - Any inter-governmental agreements (IGA's, MCSO)
  - General services (uniform cleaning, bee removal, custodial)
- Fees & Services
  - All dues and memberships for the Town and employees
  - Equipment leases (computers, copiers)
  - Advertising costs
  - Bank fees
  - Liability insurance
- Materials
  - Supplies (office, shop, safety, landscape, printing)
  - Medical supplies
  - Firefighter equipment (protective clothing, allied equipment, hazardous material response)
  - Subscriptions for Town and employees
  - Gasoline
  - Uniforms
  - Postage
- Other: Things that do not fall any place else

- Not for profit funding
- Special interest classes
- Repair & Maintenance (R&M)
  - All maintenance and repairs to Town facilities and equipment
    - Grounds (sprinkler, playground equipment)
    - Streets
    - Vehicles
    - Information Technology (printers, copiers, software)
- Professional Development
  - All training and associated travel for employees
- Utilities
  - All utility cost for Town: Electrical, Water, Natural Gas, Waste Disposal, Telephones, Cell Phones, iPad service

## **Departmental Support:**

- Costs of services received from General Fund by other funds (Emergency Services, Water, Sewer, Solid Waste, Horseshoe Park)

## **Debt Service:**

- Financed equipment and infrastructure

## **Capital Outlay:**

- Equipment and assets that require asset tracking



# Town Programs & Performance - Overview

## Measuring Performance

The Town of Queen Creek strives to provide quality services to our residents. Knowing what services are expected and at what level is important in determining program deliverables. The performance scorecards that are included in the following section are metrics established as a means to evaluate program performance and outcomes. Each department has developed performance measures that are monitored as part of the performance-based budget process.

Once departments collect data and establish appropriate outcomes and benchmarks, an analysis of performance is conducted and reported upon. Analysis of performance is an important step in identifying necessary policy and procedural changes. For this reason, each department provides a narrative of its performance, and where applicable, next steps.

The Town conducts periodic citizen surveys that provide feedback from residents on services provided by the Town. The survey allows Town Council and management to establish goals by identifying citizen preferences and satisfaction with current programs and services. The Town last conducted such a survey in Fall 2017. Results from that survey can be found in many departments performance measures reported here. The entire document, as well as prior citizen surveys, can be located on the website <http://www.queencreek.org/about-us/community-profile/citizen-survey>. Next survey is scheduled for Fall 2019.

## Key Result Areas of the Corporate Strategic Plan

Ultimately, each program’s performance is tied to the Corporate Strategic Plan (CSP) through Key Result Area (KRA) Mission Statements. Within the scorecards presented in this section is a direct link to individual KRAs for each strategic priority. In some instances, multiple KRAs are identified. For full information on the CSP, KRAs and goals, please see the Organizational Planning section of this book.

### Effective Government:

- KRA : Town Council Professional Development
- KRA : Financial Management, Internal Services & Sustainability
- KRA : Intergovernmental Relations

### Safe Community:

- KRA : Public Safety
- KRA : Community Involvement

### Secure Future

- KRA : Environment
- KRA : Land Use & Economic Development

### Superior Infrastructure

- KRA : Capital Improvement Program (CIP) And Transportation Improvement Program (TIP)
- KRA : Technology

### Quality Lifestyle

- KRA : Image & Identity

The complete Corporate Strategic Plan can be accessed at <http://www.queencreek.org/town-hall/town-council/vision-mission-values-strategic-plan> (Queen Creek Corporate Strategic Plan 2016-2021).



# Mayor and Town Council

## Department Description and Programs

The Town Council serves as the elected legislative leadership of the community. It bears the ultimate responsibility for competent, responsive, efficient and fiscally sound local government. The Town Council appoints the Town Manager who serves as the chief administrative officer. The Town Council also appoints the Town Attorney (contracted position), the Town Clerk, and the Town Magistrate (contracted with the Town of Gilbert). The Town Manager oversees and directs the work of the entire staff. The Town Council adopts ordinances and resolutions governing operations and establishes goals to be carried out by the municipal staff under the direction of the Town Manager. This department is solely funded by the General Fund.

## Department Mission

It is the mission of the Town of Queen Creek to provide a framework for a high quality of life, promote a strong sense of community and provide responsive public service in a caring, ethical, innovative and accountable manner.

## Strategic Priorities

**Effective Government**



**Secure Future**



**Safe Community**



**Superior Infrastructure**



**Quality Lifestyle**



## FY 2018/19 Objectives

The Town Council's strategic priorities and key result areas are found in the Corporate Strategic Plan. These high-level priorities are the FY 2018/19 objectives of the Town Council and are as follows:

### EFFECTIVE GOVERNMENT

- Council Professional Development
- Financial Management/Internal Services & Sustainability
- Intergovernmental Relations

### SAFE COMMUNITY

- Community Involvement
- Public Safety

### SECURE FUTURE

- Environment
- Land Use/Economic Development

### SUPERIOR INFRASTRUCTURE

- Capital Improvement Program (CIP)
- Technology

### QUALITY LIFESTYLE

- Image/Identity

## Staffing by Division

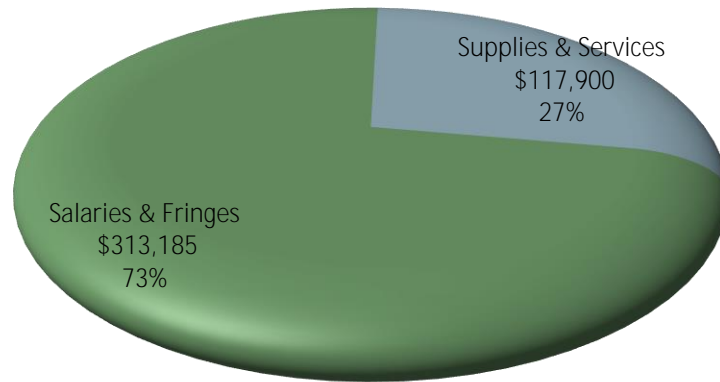
Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Town Council	7.0	7.0	7.0	7.0	7.0
<b>Total Staffing</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>





# Mayor and Town Council

## Town Council FY 2018/19 Adopted Budget \$0.4M



### Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund	\$ 276,441	\$ 357,430	\$ 381,032	\$ 429,441	\$ 431,085	\$ 1,644	0%
<b>Total</b>	<b>\$ 276,441</b>	<b>\$ 357,430</b>	<b>\$ 381,032</b>	<b>\$ 429,441</b>	<b>\$ 431,085</b>	<b>\$ 1,644</b>	<b>0%</b>
	\$ Change from Prior	\$ 80,988	\$ 23,602	\$ 48,409	\$ 1,644		
	% Change from Prior	29%	7%	13%	0%		

### Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 190,345	\$ 291,321	\$ 296,381	\$ 305,541	\$ 313,185	\$ 7,644	3%
Supplies & Services	\$ 86,096	\$ 66,109	\$ 84,650	\$ 123,900	\$ 117,900	\$ (6,000)	(5%)
<b>Department Total</b>	<b>\$ 276,441</b>	<b>\$ 357,430</b>	<b>\$ 381,032</b>	<b>\$ 429,441</b>	<b>\$ 431,085</b>	<b>\$ 1,644</b>	<b>0%</b>
	\$ Change from Prior	\$ 80,988	\$ 23,602	\$ 48,409	\$ 1,644		
	% Change from Prior	29%	7%	13%	0%		

### Budget Notes and Changes

#### Salaries and Fringes:

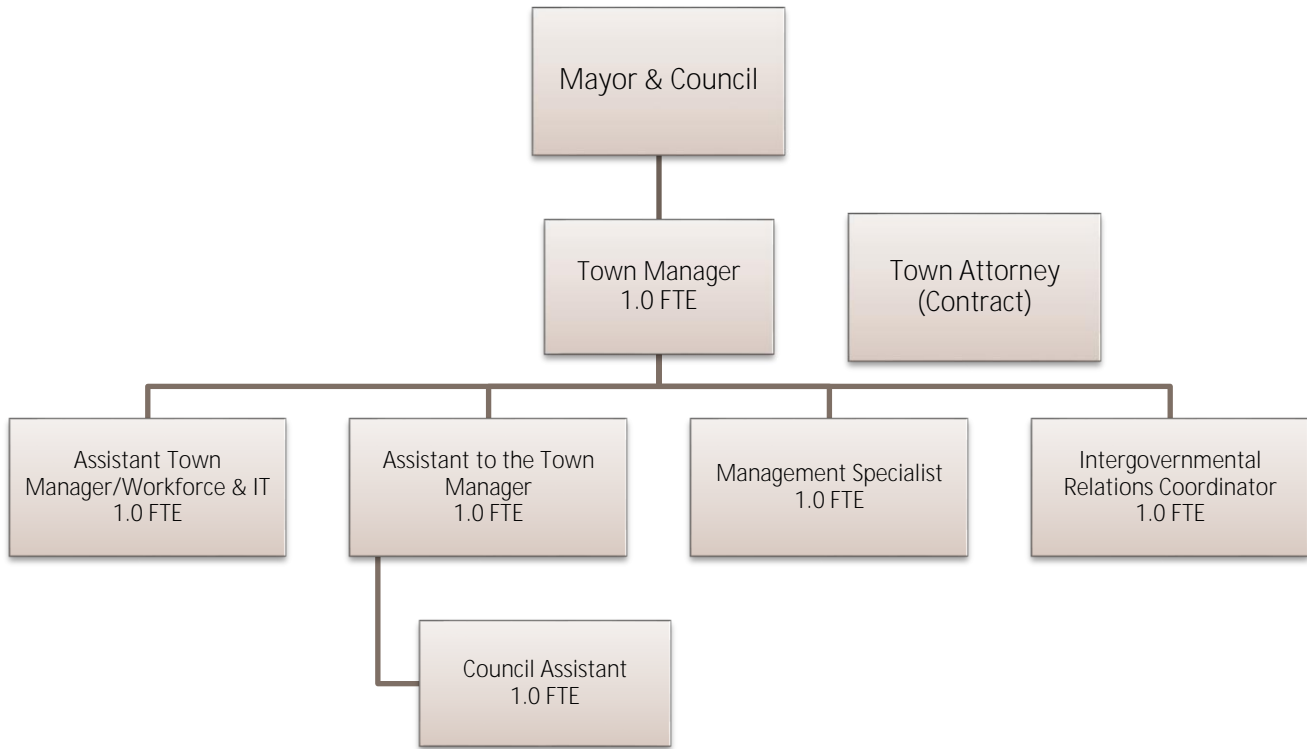
The Mayor and Town Council budget includes an allowance for a market increase of 2.5%, which is tied to the Employment Cost Index per adopted Town Council Resolution. Medical premiums increased 4%.

#### Supplies & Services:

FY 2018/19 reflects a \$6K decrease within the Travel/Conference line.



# Town Manager & Legal Services



## Department Description and Programs

The Town Manager is the chief administrative officer of the Town and is responsible for implementation of all policies and procedures adopted by the Town Council, daily management of local government operations and service delivery to citizens. The Town Manager provides direction to departments and oversees all Town employees. Intergovernmental relations are also under the Town Manager’s purview. The Town Manager and Intergovernmental Relations Coordinator maintain relationships with state, local, and tribal entities to serve the best interests of the community and encourage beneficial public-private partnerships.

Legal services for the municipality are contracted with the law firm Dickinson Wright. The professional services contract is approved by, and the lead Town Attorney serves at the pleasure of, the Town Council. The Town Attorney works closely with the Town Manager to advise the Town Council and all departments.

All programs in these areas are funded by the General Fund, with support from enterprise funds via interdepartmental cross charges.

## Department Mission

The Town Manager strives to ensure residents and employees are treated with equality and respect, communication with residents is part of the decision-making process, and the Town’s resources are dedicated to effective and efficient implementation of the Town Council’s policies, goals, and objectives.



# Town Manager & Legal Services

## Strategic Priorities

Effective Government



Secure Future



Safe Community



Superior Infrastructure



Quality Lifestyle



## FY 2018/19 Objectives

- Cultivate relationships with other cities and towns
- Proactively pursue regional and statewide partnerships that support and advance legislation that improves the Town's competitive position at local, regional, and national levels
- **Continue collaboration with the community's schools on issues** that benefit the Town
- Continue involvement with Maricopa and Pinal Counties on matters of interest to the Town, such as the San Tan Mountain Regional Park

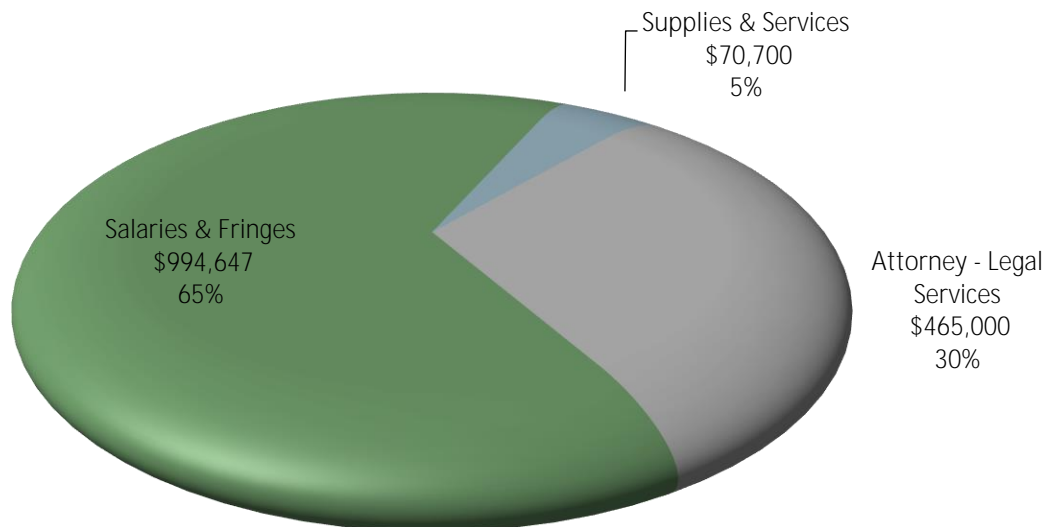
## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Town Manager	5.0	5.0	6.0	6.0	6.0
Department FTE	5.0	5.0	6.0	6.0	6.0

## FTE Changes

No staffing changes are included for FY 2018/19.

Town Manager & Legal  
FY 2018/19 Adopted Budget \$1.5M





# Town Manager & Legal Services

## Funding Source

Funding	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund - Dept Support Cost Recovery	\$ 174,312	\$ 199,117	\$ 208,730	\$ 214,992	\$ 221,440	\$ 6,448	3%
General Fund	\$ 1,027,489	\$ 1,087,547	\$ 1,149,190	\$ 1,314,877	\$ 1,308,907	\$ (5,970)	(0%)
<b>Total</b>	<b>\$ 1,201,801</b>	<b>\$ 1,286,664</b>	<b>\$ 1,357,920</b>	<b>\$ 1,529,869</b>	<b>\$ 1,530,347</b>	<b>\$ 478</b>	<b>0%</b>
	\$ Change from Prior	\$ 84,863	\$ 71,256	\$ 171,949	\$ 478		
	% Change from Prior	7%	6%	13%	0%		

## Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 782,743	\$ 825,124	\$ 911,617	\$ 978,519	\$ 994,647	\$ 16,128	2%
Supplies & Services	\$ 95,714	\$ 67,691	\$ 44,272	\$ 86,350	\$ 70,700	\$ (15,650)	(18%)
Attorney - Legal Services	\$ 323,345	\$ 393,850	\$ 402,032	\$ 465,000	\$ 465,000	\$ -	0%
<b>Department Total</b>	<b>\$ 1,201,801</b>	<b>\$ 1,286,664</b>	<b>\$ 1,357,920</b>	<b>\$ 1,529,869</b>	<b>\$ 1,530,347</b>	<b>\$ 478</b>	<b>0%</b>
	\$ Change from Prior	\$ 84,863	\$ 71,256	\$ 171,949	\$ 478		
	% Change from Prior	7%	6%	13%	0%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The FY 2017/18 budget included an ASU Masters in Public Administration intern that has been removed for FY 2018/19 partially offsetting the increases discussed.

### Supplies & Services:

Changes to the FY 2018/19 budget involve a decrease to Travel/Conference and Subscriptions totaling \$15.6K.



# Town Manager & Legal Services

## Program Performance – Town Manager

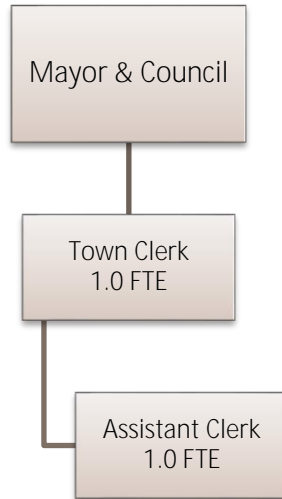
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement Image & Identity Land Use & Economic Development Public Safety	Percent of overall citizen satisfaction with Town- wide service on the biennial citizen survey <sup>1</sup>	N/A	91%	95%	N/A
	Percent of citizens rating the Town as an excellent/good place to live on the biennial citizen survey <sup>1</sup>	N/A	93%	98%	N/A
	Percent of citizens rating the Town as having an excellent/good overall quality of life in the biennial citizen survey <sup>1</sup>	N/A	92%	97%	N/A
Financial Management, Internal Services & Sustainability	Population served per FTE	166	179	178	170 <sup>2</sup>
	Unrestricted General Fund balance as a percentage of General Fund revenues <sup>3</sup>	71%	66%	48%	48%

## Analysis of Performance

1. The Town conducts a biennial citizen survey every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).
2. This measure includes population from the expected Ironwood Crossing annexation as related staffing increases for FY 2018/19.
3. Actual FY 2016/17 is the year-end result per the CAFR. Town policy sets the unrestricted General Fund balance at 25% of revenues; **however, actual reserves should be based on an analysis of an organization’s salient risks.** The Town does not anticipate unrestricted budget balance will change significantly in FY 2018/19.



# Town Clerk



## Department Description and Programs

The Town Clerk is responsible for administering local elections, recording and storing of minutes of official meetings, and maintaining municipal ordinances and resolutions. The Town Clerk’s Office issues municipal business licenses, manages public records requests and answers public inquiries. The Town Clerk reports directly to the Town Council.

## Department Mission

It is the Town Clerk’s mission to provide the community open access to local government processes and provide services to Town officials, employees and residents.

## Strategic Priorities

### Effective Government



## FY 2018/19 Objectives

- Enhance availability of information on the Town’s website related to ordinances, codes, and policy statements as required by state legislation
- Prepare for the August 2018 Home Rule and Primary election
- Prepare for the November 2018 General Election

## Staffing by Division

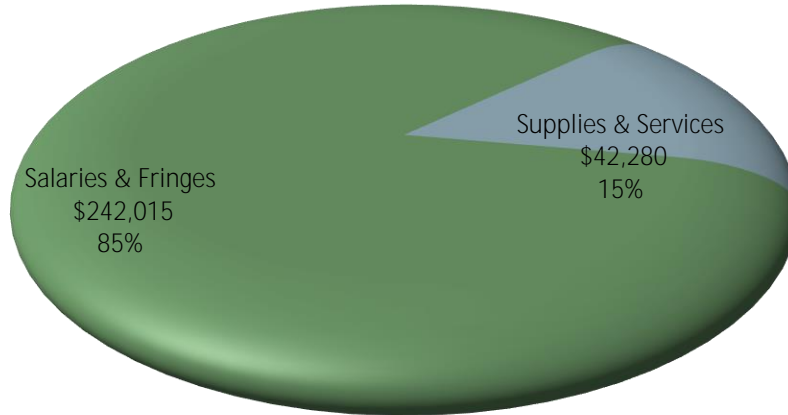
Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Town Clerk	2.0	2.0	2.0	2.0	2.0
Department FTE	2.0	2.0	2.0	2.0	2.0





# Town Clerk

## Town Clerk FY 2018/19 Adopted Budget \$0.3M



### Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund - Direct Revenues	\$ 110,230	\$ 118,041	\$ 117,703	\$ 128,988	\$ 129,941	\$ 953	1%
General Fund	\$ 111,111	\$ 106,387	\$ 140,844	\$ 195,936	\$ 154,354	\$ (41,582)	(21%)
<b>Total</b>	<b>\$ 221,341</b>	<b>\$ 224,429</b>	<b>\$ 258,547</b>	<b>\$ 324,924</b>	<b>\$ 284,295</b>	<b>\$ (40,629)</b>	<b>(13%)</b>
\$ Change from Prior		\$ 3,087	\$ 34,118	\$ 66,377	\$ (40,629)		
% Change from Prior		1%	15%	26%	(13%)		

### Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 196,568	\$ 212,189	\$ 225,233	\$ 234,644	\$ 242,015	\$ 7,371	3%
Supplies & Services	\$ 24,773	\$ 12,240	\$ 33,314	\$ 90,280	\$ 42,280	\$ (48,000)	(53%)
<b>Department Total</b>	<b>\$ 221,341</b>	<b>\$ 224,429</b>	<b>\$ 258,547</b>	<b>\$ 324,924</b>	<b>\$ 284,295</b>	<b>\$ (40,629)</b>	<b>(13%)</b>
\$ Change from Prior		\$ 3,087	\$ 34,118	\$ 66,377	\$ (40,629)		
% Change from Prior		1%	15%	26%	(13%)		



# Town Clerk

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## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%.

### Supplies & Services:

The decrease in this category is attributed to a special election in May 2018 for the General Plan that is included in the FY 2017/18 Revised Budget. No special elections are planned for FY 2018/19, creating the decrease in this category. No other changes are included.

## Program Performance – Town Clerk

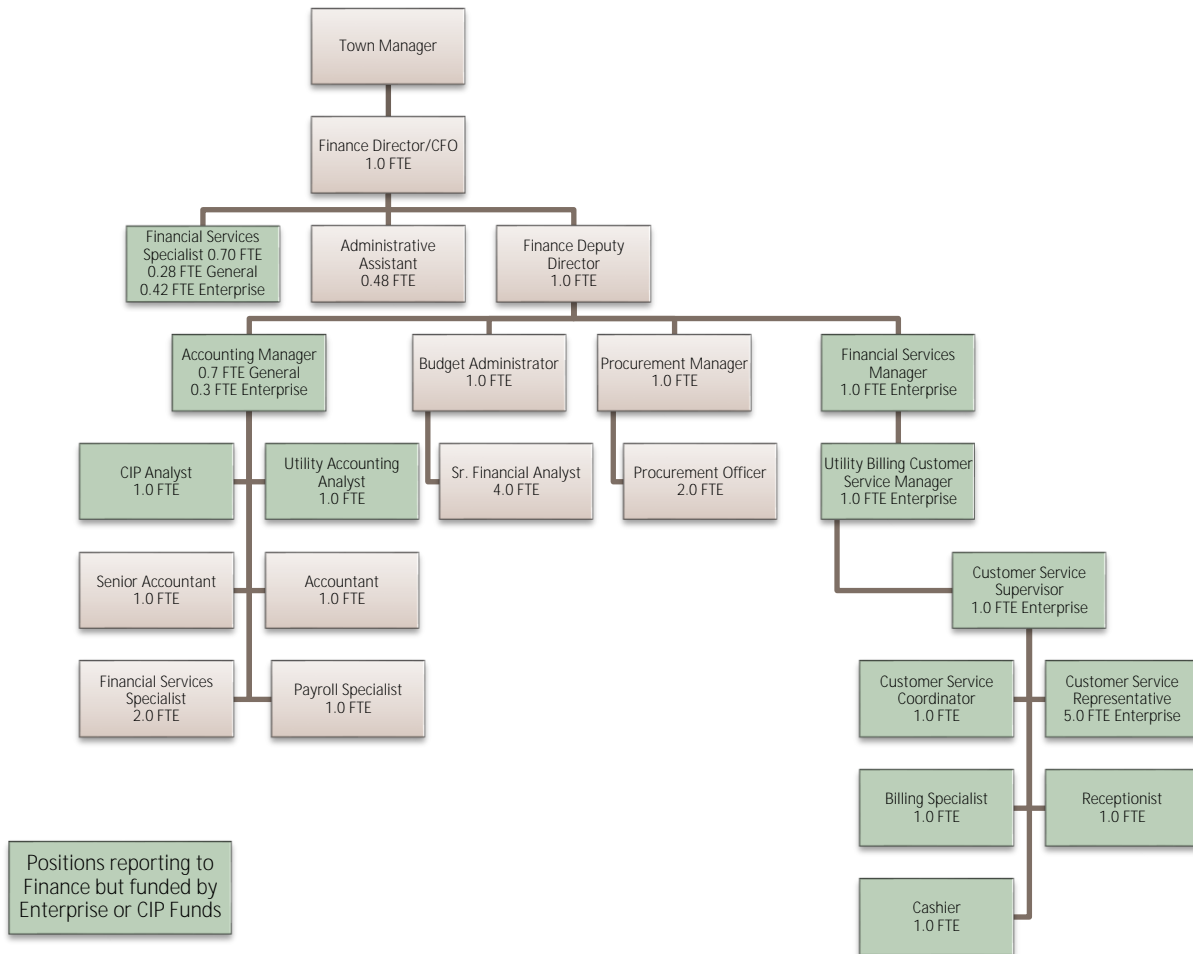
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement	Percent of public record requests responded to within 24 hours of filing	70%	90%	70%	80%
	Percent of registered voters participating in elections	33%	50%	50%	55% <sup>1</sup>
	Percent of agendas or notices posted in compliance with state law and/or Town policy	100%	100%	100%	100%

## Analysis of Performance

1. The department expects voter turnout to be higher in FY 2018/19 as it is a general election year.



# Finance



## Department Description and Programs

The Finance Department includes three divisions: Accounting (includes Procurement), Budget, and Utility Customer Service. The Budget and Accounting Divisions are core support units for the organization. The Budget Division prepares, presents **and monitors the Town's annual budget and Capital Improvement Program**. It researches and prepares long-range revenue forecasts, and it assists in developing and monitoring organizational performance measures. The Accounting Division conducts all accounting, purchasing, payroll and asset tracking functions of the Town. There is support received from enterprise funds via interdepartmental cross charges for the accounting and budget functions. The Utility Customer Service division reports to Finance but is 100% funded from Utilities.

## Department Mission

It is the mission of the Finance Department to support the Town Council, Town Manager, and Town department goals and programs by:

- Ensuring the effective and efficient allocation of Town resources
- Safeguarding public funds
- **Conducting the Town's budgetary and financial affairs in a transparent manner in conformance with all applicable laws**



# Finance

- Providing timely, accurate, and friendly service to internal and external customers

## Strategic Priorities

### Effective Government



### Secure Future



### Safe Community



## FY 2018/19 Objectives

- Continue to evaluate opportunities for managing the Town’s cost and revenue structure ensuring that cost recovery is maintained wherever feasible
- Complete Finance Impact Fee studies
- Finalize work on Water and Wastewater rates and capacity fee studies

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Finance	5.98	9.98 <sup>1</sup>	14.98 <sup>1</sup>	13.18 <sup>1</sup>	13.18 <sup>2</sup>
Budget	2.00	2.00	2.00	4.00	5.00
Utility Customer Service	-	-	7.00*	9.00*	13.00*
Department FTE	7.98	11.98	23.98	26.18	31.18

<sup>1</sup>11.90 FTE allocated to Enterprise Funds

<sup>2</sup>2.72 FTE allocated to Enterprise/CIP Funds

\*Fully funded by Enterprise while reporting to Finance

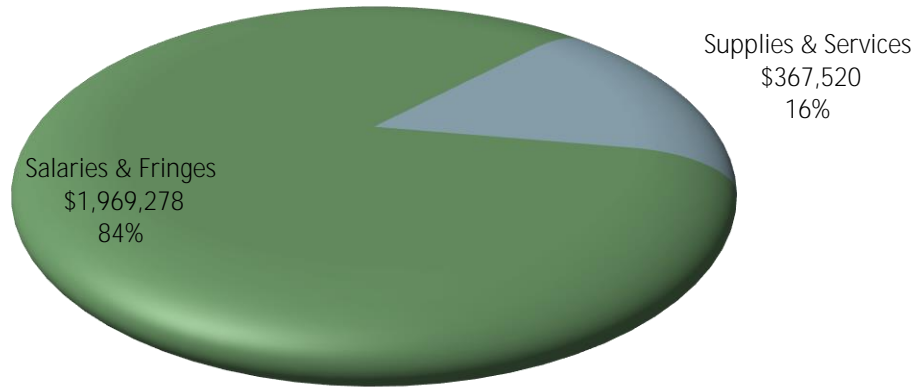
## FTE Changes

Starting in FY 2016/17, the Utility Customer Service Division was moved to the Finance Department. The FY 2017/18 budget includes an additional 3.0 FTE within the Finance Department. The positions are Procurement Manager, Sr. Financial Services Analyst, and a Financial Specialist. Additionally, 2.0 FTE are included in the FY 2018/19 budget and are a Sr. Financial Services Analyst, and a CIP Analyst (funded by construction projects) all to help with the increasing complexity Queen Creek faces during high growth. FY 2018/19 Enterprise funded additions include a Utility Accounting Analyst, Utility Customer Service Representative and a Cashier totaling 3.0 additional FTE, as well a converting a temporary Reception position to a permanent FTE in FY 2018/19.



# Finance

## Finance FY 2018/19 Adopted Budget \$2.4M



### Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund - Dept Support Cost Recovery Revenue	\$ 145,272	\$ 180,036	\$ 291,680	\$ 300,431	\$ 309,453	\$ 9,022	3%
General Fund	\$ 692,734	\$ 1,237,061	\$ 1,217,070	\$ 1,855,627	\$ 2,027,345	\$ 171,718	9%
<b>Total</b>	<b>\$ 838,006</b>	<b>\$ 1,417,097</b>	<b>\$ 1,508,750</b>	<b>\$ 2,156,058</b>	<b>\$ 2,336,798</b>	<b>\$ 180,740</b>	<b>8%</b>
		\$ 579,091	\$ 91,653	\$ 647,308	\$ 180,740		
		69%	6%	43%	8%		

### Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 678,022	\$ 924,359	\$ 1,137,929	\$ 1,749,218	\$ 1,969,278	\$ 220,060	13%
Census Workers	\$ 3,887	\$ 250,723	\$ (1,569)	\$ -	\$ -	\$ -	N/A
Supplies & Services	\$ 156,097	\$ 242,015	\$ 372,390	\$ 406,840	\$ 367,520	\$ (39,320)	(10%)
<b>Department Total</b>	<b>\$ 838,006</b>	<b>\$ 1,417,097</b>	<b>\$ 1,508,750</b>	<b>\$ 2,156,058</b>	<b>\$ 2,336,798</b>	<b>\$ 180,740</b>	<b>8%</b>
		\$ 579,091	\$ 91,653	\$ 647,308	\$ 180,740		
		69%	6%	43%	8%		

### Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Finance	\$ 599,152	\$ 937,836	\$ 1,253,144	\$ 1,655,023	\$ 1,681,154	\$ 26,131	2%
Budget	\$ 234,967	\$ 228,537	\$ 257,175	\$ 501,035	\$ 655,644	\$ 154,609	31%
Census	\$ 3,887	\$ 250,723	\$ (1,569)	\$ -	\$ -	\$ -	N/A
<b>Department Total</b>	<b>\$ 838,006</b>	<b>\$ 1,417,097</b>	<b>\$ 1,508,750</b>	<b>\$ 2,156,058</b>	<b>\$ 2,336,798</b>	<b>\$ 180,740</b>	<b>8%</b>
		\$ 579,091	\$ 91,653	\$ 647,308	\$ 180,740		
		69%	6%	43%	8%		



# Finance

## Program Operating Budget - Finance

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 458,871	\$ 710,209	\$ 895,549	\$ 1,262,613	\$ 1,328,064	\$ 65,451	5%
Census Workers	\$ 3,887	\$ 250,723	\$ (1,569)	\$ -	\$ -	\$ -	N/A
Supplies & Services	\$ 140,281	\$ 227,628	\$ 357,594	\$ 392,410	\$ 353,090	\$ (39,320)	(10%)
<b>Division Total</b>	<b>\$ 603,039</b>	<b>\$ 1,188,559</b>	<b>\$ 1,251,574</b>	<b>\$ 1,655,023</b>	<b>\$ 1,687,154</b>	<b>\$ 26,131</b>	<b>2%</b>
	\$ Change from Prior	\$ 585,521	\$ 63,015	\$ 403,449	\$ 26,131		
	% Change from Prior	97%	5%	32%	2%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remaining increase is resulting from 2.0 new FTE included in FY 2018/19: Sr. Financial Services Analyst, and a CIP Analyst (funded by construction projects and not included in this budget).

### Supplies & Services:

The change in this category is driven by a special audit study related to internal controls, best practices and process improvements included in FY 2017/18, which will be complete and is not included in FY 2018/19.

## Program Performance - Finance

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Financial Management Internal Services & Sustainability	Receipt of GFOA Certificate of Achievement for Excellence in Financial Reporting	Yes Year 11	Yes Year 12	Yes Year 12	Yes Year 13
	Percentage of citizens rating service provided for taxes paid as "good" or "excellent" <sup>1</sup>	N/A	85%	85%	N/A
	Bond rating General Obligation / Improvement District Improvement bonds Standard & Poor's Fitch Ratings	AA AA	AA AA	AA AA	AA AA
	Unqualified audit opinion by external CPA firm <sup>2</sup>	Yes Year 27	Yes Year 28	Yes Year 28	Yes Year 29
	Compliance with Town investment and financial policies	100%	100%	100%	100%

## Analysis of Performance

1. The Town conducts a biennial citizen survey every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).
2. The Town has received an unqualified audit opinion every year since incorporation in 1989.





# Finance

## Program Operating Budget – Budget

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 219,151	\$ 214,151	\$ 242,380	\$ 486,605	\$ 641,214	\$ 154,609	32%
Supplies & Services	\$ 15,816	\$ 14,387	\$ 14,796	\$ 14,430	\$ 14,430	\$ -	0%
<i>Division Total</i>	\$ 234,967	\$ 228,537	\$ 257,175	\$ 501,035	\$ 655,644	\$ 154,609	31%
	\$ Change from Prior	\$ (6,430)	\$ 28,638	\$ 243,860	\$ 154,609		
	% Change from Prior	(3%)	13%	95%	31%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remaining increase in FY 2018/19 is for a new 1.0 FTE Sr. **Financial Services Analyst position to finalize the centralization of the Town’s Budget Office**, which started several years ago.

### Supplies & Services:

No changes are anticipated in this category for FY 2018/19.

## Program Performance – Budget

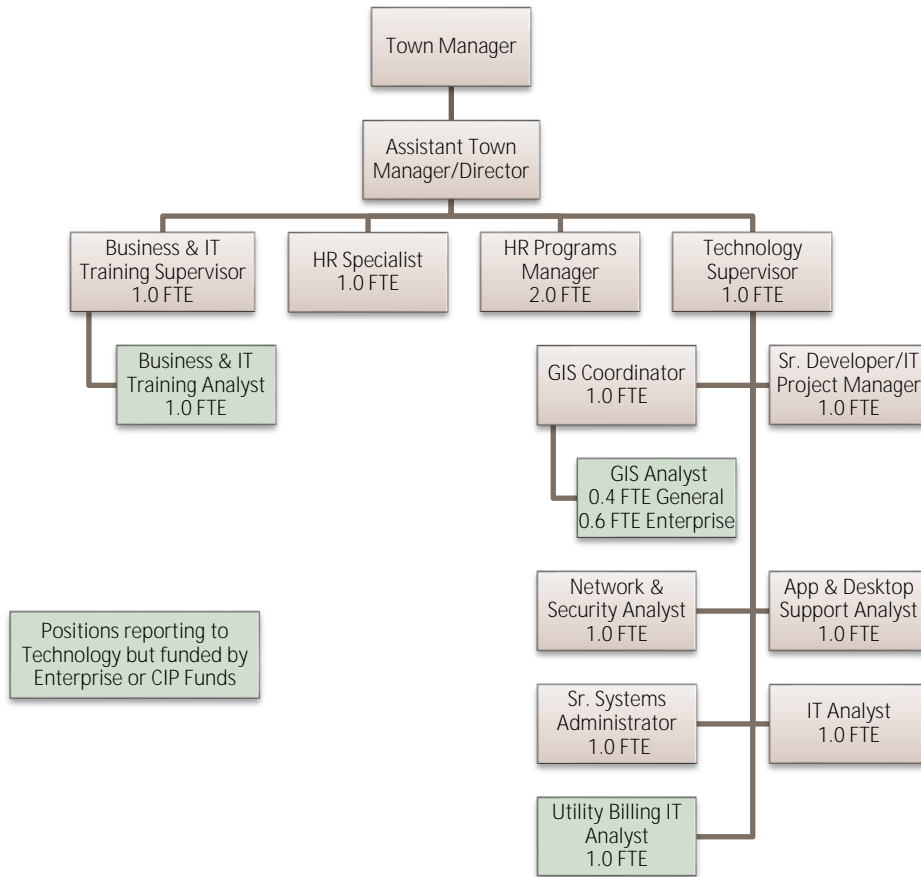
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Financial Management, Internal Services & Sustainability	Maintain ±5% variance in operating revenues from budget to actual <sup>1</sup>	+4%	<5%	+4%	<5%
	Maintain ±5% variance in operating expenses from budget to actual <sup>1</sup>	+4%	<5%	+4%	<5%
	Receipt of GFOA Budget Book award	Yes	Yes	Yes	Yes

## Analysis of Performance

1. Operating Funds are the General Fund, Emergency Services Fund, HURF and Horseshoe Park Fund. Closer monitoring and forecasting of revenues has resulted in better performance. Expenditures continue to be an area where forecasts must be reviewed more closely to narrow the gap. A positive indicates a favorable variance (more revenues than budgeted, less expenses than budgeted).



# Workforce & Technology



## Department Description and Programs

The Workforce and Technology Department is a core support unit for the Town and staff. The Human Resources Division is responsible for workforce planning and employment; compensation, classification and benefits; **employee relations; training and development; policy and procedure development, and worker’s compensation.** The Technology Division administers all technology-related services, including local area computer networks, voice, data and network infrastructure planning, maintenance and security; IT governance, project management, database administration, application development, desktop and application support, geographic information systems (GIS), technology-use training, backups and data retention, and telecommunications. All programs in these areas are funded by the General Fund, with support received from enterprise funds via interdepartmental cross charges.

## Department Mission

The Workforce and Technology Department motivates the workforce through empowerment, education and excellent customer service.

The Workforce and Technology Department will work in a collaborative environment to support and educate employees, the Town Council and Town residents by implementing standards and technologies through professional expertise.



# Workforce & Technology

## Strategic Priorities

Effective Government



Secure Future



Superior Infrastructure



## FY 2018/19 Objectives

- Continue to monitor and update employee benefits strategies and evaluate trends
- Continue progressive strategies to attract and retain high-performing staff
- Maintain staffing levels that are consistent with the community's goals
- Enhance innovative technologies for public facilities that improve efficiencies and reduce long-term recurring costs
- Implement recommendations and strategies of the Information Technology Strategic Plan
- Ensure succession-planning efforts are mobilized in areas of need
- **Review options for establishing an accessible fiber network to elevate the Town's economic competitive position within the region**
- Continue to research and identify relevant technologies, innovations and practices that have the potential to advance a resilient and high quality of life for our residents

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Human Resources	4.0	4.0	3.0	3.0	3.0
Information Technology	6.0	7.0	8.0 <sup>1</sup>	9.0 <sup>2</sup>	11.0 <sup>2</sup>
Department FTE	10.0	11.0	11.0 <sup>1</sup>	12.0 <sup>2</sup>	14.0 <sup>2</sup>

<sup>1</sup>1.0 FTE Funded by Enterprise

<sup>2</sup>2.6 FTE Funded by Enterprise

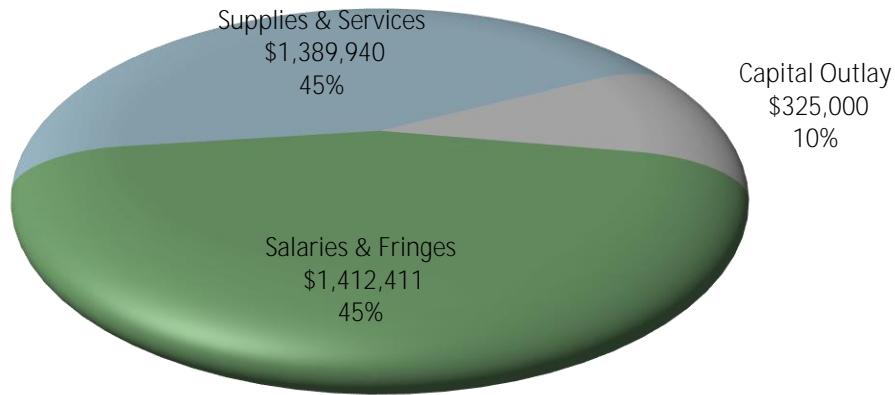
## FTE Changes

Included in the FY 2018/19 budget are 2.0 additional FTE which include an IT Analyst and Utility Software IT Analyst both to add depth in the IT Division as the Town grows and faces technology demands which support daily Town operations. The FY 2017/18 budget included 1.0 FTE for a Geographic Information System (GIS) Analyst due to increased growth. In FY 2016/17 a vacant FTE in the Water Fund was functionally moved into IT and is dedicated to assist with Enterprise related IT projects.



# Workforce & Technology

## Workforce & Technology FY 2018/19 Adopted Budget \$3.1M



### Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund - Dept Support Cost Recovery Revenue	\$ 396,442	\$ 414,390	\$ 457,881	\$ 550,697	\$ 573,096	\$ 22,399	4%
General Fund	\$ 1,798,528	\$ 2,583,718	\$ 1,873,927	\$ 2,718,008	\$ 2,554,255	\$ (163,753)	(6%)
<b>Total</b>	<b>\$ 2,194,970</b>	<b>\$ 2,998,108</b>	<b>\$ 2,331,808</b>	<b>\$ 3,268,705</b>	<b>\$ 3,127,351</b>	<b>\$ (141,354)</b>	<b>(4%)</b>
		\$ 803,139	\$ (666,301)	\$ 936,897	\$ (141,354)		
		37%	(22%)	40%	(4%)		

### Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 1,067,151	\$ 1,101,316	\$ 1,110,691	\$ 1,232,498	\$ 1,412,411	\$ 179,913	15%
Supplies & Services	\$ 572,599	\$ 954,596	\$ 913,009	\$ 1,297,972	\$ 1,389,940	\$ 91,968	7%
Capital Outlay	\$ 43,370	\$ -	\$ -	\$ 52,330	\$ 325,000	\$ 272,670	521%
Operating Projects	\$ 511,849	\$ 942,197	\$ 308,108	\$ 685,905	\$ -	\$ (685,905)	(100%)
<b>Department Total</b>	<b>\$ 2,194,970</b>	<b>\$ 2,998,108</b>	<b>\$ 2,331,808</b>	<b>\$ 3,268,705</b>	<b>\$ 3,127,351</b>	<b>\$ (141,354)</b>	<b>(4%)</b>
		\$ 803,139	\$ (666,301)	\$ 936,897	\$ (141,354)		
		37%	(22%)	40%	(4%)		

### Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Human Resources	\$ 525,581	\$ 476,741	\$ 409,567	\$ 452,379	\$ 468,051	\$ 15,672	3%
Information Technology	\$ 1,669,389	\$ 2,521,367	\$ 1,922,240	\$ 2,816,326	\$ 2,659,300	\$ (157,026)	(6%)
<b>Department Total</b>	<b>\$ 2,194,970</b>	<b>\$ 2,998,108</b>	<b>\$ 2,331,808</b>	<b>\$ 3,268,705</b>	<b>\$ 3,127,351</b>	<b>\$ (141,354)</b>	<b>(4%)</b>
		\$ 803,139	\$ (666,301)	\$ 936,897	\$ (141,354)		
		37%	(22%)	40%	(4%)		



# Workforce & Technology – HR

## Operating Expenditures - Human Resources

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 453,938	\$ 338,705	\$ 341,515	\$ 357,745	\$ 375,236	\$ 17,491	5%
Supplies & Services	\$ 71,643	\$ 138,037	\$ 68,053	\$ 94,634	\$ 92,815	\$ (1,819)	(2%)
<b>Division Total</b>	<b>\$ 525,581</b>	<b>\$ 476,741</b>	<b>\$ 409,567</b>	<b>\$ 452,379</b>	<b>\$ 468,051</b>	<b>\$ 15,672</b>	<b>3%</b>
	\$ Change from Prior	\$ (48,840)	\$ (67,174)	\$ 42,812	\$ 15,672		
	% Change from Prior	(9%)	(14%)	10%	3%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6%, from 11.5% to 11.8%.

### Supplies & Services:

The largest accounts in this category are Employee Events and Award (\$17.5K), Internal Employee Training (\$15K) Professional Services (\$15K) and Tuition Reimbursement (\$15K). A decrease in professional services offset the slight increases related to employee recruitment advertising and new employee processing.

## Program Performance – Human Resources

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Financial Management, Internal Services & Sustainability	Percent of employee performance reviews completed on schedule <sup>1</sup>	78%	90%	80%	90%
	Average number of applications received per external recruitment	121	95	85	95
	Average number of days to fill vacant external recruitment	38	<42	40	<42
	Average number of days to fill vacant internal recruitment	19	<25	30	<25
	Turnover rate of full-time employees	6.5%	≤6%	6%	≤6%
	Number of worker's compensation claims due to injury	12	10	15	10

## Analysis of Performance

- Percentage is based on supervisory completion of the review so that the employee receives any increase on time, with no retroactive pay. A combination of the NeoGov and MUNIS systems assists in the data collection for this measure.



# Workforce & Technology – IT

## Operating Expenditures – Information Technology

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 613,212	\$ 762,611	\$ 769,176	\$ 874,753	\$ 1,037,175	\$ 162,422	19%
Supplies & Services	\$ 500,956	\$ 816,559	\$ 844,956	\$ 1,203,338	\$ 1,297,125	\$ 93,787	8%
Capital Outlay	\$ 43,370	\$ -	\$ -	\$ 52,330	\$ 325,000	\$ 272,670	521%
Operating Projects	\$ 511,849	\$ 942,197	\$ 308,108	\$ 685,905	\$ -	\$ (685,905)	(100%)
<b>Division Total</b>	<b>\$ 1,669,389</b>	<b>\$ 2,521,367</b>	<b>\$ 1,922,240</b>	<b>\$ 2,816,326</b>	<b>\$ 2,659,300</b>	<b>\$ (157,026)</b>	<b>(6%)</b>
	\$ Change from Prior	\$ 851,978	\$ (599,127)	\$ 894,086	\$ (157,026)		
	% Change from Prior	51%	(24%)	47%	(6%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remainder of the increase is the additional 1.0 FTE IT Analyst included in FY 2018/19. The 1.0 FTE Utility Software IT Analyst is funded from Enterprise so does not directly impact the IT operating budget.

### Supplies & Services:

The maintenance and software support contracts account for \$1.0M or 77% of the \$1.3M budget being requested.

The FY 2018/19 Information Technology supplies and service budget reflects an overall increase totaling \$94K. The IT repair and maintenance budget reflects a \$92.5K increase as technical support needs have been identified to support both electronic plan review (Accela) and virtual desktop infrastructure (VDI) environments. The IT software support line reflects a \$58K increase as the department prepares to address an end of life Adobe software licensing issues, and prepare for increases to electronic plan review (Accela) licensing needs in FY 2018/19.

Basing expenditures on annual trend spending, decreases have been made totaling \$56.6K (equipment, subscriptions, and professional/general service categories).

### Capital Outlay

The budget included for Capital Outlay is to address aging equipment, as part of the IT Strategic Plan. This budget will be an annual replacement budget, and replaces operating projects as shown in the schedule above.

FY 2018/19 places focus on technology upgrades involving necessary network upgrades (\$70K), PC replacement for estimated 20% of Town staff (\$50K), VDI infrastructure refresh project (\$50K), updating the Town document management system (\$50K), Municipal Service Building (MSB) and surrounding campus security camera upgrade (\$20K), and addressing disaster recovery and business continuity goals (\$65K).

### Operating Projects:

FY 2017/18 expenses in this category reflect completed projects originally identified in the Capital Outlay budget. Projects completed during the FY 2017/18 time line include:

- Core Switch Refresh Project: \$18.5K
- Firewall Upgrade: \$25K
- Computer Refresh: \$70K
- Server Replacement: \$134K
- Virtual Desktop Infrastructure Monitoring Enhancement: \$25K





# Workforce & Technology – IT

## Program Performance – Information Technology

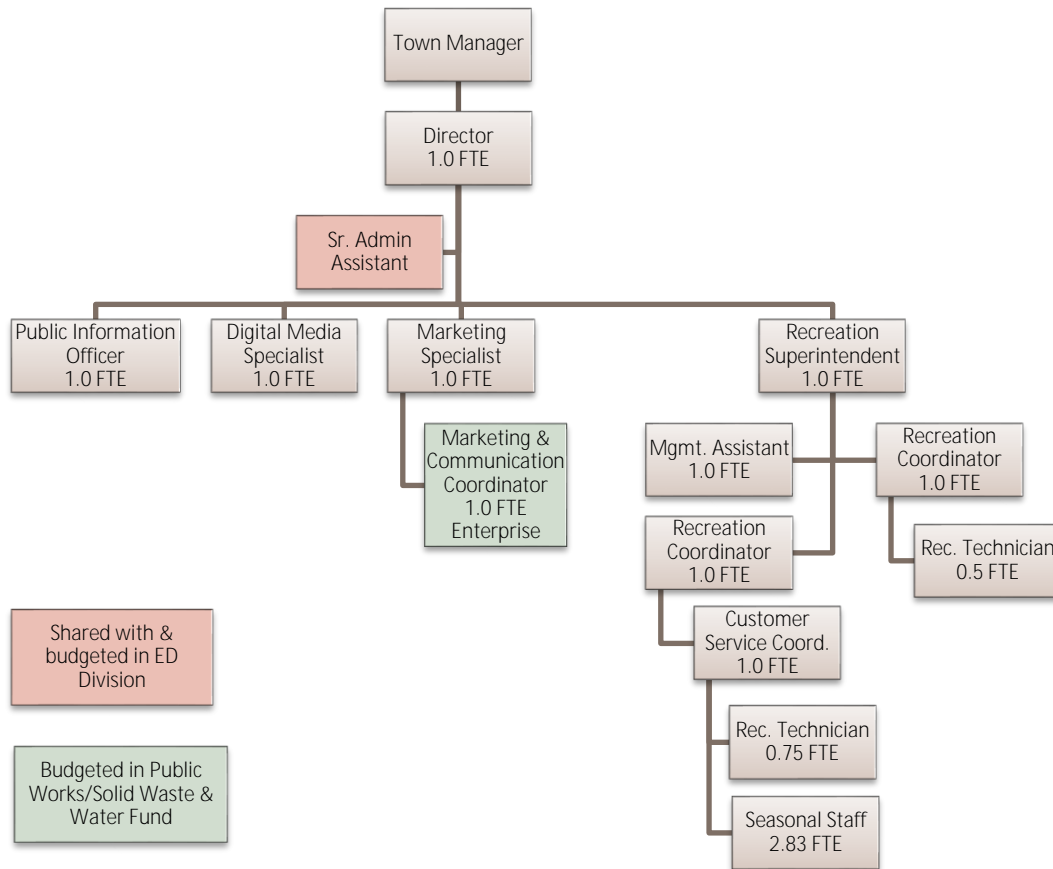
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Technology	Unplanned down time hours affecting business continuity on major operating systems (Server 2008 and 2012)	1	≤ 10	≤ 10	≤ 10
	Unplanned down time hours of major applications affecting business continuity (MUNIS, Firehouse, InHance, LIS, Accela)	0.25	≤ 15	≤ 15	≤ 15
	Unplanned down time hours due to user behavior <sup>1</sup>	2	≤ 2	≤ 2	≤ 2
	Unplanned down time hours affecting business continuity on major hardware (servers, routers, and switches)	0	≤ 10	≤ 10	≤ 10
	Percent of employees rating overall satisfaction with IT department as “good” or “excellent”	91%	95%	95%	95%

### Analysis of Performance

1. New performance measure for FY 2018/19. Relevant background data was previously tracked, so historical information is included for FY 2016/17.



# Communications, Marketing & Recreation



## Department Description and Programs

The department is comprised of two divisions: Communications and Marketing, and Recreation Services. Through these divisions, the department is responsible for:

- **Coordinating the Town’s public outreach programs, including events, publications and digital media**
- Managing media and community relations
- Coordinating and marketing Town-hosted special events
- Managing the Town's brand
- Coordinating tourism efforts in the community
- Providing recreational programs and classes for all ages and interests
- **Managing partnerships, including the Town’s Youth Sports Partnership Program, the Boys & Girls Club, Town-sponsored events and Visit Mesa**
- **Administering the Town’s Special Event Permit Application process**
- Coordinating the rental of parks, ramadas, fields, courts and meeting rooms

All programs in these areas are funded by the General Fund, with support received from enterprise funds via interdepartmental cross charges for marketing and communication services.



# Communications, Marketing & Recreation

## Department Mission

The goal of the Communications, Marketing and Recreation Department is to create a strong sense of community through public outreach programs, events, partnerships and marketing campaigns, enhancing the quality of life in Queen Creek.

## Strategic Priorities

### Quality Lifestyle



### Safe Community



## FY 2018/19 Objectives

- Improve mix of park amenities, including updating older facilities
- Continue advancements in resident participation through multiple opportunities and strategies, such as community events and targeted outreach programs in public safety
- **Continue development of the Town's brand awareness via existing and new partnerships**
- Continue advancements in parks, trails and open space design by encouraging frequent use by members of the community
- Providing parks, trails and amenities to create a strong sense of community
- **Strengthening the Town's identity by providing cohesive marketing, branding and collateral for all Town departments**



# Communications, Marketing & Recreation

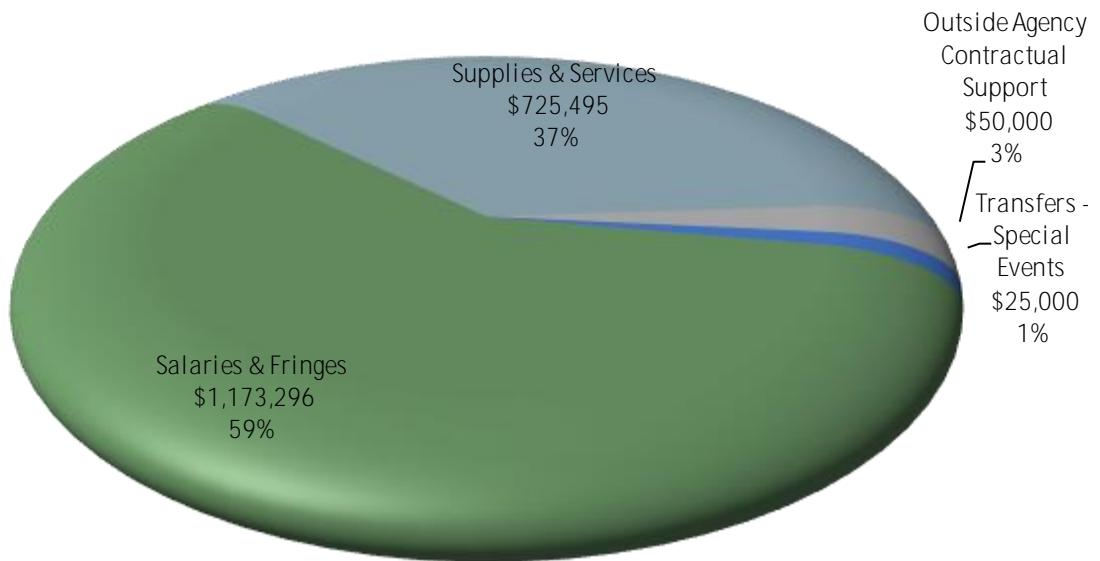
Staffing by Division					
Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Recommended
Communications & Marketing	5.00 <sup>1</sup>	5.00 <sup>1</sup>	5.00 <sup>1</sup>	5.00 <sup>1</sup>	5.00 <sup>1</sup>
Recreation Programs	7.42	8.71	8.71	8.71	9.08
Department FTE*	12.42 <sup>1</sup>	13.71 <sup>1</sup>	13.71 <sup>1</sup>	13.71 <sup>1</sup>	14.08 <sup>1</sup>

<sup>1</sup>1.00 FTE allocated to Enterprise Funds

## FTE Changes

Included in the FY 2018/19 Budget is an increase of 0.37 FTE for seasonal staff for expanded programs. Recreational seasonal staffing increased in FY 2015/16 in response to the growth in recreation programs and to provide promotional outreach at local event/programs.

## Communications, Marketing & Recreation Services FY 2018/19 Recommended Budget \$2.0M





# Communications, Marketing & Recreation

## Funding Source

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Recommended	From Prior Revised	
						Dollar Change	% Change
General Fund - Direct Revenues	\$ 403,288	\$ 527,316	\$ 541,629	\$ 621,798	\$ 632,526	\$ 10,728	2%
General Fund	\$ 1,072,858	\$ 1,175,224	\$ 1,167,056	\$ 1,301,401	\$ 1,341,265	\$ 39,864	3%
<b>Total</b>	<b>\$ 1,476,146</b>	<b>\$ 1,702,539</b>	<b>\$ 1,708,685</b>	<b>\$ 1,923,199</b>	<b>\$ 1,973,791</b>	<b>\$ 50,592</b>	<b>3%</b>
	\$ Change from Prior	\$ 226,393	\$ 6,145	\$ 214,514	\$ 50,592		
	% Change from Prior	15%	0%	13%	3%		

## Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Recommended	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 841,187	\$ 1,004,017	\$ 1,067,132	\$ 1,117,674	\$ 1,173,296	\$ 55,622	5%
Supplies & Services	\$ 584,959	\$ 623,522	\$ 541,567	\$ 730,525	\$ 725,495	\$ (5,030)	(1%)
Outside Agency Contractual Support	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	0%
Operating Projects	\$ -	\$ -	\$ 24,985	\$ -	\$ -	\$ -	N/A
<b>Subtotal Expenses</b>	<b>\$ 1,476,146</b>	<b>\$ 1,677,539</b>	<b>\$ 1,683,685</b>	<b>\$ 1,898,199</b>	<b>\$ 1,948,791</b>	<b>\$ 50,592</b>	<b>3%</b>
Transfers Out - Special Events	\$ 10,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	0%
<b>Department Total</b>	<b>\$ 1,486,146</b>	<b>\$ 1,702,539</b>	<b>\$ 1,708,685</b>	<b>\$ 1,923,199</b>	<b>\$ 1,973,791</b>	<b>\$ 50,592</b>	<b>3%</b>
	\$ Change from Prior	\$ 216,393	\$ 6,145	\$ 214,514	\$ 50,592		
	% Change from Prior	15%	0%	13%	3%		

## Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Recommended	From Prior Revised	
						Dollar Change	% Change
Communications & Marketing	\$ 742,675	\$ 801,983	\$ 784,398	\$ 959,120	\$ 959,131	\$ 11	0%
Recreation Services	\$ 743,471	\$ 900,556	\$ 924,286	\$ 964,079	\$ 1,014,660	\$ 50,581	5%
<b>Department Total</b>	<b>\$ 1,486,146</b>	<b>\$ 1,702,539</b>	<b>\$ 1,708,685</b>	<b>\$ 1,923,199</b>	<b>\$ 1,973,791</b>	<b>\$ 50,592</b>	<b>3%</b>
	\$ Change from Prior	\$ 216,393	\$ 6,145	\$ 214,514	\$ 50,592		
	% Change from Prior	15%	0%	13%	3%		



# CMR- Communications & Marketing

## Operating Expenditures – Communications & Marketing

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Recommended	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 364,169	\$ 433,106	\$ 454,567	\$ 488,540	\$ 512,506	\$ 23,966	5%
Supplies & Services	\$ 378,506	\$ 368,877	\$ 304,846	\$ 470,580	\$ 446,625	\$ (23,955)	(5%)
Operating Projects	\$ -	\$ -	\$ 24,985	\$ -	\$ -	\$ -	N/A
<b>Division Total</b>	<b>\$ 742,675</b>	<b>\$ 801,983</b>	<b>\$ 784,398</b>	<b>\$ 959,120</b>	<b>\$ 959,131</b>	<b>\$ 11</b>	<b>0%</b>
		\$ Change from Prior	\$ 59,309	\$ (17,585)	\$ 174,722	\$ 11	
		% Change from Prior	8%	(2%)	22%	0%	

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. No other staffing changes are included in this division.

### Supplies & Services:

The printing, marketing, and postage budget lines combined account for \$276.8K, or 62% of the \$446.6K supplies and services budgeted in this division.

The \$24K decrease to the Communications and Marketing supplies and service budget is the result of one-time funding specific to a Traffic Enforcement Outreach project that took place during FY 2017/18.

### Operating Projects:

No operating projects are identified within the Communications & Marketing budget for FY 2018/19.



# CMR- Communications & Marketing

## Program Performance – Communications & Marketing

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement  Image & Identity	Percent of residents rating effectiveness of Town communication as “good” or “excellent” <sup>1</sup>	N/A	85%	85%	N/A
	Millions of impressions generated by earned media directed at Queen Creek through the Visit Mesa marketing program	16.9	17	17	17.5
	Website activity on VisitMesa.com featuring town of Queen Creek product and / or content	62,624	45,000	65,000	67,000

### Analysis of Performance

1. The Town conducts a biennial citizen every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).





# CMR – Recreation Services

## Program Operating Budget – Recreation Services

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Recommended	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 477,018	\$ 570,911	\$ 612,565	\$ 629,134	\$ 660,790	\$ 31,656	5%
Supplies & Services	\$ 206,454	\$ 254,645	\$ 236,721	\$ 259,945	\$ 278,870	\$ 18,925	7%
Outside Agency Contractual Support	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	0%
<i>Subtotal Expenses</i>	\$ 733,471	\$ 875,556	\$ 899,286	\$ 939,079	\$ 989,660	\$ 50,581	5%
Transfers Out - Special Events	\$ 10,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	0%
<i>Division Total</i>	\$ 743,471	\$ 900,556	\$ 924,286	\$ 964,079	\$ 1,014,660	\$ 50,581	5%
		\$ 157,085	\$ 23,730	\$ 39,793	\$ 50,581		
		21%	3%	4%	5%		

### Budget Notes and Changes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remaining increase is for a 15% increase in seasonal recreation staff hours to address increasing customer service needs and ensure proper staffing requirements are available for Community Outreach Programs.

#### Supplies & Services:

The largest line item budget in this category is for contracted class instructor payments that accounts for \$185K or 66% of the \$279K budget. Beginning FY 2018/19, the agency support costs involving the Queen Creek Boys and Girls Club has been removed from the supplies and service budget (\$50K), and is shown separately. Overall, the FY 2018/19 Recreation supplies and service line is reflecting a request to increase budget by 7%. This increase represents a need to address on-going equipment and furniture replacement needs for the aging Recreation Annex facility (\$14.2K). Additionally, minor increases are expected for adult sports contract (\$1.9K) and training (\$2.1K).

#### Outside Agency Support:

This category reflects the amount of support the Town of Queen Creek provides to the Boys and Girls Club on an annual basis. This budget reflects no change from FY 2017/18.

#### Transfers Out – Special Events

This category totals \$25K and reflects the amount of support the General Fund provides to the Town sponsored special events: Founders Day (\$5K), 4<sup>th</sup> of July (\$5K), Spring into QC (\$5K), Trunk or Treat (\$5K), Holiday Tree Lighting (\$5K).



# CMR – Recreation Services

## Program Performance – Recreation Services

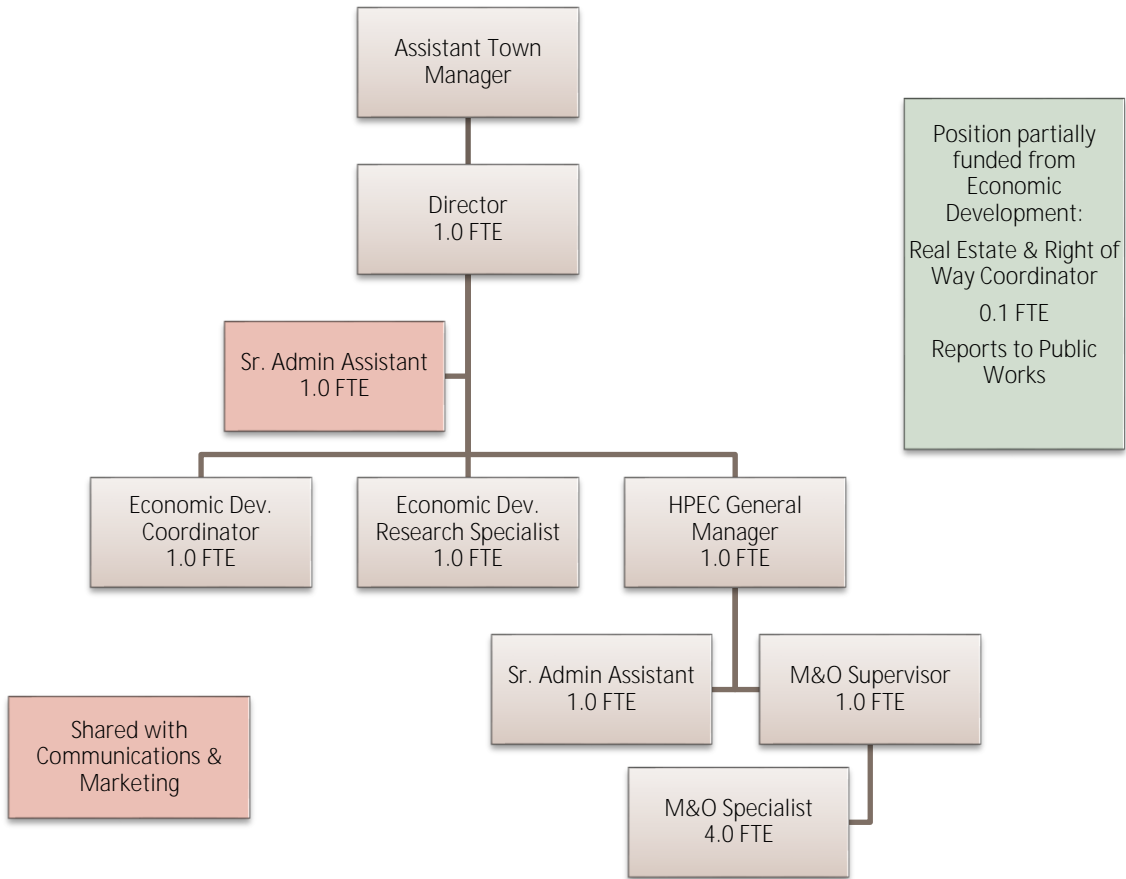
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement	Percent of residents rating opportunities and service related to community parks and recreation services as “good” or “excellent” <sup>1</sup>	N/A	88%	95%	N/A
	Total number of Special Interest Class (SIC) participants	5,130	4,800	5,300	5,400
Image & Identity	Percent of recreation program users rating overall satisfaction with quality of program as “good” or better	91%	92%	92%	93%
Financial Management, Internal Services & Sustainability	Percent of special event process participants rating the process as “good” or “excellent”	75%	90%	80%	90%

## Analysis of Performance

1. The Town conducts a biennial citizen survey every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).



# Economic Development



## Department Description and Programs

The Economic Development Department consists of two divisions: Economic Development and Horseshoe Park and Equestrian Centre (HPEC). The Economic Development Division is responsible for business attraction, retention and expansion, as well as the promotion of opportunities available for private investment in the community.

The HPEC division is responsible for the management of HPEC, including event planning and coordination, promoter relations and facility maintenance.

## Department Mission

The goal of the Economic Development Department is to provide for the long-term economic sustainability of community through a comprehensive and coordinated program of economic development, which includes business attraction, retention and expansion, event development and tourism activities.



# Economic Development

## Strategic Priorities

### Secure Future



### Quality Lifestyle



## FY 2018/19 Objectives

- Implement strategies outlined in the Economic Development Strategic Plan focusing on business development, entrepreneurship, agritainment/destination tourism, economic foundations and enhanced marketing and promotion.
- Enhance opportunities for business success and the Town as a premier investment choice within the region. Proactively market the Town as the place for new business investment and job creation; actively market existing businesses to residents.
- Implement the key action items identified in the updated adopted Town Center Plan. Generate more economic synergy within the Town Center, and enhance the sense of place by attracting additional investment.

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Economic Development	6.00	5.00	5.00	4.00	4.00
Horseshoe Park Equestrian Centre	7.00	7.00	7.00	7.00	7.00
Department FTE	13.00	12.00	12.00	11.00	11.00

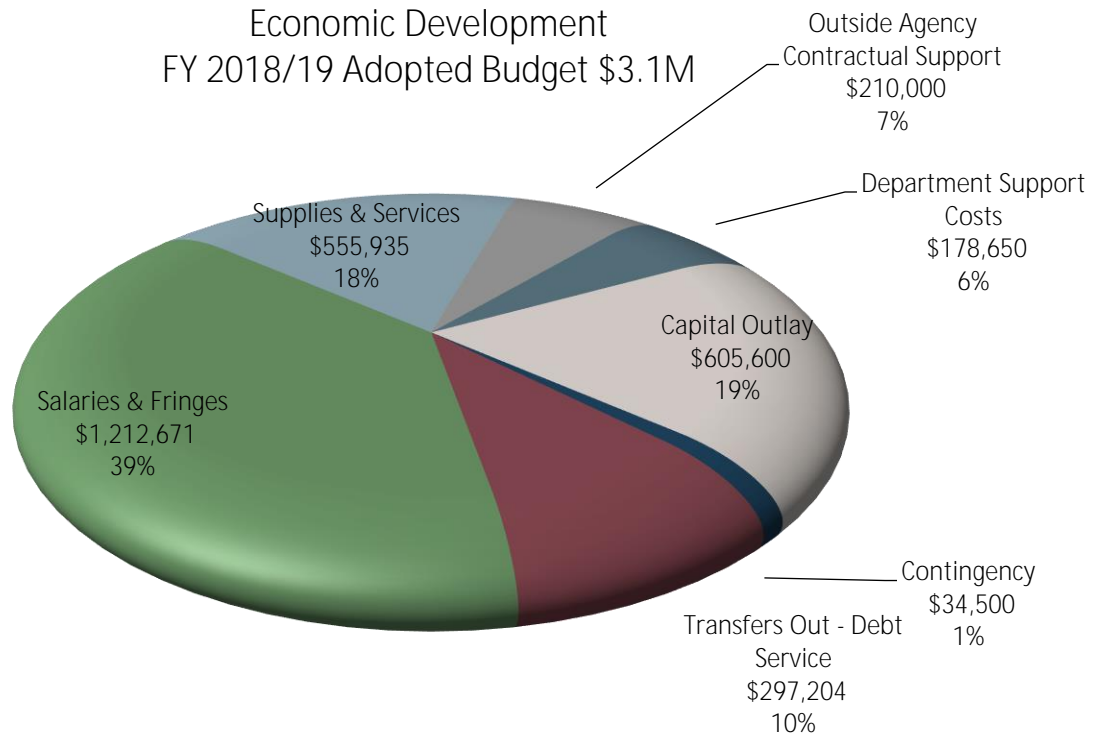
## FTE Changes

Staffing levels for FY 2018/19 are unchanged. Prior year changes are the result of a reorganization with one staff member moving to the Finance Department in FY 2016/17 and one staff member moving to Public Works in FY 2015/16.



# Economic Development

Economic Development  
FY 2018/19 Adopted Budget \$3.1M



## Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Horseshoe Park Equestrian Center Fund	\$ 457,972	\$ 513,177	\$ 606,436	\$ 565,590	\$ 582,570	\$ 16,980	3%
General Fund	\$ 1,795,500	\$ 2,026,097	\$ 1,834,479	\$ 2,007,665	\$ 2,511,990	\$ 504,325	25%
<b>Total</b>	<b>\$ 2,253,472</b>	<b>\$ 2,539,274</b>	<b>\$ 2,440,915</b>	<b>\$ 2,573,255</b>	<b>\$ 3,094,560</b>	<b>\$ 521,305</b>	<b>20%</b>
\$ Change from Prior		\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
% Change from Prior		13%	(4%)	5%	20%		

## Expenditure by Fund

Fund	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Horseshoe Park Equestrian Center	\$ 1,404,398	\$ 1,654,157	\$ 1,596,775	\$ 1,720,480	\$ 2,265,671	\$ 545,191	32%
General Fund	\$ 849,075	\$ 885,117	\$ 844,140	\$ 852,775	\$ 828,889	\$ (23,886)	(3%)
<b>Department Total</b>	<b>\$ 2,253,472</b>	<b>\$ 2,539,274</b>	<b>\$ 2,440,915</b>	<b>\$ 2,573,255</b>	<b>\$ 3,094,560</b>	<b>\$ 521,305</b>	<b>20%</b>
\$ Change from Prior		\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
% Change from Prior		13%	(4%)	5%	20%		



# Economic Development

## Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 1,142,885	\$ 1,147,184	\$ 1,172,779	\$ 1,173,789	\$ 1,212,671	\$ 38,882	3%
Supplies & Services	\$ 425,883	\$ 527,238	\$ 520,672	\$ 608,925	\$ 555,935	\$ (52,990)	(9%)
Outside Agency Contractual Support	\$ 205,750	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ -	0%
Department Support Costs	\$ 135,008	\$ 167,248	\$ 174,273	\$ 173,564	\$ 178,650	\$ 5,086	3%
Capital Outlay	\$ 5,151	\$ 146,854	\$ 152,239	\$ 106,500	\$ 605,600	\$ 499,100	469%
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 34,500	\$ 34,500	N/A
<i>Subtotal Expenses</i>	<i>\$ 1,914,678</i>	<i>\$ 2,198,524</i>	<i>\$ 2,229,963</i>	<i>\$ 2,272,778</i>	<i>\$ 2,797,356</i>	<i>\$ 524,578</i>	<i>23%</i>
Transfers Out - Debt Service	\$ 338,794	\$ 340,750	\$ 210,952	\$ 300,477	\$ 297,204	\$ (3,273)	(1%)
<i>Department Total</i>	<i>\$ 2,253,472</i>	<i>\$ 2,539,274</i>	<i>\$ 2,440,915</i>	<i>\$ 2,573,255</i>	<i>\$ 3,094,560</i>	<i>\$ 521,305</i>	<i>20%</i>
	\$ Change from Prior	\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
	% Change from Prior	13%	(4%)	5%	20%		

## Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Economic Development	\$ 849,075	\$ 885,117	\$ 844,140	\$ 852,775	\$ 828,889	\$ (23,886)	(3%)
Horseshoe Park Equestrian Center	\$ 1,404,398	\$ 1,654,157	\$ 1,596,775	\$ 1,720,480	\$ 2,265,671	\$ 545,191	32%
<i>Department Total</i>	<i>\$ 2,253,472</i>	<i>\$ 2,539,274</i>	<i>\$ 2,440,915</i>	<i>\$ 2,573,255</i>	<i>\$ 3,094,560</i>	<i>\$ 521,305</i>	<i>20%</i>
	\$ Change from Prior	\$ 285,802	\$ (98,359)	\$ 132,340	\$ 521,305		
	% Change from Prior	13%	(4%)	5%	20%		



# Economic Development

## Operating Expenditures – Economic Development

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 585,787	\$ 552,047	\$ 539,553	\$ 510,210	\$ 536,324	\$ 26,114	5%
Supplies & Services	\$ 57,538	\$ 123,070	\$ 94,588	\$ 132,565	\$ 82,565	\$ (50,000)	(38%)
Outside Agency Contractual Support	\$ 205,750	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ -	0%
<i>Division Total</i>	<i>\$ 849,075</i>	<i>\$ 885,117</i>	<i>\$ 844,140</i>	<i>\$ 852,775</i>	<i>\$ 828,889</i>	<i>\$ (23,886)</i>	<i>(3%)</i>
	\$ Change from Prior	\$ 36,042	\$ (40,976)	\$ 8,635	\$ (23,886)		
	% Change from Prior	4%	(5%)	1%	(3%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Staff reclassifications are driving the remaining increase in this category.

### Supplies & Services:

The Economic Development supplies and service budget for FY 2018/19 reflects a decrease of \$50K (-15%) as the Festival Partnership Program (FPP) was discontinued. No other significant changes within the Economic Development budget are identified.

### Outside Agency Contractual Support:

This category reflects the amount of support the Town of Queen Creek provides the Queen Creek Performing Arts Center (\$135K), and the Queen Creek Chamber of Commerce (\$75K). This budget reflects no change from FY 2017/18.





# Economic Development

## Program Performance – Economic Development

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement	Number of staff-assisted locates, staff-assisted business expansion and staff-assisted business retention special projects <sup>1</sup>	32	45	37	40
Image & Identity	Average weekly users of Gangplank Program <sup>2</sup>	12	13	12	15
Land Use & Economic Development	Percent increase in sales tax revenue <sup>3</sup>	17%	6%	12%	12%

### Analysis of Performance

1. This includes the number of total prospects, including GPEC RFIs, staff assisted business expansion and retention projects.
2. Number of average weekly users of Gangplank Program. These numbers do not include weekly Hacknight attendance or any other special programs that Gangplank hosts outside the hours of 8am-5pm, Mon-Fri.
3. Sales tax revenue is highly dependent on the larger Arizona economy. The target and actual are based on year over year increases in sales tax collections within the following Economic Development categories:
  - Retail Trade
  - Wholesale Trade
  - Restaurants & Bars
  - Manufacturing
  - Hotels & Other Lodging/Accommodations
  - Services
  - Arts & Entertainment



# Economic Development - HPEC

## Operating Expenditures – Horseshoe Park & Equestrian Center (HPEC)

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 557,099	\$ 595,137	\$ 633,227	\$ 663,579	\$ 676,347	\$ 12,768	2%
Supplies & Services	\$ 368,345	\$ 404,168	\$ 426,085	\$ 476,360	\$ 473,370	\$ (2,990)	(1%)
Department Support Costs	\$ 135,008	\$ 167,248	\$ 174,273	\$ 173,564	\$ 178,650	\$ 5,086	3%
Capital Outlay	\$ 5,151	\$ 146,854	\$ 152,239	\$ 106,500	\$ 605,600	\$ 499,100	469%
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 34,500	\$ 34,500	N/A
Transfers Out - Debt Service	\$ 338,794	\$ 340,750	\$ 210,952	\$ 300,477	\$ 297,204	\$ (3,273)	(1%)
<b>Division Total</b>	<b>\$ 1,404,398</b>	<b>\$ 1,654,157</b>	<b>\$ 1,596,775</b>	<b>\$ 1,720,480</b>	<b>\$ 2,265,671</b>	<b>\$ 545,191</b>	<b>32%</b>
	\$ Change from Prior	\$ 249,760	\$ (57,383)	\$ 123,705	\$ 545,191		
	% Change from Prior	18%	(3%)	8%	32%		

### Budget Notes and Changes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. An increase of \$11K is included in the overtime budget. Staff turnover is offsetting that increase.

#### Supplies & Services:

Utilities (\$100K), stall supplies (\$80K), and arena maintenance (\$35K) account for \$215K, or 45% of HPEC's supplies and services budget.

The HPEC budget for FY 2018/19 reflects a small decrease of \$2.9K for liability Insurance.

#### Support Costs:

Support Costs (overhead) are the charges from the General Fund for services such as Human Resources, Finance, Payroll, Information Technology, Town Manager and Town Clerk. Any changes identified in this budget is the result of a service/support change from those departments.

#### Capital Outlay:

The FY 2018/19 includes \$500K to cover Arena 3. The FY 2018/19 budget also includes \$100K in annual funding to address significant park repair and replacement needs and \$5.6K to fund the Show Office lease rental agreement.

#### Contingency:

Since HPEC operates in its own fund, a separate contingency is included in this budget. Originally established at a flat amount of \$50K, to be consistent with other operating funds, it has now been recalibrated to equate to 3% of operating expenditures, and is adjusted annually.



# Economic Development - HPEC

## Program Performance – Horseshoe Park & Equestrian Center

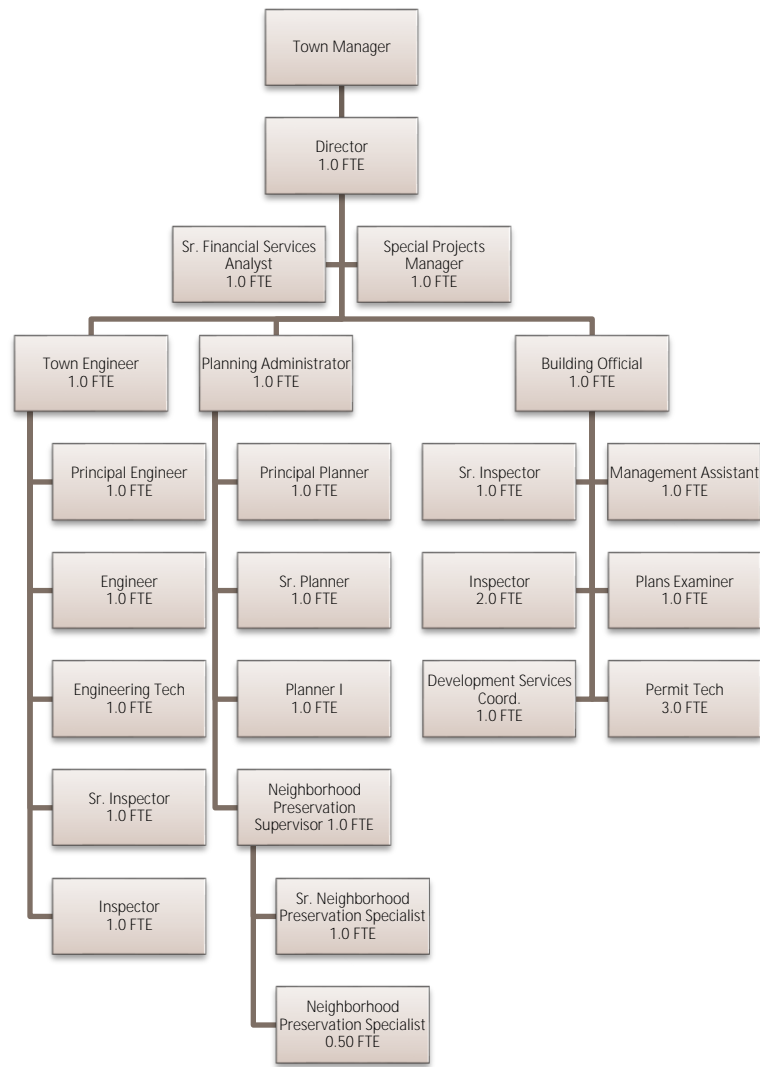
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Community Involvement	Number of HPEC event days <sup>1</sup> – Equestrian Driven	260	252	223	260
Image & Identity	Number of HPEC event days – Non-Equestrian Driven	98	102	85	85

### Analysis of Performance

1. Projected FY 2017/18 equestrian dates are lower because one 5-day show relocated to California where the organizer is located and Sherwood Roping discontinued their Wednesday Night Winter Series (20 event days). Staff continues working to bring in larger multi-week events, so the target for FY 2018/19 reflects these efforts.



# Development Services



Position partially funded from Development Services: Real Estate & Right of Way Coordinator 0.1 FTE Reports to Public Works

## Department Description and Programs

The Development Services Department provides current and long-range planning programs, along with building safety and inspection, code enforcement, engineering. The department executes directives from the Town Manager and Council for the benefit of the Town’s residents, businesses and visitors.

## Department Mission

Development Services serves the Queen Creek community by planning and administering land use, transportation, housing, and economic development opportunities. Development Services works to encourage investment in the community by providing excellent services oriented towards sustaining and creating a community with a high quality of life and environmental benefits for all.



# Development Services

## Strategic Priorities

### Effective Government



### Secure Future



### Quality Lifestyle



## FY 2018/19 Objectives

- Plan for an economically sustainable build-out
- Complete a program for providing training to our **development customers for using the Town’s electronic plan review and permitting system**
- Cooperatively bring forward a specific area plan with the Arizona State Land Department for the portion of Superstition Vistas **in the Town’s Planning Area**
- Support Communications and Marketing Department as we approach election day for the **Town’s 2018 General Plan Update**
- Continue evaluating potential annexations of **strategic lands within the Town’s planning area**
- Consider the potential land uses of requests for annexation coming forward as a result of efforts to incorporate San Tan Valley
- Facilitate drive for additional properties at the **Ellsworth Rd “j-curve” and prepare transition of commercial properties for annexation requirements**
- Complete the process of establishing Municipal Arts Commission and finish the process of adopting the first Annual Work Plan

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Development Services Admin	4.00	4.00	4.00	3.00	3.00
Planning	5.00	5.00	5.00	5.00	4.00
Engineering	5.00	5.00	5.00	6.00	6.00
Building Safety	10.00	10.00	9.00	9.00	10.00
Neighborhood Preservation	1.95	2.48	2.48	2.50	2.50
Department FTE	25.95	26.48	25.48	25.50	25.50

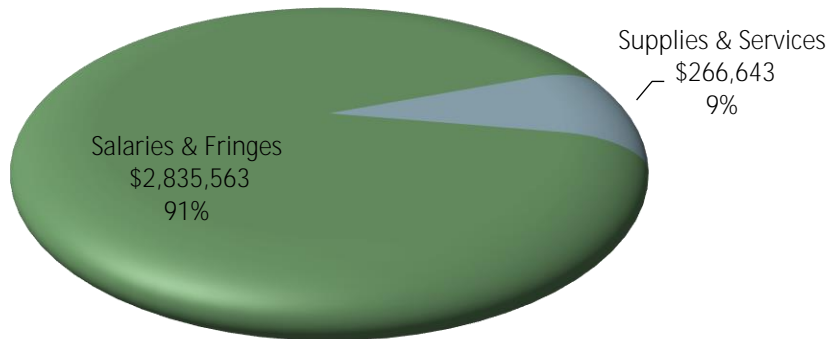
## FTE Changes

The FY 2018/19 includes the Transportation Division transferring to the Public Works Department from the Development Services Department. Also represented in the new-year budget is a transfer between divisions resulting in one additional Permit Technician in the Building Safety Division and one less Planner II position in the Planning Division which occurred in FY 2017/18. This will further align the Towns resources with the services being requested. Also in FY 2017/18, two additional positions were placed into service in the Traffic and Engineering Divisions with one Administrative support position transferring out to the Public Works Department (no Town-wide impact).



# Development Services

## Development Services FY 2018/19 Adopted Budget \$3.1M



### Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund - Direct Revenues	\$ 4,444,783	\$ 5,189,643	\$ 5,086,792	\$ 4,804,000	\$ 3,892,400	\$ (911,600)	(19%)
General Fund	\$ (1,965,426)	\$ (2,496,607)	\$ (2,211,506)	\$ (1,332,839)	\$ (790,194)	\$ 542,645	(41%)
<b>Total</b>	<b>\$ 2,479,357</b>	<b>\$ 2,693,036</b>	<b>\$ 2,875,286</b>	<b>\$ 3,471,161</b>	<b>\$ 3,102,206</b>	<b>\$ (368,955)</b>	<b>(11%)</b>
	\$ Change from Prior	\$ 213,679	\$ 182,250	\$ 595,875	\$ (368,955)		
	% Change from Prior	9%	7%	21%	(11%)		

### Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 2,204,355	\$ 2,525,795	\$ 2,622,952	\$ 2,859,748	\$ 2,835,563	\$ (24,185)	(1%)
Supplies & Services	\$ 275,002	\$ 167,241	\$ 252,334	\$ 611,413	\$ 266,643	\$ (344,770)	(56%)
<b>Department Total</b>	<b>\$ 2,479,357</b>	<b>\$ 2,693,036</b>	<b>\$ 2,875,286</b>	<b>\$ 3,471,161</b>	<b>\$ 3,102,206</b>	<b>\$ (368,955)</b>	<b>(11%)</b>
	\$ Change from Prior	\$ 213,679	\$ 182,250	\$ 595,875	\$ (368,955)		
	% Change from Prior	9%	7%	21%	(11%)		

### Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Development Services Admin	\$ 463,391	\$ 507,395	\$ 533,479	\$ 565,163	\$ 516,133	\$ (49,030)	(9%)
Planning	\$ 583,036	\$ 606,748	\$ 727,668	\$ 1,042,161	\$ 553,994	\$ (488,167)	(47%)
Building Safety	\$ 783,424	\$ 849,637	\$ 865,088	\$ 915,182	\$ 1,053,546	\$ 138,364	15%
Engineering	\$ 519,053	\$ 553,731	\$ 570,733	\$ 713,585	\$ 745,669	\$ 32,084	4%
Neighborhood Preservation	\$ 130,453	\$ 175,526	\$ 178,318	\$ 235,070	\$ 232,864	\$ (2,206)	(1%)
<b>Department Total</b>	<b>\$ 2,479,357</b>	<b>\$ 2,693,036</b>	<b>\$ 2,875,286</b>	<b>\$ 3,471,161</b>	<b>\$ 3,102,206</b>	<b>\$ (368,955)</b>	<b>(11%)</b>
	\$ Change from Prior	\$ 213,679	\$ 182,250	\$ 595,875	\$ (368,955)		
	% Change from Prior	9%	7%	21%	(11%)		



# Development Services - Admin

## Operating Expenditures – Development Services Admin

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 437,721	\$ 492,663	\$ 513,599	\$ 531,463	\$ 487,713	\$ (43,750)	(8%)
Supplies & Services	\$ 25,670	\$ 14,732	\$ 19,880	\$ 33,700	\$ 28,420	\$ (5,280)	(16%)
<b>Division Total</b>	<b>\$ 463,391</b>	<b>\$ 507,395</b>	<b>\$ 533,479</b>	<b>\$ 565,163</b>	<b>\$ 516,133</b>	<b>\$ (49,030)</b>	<b>(9%)</b>
	\$ Change from Prior	\$ 44,004	\$ 26,084	\$ 31,684	\$ (49,030)		
	% Change from Prior	9%	5%	6%	(9%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The overall decrease is related to a 1.0 FTE administrative position transferring to the Public Works Department.

### Supplies & Services:

The net budget decrease from the FY 2017/18 revised and the FY 2018/19 budget is due to additional funds carried forward from the prior fiscal year to implement off-site storage (\$8K). These reductions were offset by an increase in professional development (\$2K).

## Program Performance – Development Services Admin

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Land Use & Economic Development	Percent of citizens ranking the overall quality of new development in Queen Creek as “Good” to “Excellent” <sup>1</sup>	N/A	80%	80%	N/A
Capital Improvement Program	Percent of citizens ranking the overall appearance of Queen Creek roads, parks, trails, and public facilities as “Good” to “Excellent” <sup>1</sup>	N/A	80%	80%	N/A
Financial Management	Valuation of New Projects - Commercial/Industrial <sup>2</sup>	\$37,464,588	\$40,000,000	\$40,000,000	\$40,000,000
	Valuation of New Projects – Residential <sup>2</sup>	\$393,131,990	\$380,000,000	\$400,000,000	\$400,000,000

## Analysis of Performance

1. The Town conducts a biennial citizen survey every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).
2. Valuation data represents the total dollar valuation of private development work permitted in the Town. This includes new buildings, remodeling, alterations, repairs, tenant improvements and miscellaneous structures on residential and commercial properties. Valuations are determined using rate tables published by the International Code Council and adopted annually by the Town.





# Development Services - Planning

## Operating Expenditures – Planning

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 423,788	\$ 545,319	\$ 561,270	\$ 591,753	\$ 491,409	\$ (100,344)	(17%)
Supplies & Services	\$ 159,248	\$ 61,428	\$ 166,398	\$ 450,408	\$ 62,585	\$ (387,823)	(86%)
<i>Division Total</i>	<i>\$ 583,036</i>	<i>\$ 606,748</i>	<i>\$ 727,668</i>	<i>\$ 1,042,161</i>	<i>\$ 553,994</i>	<i>\$ (488,167)</i>	<i>(47%)</i>
	\$ Change from Prior	\$ 23,712	\$ 120,920	\$ 314,493	\$ (488,167)		
	% Change from Prior	4%	20%	43%	(47%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The decrease in the Planning Division is related to a Planner II position that was reclassified to a Permit Technician in the Building Safety Division.

### Supplies & Services:

The decrease of \$387K in supplies and services is caused by \$284K for the Superstition Vistas master plan project which is included in the FY 2017/18 Revised Budget. There is also a decrease of \$33K for one-time scanning services, along with \$70K in carry-forward included in the FY 2017/18 revised budget related to the General Plan update, all of which have been removed from the FY 2018/19 base. There were other small decreases made to membership fees and dues and commission and committee support.

## Program Performance – Planning

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Land Use & Economic Development	Average number of days from plan submittal to pre-application meeting	12	14	12	14
	Percent of Planning construction plan reviews completed within 15 calendar days <sup>1</sup>	80%	100%	80%	100%
	Percent of Planning case reviews completed within 15 calendar days <sup>1</sup>	90%	100%	90%	100%
	Percent of Planning inspections completed within 3 calendar days	100%	100%	100%	100%

## Analysis of Performance

- Staff attrition and related vacancies against an increasing workload is attributed to the lower Projection for FY 2017/18.



# Development Services – Building Safety

## Operating Expenditures – Building Safety

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 737,578	\$ 795,123	\$ 828,273	\$ 851,272	\$ 939,696	\$ 88,424	10%
Supplies & Services	\$ 45,847	\$ 54,514	\$ 36,815	\$ 63,910	\$ 113,850	\$ 49,940	78%
<i>Division Total</i>	\$ 783,424	\$ 849,637	\$ 865,088	\$ 915,182	\$ 1,053,546	\$ 138,364	15%
	\$ Change from Prior	\$ 66,213	\$ 15,451	\$ 50,094	\$ 138,364		
	% Change from Prior	8%	2%	6%	15%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The FY 2018/19 increase is primarily related to a 1.0 FTE increase for an additional Plans Examiner. Additionally, the increase in the Building Safety Division is related to a Planner II in the Planning Division being reclassified to a Permit Technician in the building Safety Division.

### Supplies & Services:

The largest line item in this category is for contracted services for on-going, as-needed building inspections, permitting, and plan review services budgeted at \$100K, or roughly 75% of the \$114K budget. There were other small decreases made to membership fees and dues and postage.

## Program Performance – Building Safety

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Land Use & Economic Development	Percent of building permits processed in 5 days or less from plan review completion to applicant notification	100%	100%	100%	100%
	Percent of inspections completed within 1 business day of the requested inspection	100%	100%	100%	100%



# Development Services – Engineering

## Operating Expenditures – Engineering

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 482,709	\$ 524,481	\$ 550,534	\$ 671,600	\$ 703,701	\$ 32,101	5%
Supplies & Services	\$ 36,344	\$ 29,250	\$ 20,199	\$ 41,985	\$ 41,968	\$ (17)	(0%)
<b>Division Total</b>	<b>\$ 519,053</b>	<b>\$ 553,731</b>	<b>\$ 570,733</b>	<b>\$ 713,585</b>	<b>\$ 745,669</b>	<b>\$ 32,084</b>	<b>4%</b>
	\$ Change from Prior	\$ 34,678	\$ 17,003	\$ 142,852	\$ 32,084		
	% Change from Prior	7%	3%	25%	4%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remainder of the increase is the result of a Sr. Engineer that was reclassified to a Principal Engineer to improve service levels within the organization.

### Supplies & Services:

The largest line item in this category is for contracted services for engineering plan review and residential sewer video inspection services budgeted at \$30K, or roughly 72% of the \$42K budget. There was a small decrease made to membership fees and dues.

## Program Performance – Engineering

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Land Use & Economic Development	Percent of Engineering construction plan reviews completed within 21 business days	100%	100%	100%	100%
	Percent of encroachment permit requests processed within established timeframes <sup>1</sup>	95%	100%	95%	100%
	Percent of final plat case reviews completed within 21 business days	95%	100%	95%	100%

## Analysis of Performance

1. Established timeframes for street maintenance, construction projects, and private development construction permits is 2-5 business days. Timeframes for general franchise utilities is up to 8 business days.



# Dev Services – Neighborhood Preservation

## Operating Expenditures – Neighborhood Preservation

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 122,560	\$ 168,209	\$ 169,276	\$ 213,660	\$ 213,044	\$ (616)	(0%)
Supplies & Services	\$ 7,893	\$ 7,317	\$ 9,042	\$ 21,410	\$ 19,820	\$ (1,590)	(7%)
<b>Division Total</b>	<b>\$ 130,453</b>	<b>\$ 175,526</b>	<b>\$ 178,318</b>	<b>\$ 235,070</b>	<b>\$ 232,864</b>	<b>\$ (2,206)</b>	<b>(1%)</b>
	\$ Change from Prior	\$ 45,072	\$ 2,792	\$ 56,752	\$ (2,206)		
	% Change from Prior	35%	2%	32%	(1%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%.

### Supplies & Services:

For FY 2018/19, the supplies and services category had a slight decrease of \$1.5K related to professional services. No other budgets have changed in this category.

## Program Performance – Neighborhood Preservation

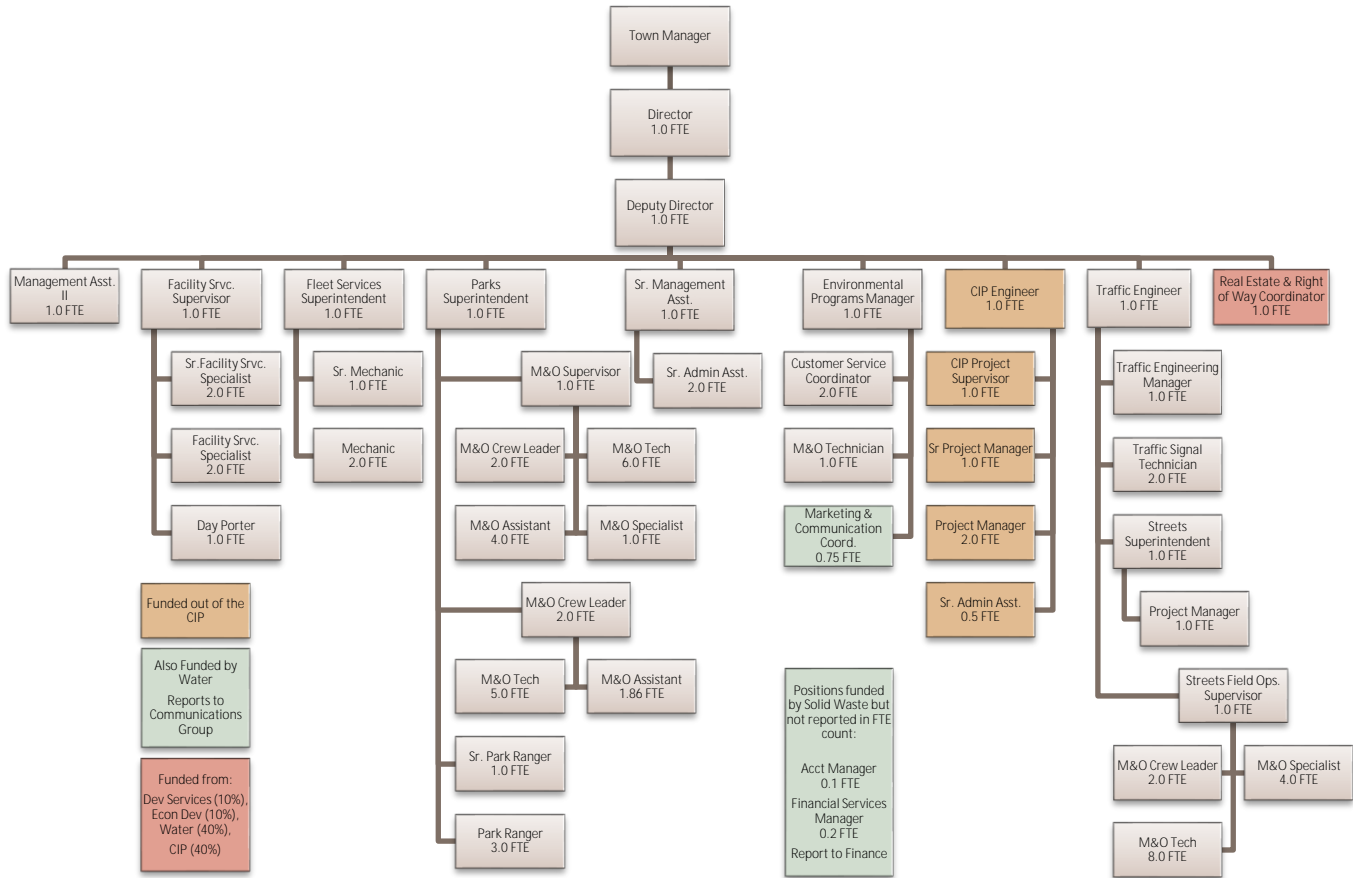
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Land Use & Economic Development	Total number of unique (individual) staff initiated actions completed monthly <sup>1</sup>	93	85	150	120
	Average calendar days between receiving complaint to first investigation	1 day or less	1 day or less	1 day or less	1 day or less
	Average number of cases managed per FTE inspector monthly <sup>1</sup>	72	75	95	85

## Analysis of Performance

1. This division now requires staff to complete a minimum number of assignments daily and implemented improved tracking processes, resulting in an increased FY 2017/18 Projection and Target for FY 2018/19.



# Public Works



## Department Description

The Public Works Department oversees the maintenance of facilities, fleet, streets, grounds, park rangers and provides solid waste services. The department actively implements the Capital Improvement Program (CIP), the pavement maintenance plans, and maintains public parks and grounds. This department is vital in managing Queen Creek’s rapid growth.

Solid Waste is a contracted program within the Public Works Department. The services provided through Solid Waste are refuse collection, recycling and community outreach. The Solid Waste program is funded by rate-payers. The current rate for a residential customer who has one refuse bin and one recycling bin is \$16.22 per month.

## Department Mission

Building a sustainable community and maintaining superior Town infrastructure through innovation and dedication to excellence.



# Public Works

## Strategic Priorities

### Effective Government



### Superior Infrastructure



### Quality Lifestyle



## FY 2018/19 Objectives

- Develop a collaborative Capital Improvement Program (CIP) with the counties and adjacent communities for construction of the regional network of roads
- Annually develop a five-year comprehensive Capital Improvement Program
- **Implement infrastructure plan for the Town's employment areas and selected state land**
- Review options for establishing a fiber network in Queen Creek
- Ensure public property is welcoming, safe and well-maintained
- Continue to provide quality trash and recycling services while reducing impacts to the environment
- Develop a five-year comprehensive pavement maintenance program to ensure long-term viability of Queen Creek's road infrastructure

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Public Works	5.00	6.00	4.00	7.00	6.00
Facilities Maintenance	3.60	4.75	4.75	5.00	6.00
Fleet Maintenance	4.00	4.00	4.00	4.00	4.00
Street Maintenance	13.20	13.00	14.00	15.00	17.00
Traffic	3.00	3.00	3.00	4.00	4.00
Parks & Grounds Maintenance	19.61	19.61	19.61	18.43	23.86
Parks Rangers	-	-	-	3.00	4.00
Solid Waste	3.80	4.00	4.00	4.00	4.00
CIP- Drainage & Transportation	-	-	5.50	5.50	5.50
<b>Department FTE</b>	<b>52.21</b>	<b>54.36</b>	<b>58.86</b>	<b>65.93</b>	<b>74.36</b>

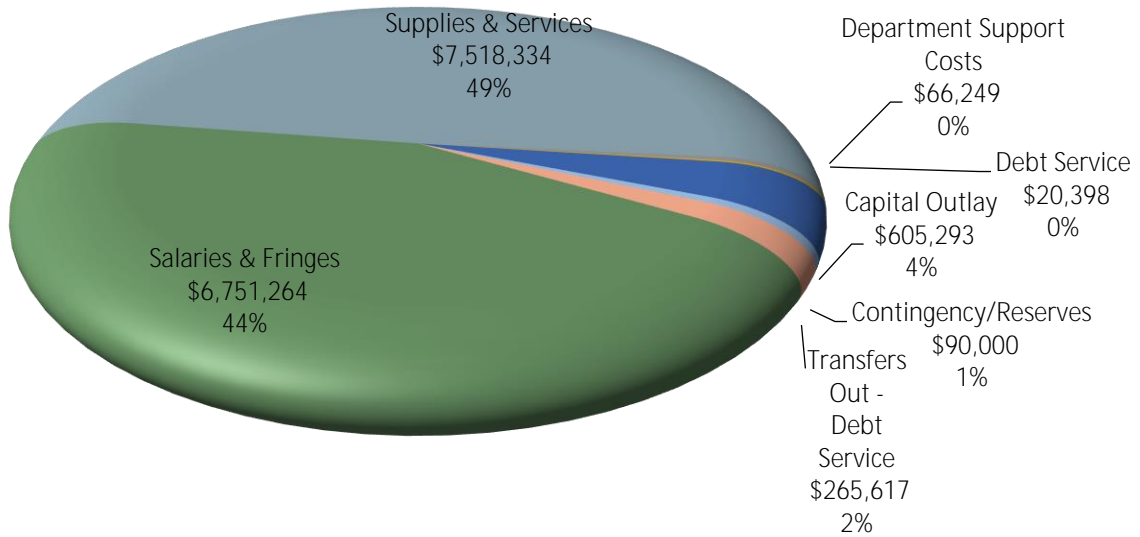
## FTE Changes

The FY 2018/19 budget includes an additional 12.43 FTE spread over various divisions. Public Works Admin increased by 2.0 FTE during FY 2017/18 when an administrative staff member transferred from the Development Services Department, and a Deputy Director position was added. The Facilities Division increased by 1.0 FTE for an additional Facility Services Specialist. The Streets Division increased during Revised by 1.0 FTE for an additional Maintenance & Operations Tech and again during FY 2018/19 by another 2.0 FTE, one Maintenance & Operations Tech and one Maintenance & Operations Specialist. The Parks & Grounds Division increased by 5.43 FTE over various positions related to the opening of Mansel Carter Park. The Park Ranger Division increased by 1.0 FTE also related to increased services with the opening of a large new municipal park. The CIP Division added additional positions to manage the increasing projects and 1.0 FTE has reporting responsibility to the Public Works Department.



# Public Works

## Public Works FY 2018/19 Adopted Budget \$15.3M



### Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund	\$ 5,112,322	\$ 5,029,440	\$ 5,012,044	\$ 8,327,936	\$ 7,167,634	\$ (1,160,302)	(14%)
Streets/HURF	\$ 1,809,004	\$ 2,861,237	\$ 3,637,819	\$ 4,000,839	\$ 4,155,360	\$ 154,521	4%
Solid Waste	\$ 1,871,521	\$ 2,107,488	\$ 2,601,470	\$ 2,772,576	\$ 2,948,531	\$ 175,955	6%
CIP	\$ -	\$ 86,141	\$ 750,227	\$ 803,289	\$ 1,045,630	\$ 242,341	30%
<b>Total</b>	<b>\$ 8,792,848</b>	<b>\$ 10,084,306</b>	<b>\$ 12,001,560</b>	<b>\$ 15,904,640</b>	<b>\$ 15,317,155</b>	<b>\$ (587,485)</b>	<b>(4%)</b>
	\$ Change from Prior	\$ 1,291,458	\$ 1,917,255	\$ 3,903,080	\$ (587,485)		
	% Change from Prior	15%	19%	33%	(4%)		

### Expenditure by Fund

Fund	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
General Fund	\$ 3,723,487	\$ 4,179,775	\$ 4,250,506	\$ 5,776,186	\$ 5,573,326	\$ (202,860)	(4%)
Streets/HURF	\$ 3,197,839	\$ 3,710,902	\$ 4,399,357	\$ 6,552,589	\$ 5,749,668	\$ (802,921)	(12%)
Solid Waste	\$ 1,871,521	\$ 2,107,488	\$ 2,601,470	\$ 2,772,576	\$ 2,948,531	\$ 175,955	6%
CIP	\$ -	\$ 86,141	\$ 750,227	\$ 803,289	\$ 1,045,630	\$ 242,341	30%
<b>Department Total</b>	<b>\$ 8,792,848</b>	<b>\$ 10,084,306</b>	<b>\$ 12,001,560</b>	<b>\$ 15,904,640</b>	<b>\$ 15,317,155</b>	<b>\$ (587,485)</b>	<b>(4%)</b>
	\$ Change from Prior	\$ 1,291,458	\$ 1,917,255	\$ 3,903,080	\$ (587,485)		
	% Change from Prior	15%	19%	33%	(4%)		





# Public Works

## Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 3,516,936	\$ 4,255,344	\$ 4,723,118	\$ 5,627,030	\$ 6,751,264	\$ 1,124,234	20%
Supplies & Services	\$ 4,160,282	\$ 4,792,033	\$ 5,946,764	\$ 8,136,906	\$ 7,518,334	\$ (618,572)	(8%)
Department Support Costs	\$ 45,962	\$ 51,741	\$ 67,215	\$ 67,287	\$ 66,249	\$ (1,038)	(2%)
Debt Service	\$ 162,467	\$ 146,068	\$ 424,292	\$ 140,290	\$ 20,398	\$ (119,892)	(85%)
Capital Outlay	\$ 596,870	\$ 529,110	\$ 571,871	\$ 1,141,885	\$ 605,293	\$ (536,592)	(47%)
Operating Projects	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ (250,000)	(100%)
Contingency/Reserves	\$ -	\$ -	\$ -	\$ 90,000	\$ 90,000	\$ -	0%
<i>Subtotal Expenses</i>	\$ 8,482,518	\$ 9,774,296	\$ 11,733,260	\$ 15,453,398	\$ 15,051,538	\$ (401,860)	(3%)
Transfers Out - Debt Service	\$ 310,330	\$ 310,010	\$ 268,300	\$ 268,042	\$ 265,617	\$ (2,425)	(1%)
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ 129,700	\$ -	\$ (129,700)	(100%)
Transfers Out-Grant Match	\$ -	\$ -	\$ -	\$ 53,500	\$ -	\$ (53,500)	(100%)
<i>Department Total</i>	\$ 8,792,848	\$ 10,084,306	\$ 12,001,560	\$ 15,904,640	\$ 15,317,155	\$ (587,485)	(4%)
		\$ Change from Prior	\$ 1,291,458	\$ 1,917,255	\$ 3,903,080	\$ (587,485)	
		% Change from Prior	15%	19%	33%	(4%)	

## Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Public Works Admin	\$ 537,081	\$ 722,301	\$ 518,584	\$ 742,863	\$ 814,663	\$ 71,800	10%
Facilities Maintenance	\$ 517,967	\$ 569,682	\$ 640,441	\$ 861,214	\$ 833,172	\$ (28,042)	(3%)
Fleet Maintenance	\$ 837,852	\$ 791,128	\$ 740,258	\$ 882,894	\$ 735,558	\$ (147,336)	(17%)
Traffic	\$ 437,847	\$ 543,492	\$ 728,818	\$ 1,017,307	\$ 761,631	\$ (255,676)	(25%)
Streets & Pavement Maintenance	\$ 3,197,839	\$ 3,710,902	\$ 4,399,357	\$ 6,552,589	\$ 5,749,668	\$ (802,921)	(12%)
Grounds Maintenance	\$ 1,392,742	\$ 1,553,172	\$ 1,622,404	\$ 2,077,344	\$ 2,152,317	\$ 74,973	4%
Parks Rangers	\$ -	\$ -	\$ -	\$ 194,564	\$ 275,985	\$ 81,421	42%
Solid Waste	\$ 1,871,521	\$ 2,107,488	\$ 2,601,470	\$ 2,772,576	\$ 2,948,531	\$ 175,955	6%
CIP Management	\$ -	\$ 86,141	\$ 750,227	\$ 803,289	\$ 1,045,630	\$ 242,341	30%
<i>Department Total</i>	\$ 8,792,848	\$ 10,084,306	\$ 12,001,560	\$ 15,904,640	\$ 15,317,155	\$ (587,485)	(4%)
		\$ Change from Prior	\$ 1,291,458	\$ 1,917,255	\$ 3,903,080	\$ (587,485)	
		% Change from Prior	15%	19%	33%	(4%)	



# Public Works - Admin

## Program Operating Budget - PW Admin

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 522,192	\$ 704,987	\$ 507,878	\$ 684,143	\$ 778,513	\$ 94,370	14%
Supplies & Services	\$ 14,888	\$ 17,314	\$ 10,706	\$ 53,720	\$ 36,150	\$ (17,570)	(33%)
Capital Outlay	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ (5,000)	(100%)
<b>Division Total</b>	<b>\$ 537,081</b>	<b>\$ 722,301</b>	<b>\$ 518,584</b>	<b>\$ 742,863</b>	<b>\$ 814,663</b>	<b>\$ 71,800</b>	<b>10%</b>
	\$ Change from Prior		\$ 185,221	\$ (203,717)	\$ 224,279	\$ 71,800	
	% Change from Prior		34%	(28%)	43%	10%	

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%.

### Supplies & Services:

The decrease in this category in FY 2018/19 is for the one-time cost for building demolition expenses that occurred in FY 2017/18. Additional reduction to this category involves Travel / Conference totaling \$1K. These reductions are offset slightly by increases for operating costs (\$7K) that came with the reallocation of one staff member from the Emergency Services Department to the Public Works Department, as well as the centralization of the annual management retreat (\$5K) and disposal services program (\$10K).

### Capital Outlay:

The FY 2017/18 revised budget reflects a single one-time shared expenditure involving drone equipment purchased and shared amongst multiple departments (Streets, Drainage Transportation, Utilities, and Public Works).

## Performance - PW Admin

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Capital Improvement Program	Percent of citizens ranking the overall appearance of Queen Creek roads, parks, trails and public facilities as “Good “ to “Excellent” (shared measure with Construction & Regulatory Compliance) <sup>1</sup>	N/A	80%	94%	N/A
	Percent of design and construction contracts not exceeding 10% of bid award amount	100%	95%	95%	95%
	Percent of Town projects completed per adopted contractors construction schedule (excluding unforeseen delays)	100%	95%	100%	95%

## Analysis of Performance

1. The Town conducts a biennial citizen survey every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).



# Public Works – Facilities Maintenance

## Program Operating Budget - Facilities Maintenance

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 228,742	\$ 329,602	\$ 331,489	\$ 375,331	\$ 442,672	\$ 67,341	18%
Supplies & Services	\$ 289,225	\$ 240,080	\$ 308,952	\$ 374,383	\$ 390,500	\$ 16,117	4%
Capital Outlay	\$ -	\$ -	\$ -	\$ 111,500	\$ -	\$ (111,500)	(100%)
<b>Division Total</b>	<b>\$ 517,967</b>	<b>\$ 569,682</b>	<b>\$ 640,441</b>	<b>\$ 861,214</b>	<b>\$ 833,172</b>	<b>\$ (28,042)</b>	<b>(3%)</b>
	\$ Change from Prior		\$ 51,715	\$ 70,759	\$ 220,773	\$ (28,042)	
	% Change from Prior		10%	12%	34%	(3%)	

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remainder of the increase is an additional 1.0 FTE Facility Services Specialist to address the additional square footage totaling over 91,000 taken on over the last year.

### Supplies & Services:

Increases to the supplies and services category is for the custodial contract, budgeted at \$164,500 for FY 2018/19, which is a 14% increase from FY 2017/18. Repair and maintenance accounts for \$137K of the budget in this category. The increase is driven by additional services for the increase in square footage with the new Field Operations Facility and Mansel Carter Oasis Park.

### Capital Outlay:

The Facilities FY 2017/18 revised budget reflects several one-time expenditures totaling \$111.5K. Projects include the purchase of new tables and chairs for the Founders Room meeting location (\$16.5K), entering contract to retrofit the exterior lighting to LED for multiple Town owned sites (\$30K), and install a new fire suppression system at the Founders' Park Community Center location (\$65K). These budgets are not included in the FY 2018/19 budget.

## Program Performance - Facilities Maintenance

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Financial Management	Custodial expenditures per square foot: all facilities (total, in-house and contractual) <sup>1</sup>	\$1.16	\$1.18	\$1.10	\$1.10
	Percent of preventative maintenance activities completed by town staff and contracted services as a percent of total preventative maintenance activities <sup>2</sup>	N/A	N/A	N/A	90%
	Percent of high-priority service requests addressed within 24 hours of request receipt <sup>2</sup>	N/A	N/A	N/A	90%

## Analysis of Performance

1. FY 2017/18 target reflects the net increase of 46,740 square feet to maintain.
2. New measure in FY 2018/19.



# Public Works – Fleet Maintenance

## Program Operating Budget - Fleet Maintenance

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 247,978	\$ 276,360	\$ 306,750	\$ 319,176	\$ 332,235	\$ 13,059	4%
Supplies & Services	\$ 272,397	\$ 243,093	\$ 209,614	\$ 213,425	\$ 224,030	\$ 10,605	5%
Capital Outlay	\$ 317,476	\$ 271,675	\$ 223,894	\$ 350,293	\$ 179,293	\$ (171,000)	(49%)
<i>Division Total</i>	\$ 837,852	\$ 791,128	\$ 740,258	\$ 882,894	\$ 735,558	\$ (147,336)	(17%)
	\$ Change from Prior	\$ (46,724)	\$ (50,870)	\$ 142,636	\$ (147,336)		
	% Change from Prior	(6%)	(6%)	19%	(17%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Additionally, one position is being reclassified to a Mechanic from a Maintenance & Operations **Tech to serve the Town’s growing** fleet and begin servicing fire apparatus.

### Supplies & Services:

The line item with the largest budget in this category is for vehicle maintenance and repair at \$111K. Fuel is the second largest line item in this category at \$46K for FY 2018/19. Increases to the supplies and services budget is the result of maintenance costs for the growing fleet, as well as shifting Fire vehicle maintenance from contracted services to Town staff.

### Capital Outlay:

The capital budget fluctuates each year based on the vehicles and equipment that are replaced. Vehicle replacement is based on a combination of factors involving age, mileage and performance. In FY 2018/19, 4 vehicles are being replaced, compared to the 5 vehicles replaced and the bucket truck purchased in FY 2017/18.

## Program Performance - Fleet Maintenance

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Financial Management	Percent of repair and maintenance activities completed by Town fleet staff <sup>1</sup>	N/A	98%	90%	95%
	Percent of vehicle and equipment repairs completed within one day of drop-off with Fleet Services <sup>1</sup>	N/A	94%	95%	95%

## Analysis of Performance

1. New measure in FY 2018/19. Historical data was available for FY 2017/18.



# Public Works – Traffic

## Program Operating Budget – Traffic

Division by Category	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	From Prior Revised	
	Actual	Actual	Actual	Revised	Adopted	Dollar Change	% Change
Salaries & Fringes	\$ 293,401	\$ 336,089	\$ 317,245	\$ 430,429	\$ 466,851	\$ 36,422	8%
Supplies & Services	\$ 144,445	\$ 207,403	\$ 411,573	\$ 336,878	\$ 294,780	\$ (42,098)	(12%)
Operating Projects	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ (250,000)	(100%)
<b>Division Total</b>	<b>\$ 437,847</b>	<b>\$ 543,492</b>	<b>\$ 728,818</b>	<b>\$ 1,017,307</b>	<b>\$ 761,631</b>	<b>\$ (255,676)</b>	<b>(25%)</b>
	\$ Change from Prior	\$ 105,645	\$ 185,326	\$ 288,489	\$ (255,676)		
	% Change from Prior	24%	34%	40%	(25%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. A reclassification of the Sr Traffic Engineering Analyst to a Traffic Engineer and the reclassification of the former Traffic Engineer to the Transportation Engineer is accounting for the remainder of the increase.

### Supplies & Services:

The maintenance and repair budget for signals, signage, Intelligent Traffic System (ITS) and accident related incidents accounts for \$205K, or 76% of the \$294K budget for this category. This budget decreased slightly as traffic signals are now coming equipped with more equipment when initially installed so that equipment no longer has to be purchased separately.

The net budget decrease from the FY 2017/18 revised and the FY 2018/19 budget is due to the removal additional funds carried forward from the prior fiscal year for Intelligent Traffic Systems (ITS) equipment to connect six intersections to the traffic management center (\$20K). In addition, within the professional services account, funds were reduced by \$20K for traffic impact studies, as Town staff are currently performing these.

### Operating Projects:

Expenditure authority has been included in FY 2017/18 as a placeholder for the potential installation of a traffic control signal monitoring system for crash avoidance technology (red light running) that is not included in the FY 2018/19 budget.

## Program Performance – Traffic

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Capital Improvement Plan	Percentage of residents rating the overall traffic speeds and flow within the Town as "Good" to "Excellent" <sup>1</sup>	N/A	65%	65%	N/A
	Percent of emergency traffic signal malfunction responses within 1 hour of notification <sup>2</sup>	N/A	N/A	N/A	85%

## Analysis of Performance

1. The Town conducts a biennial citizen every 18 months. The next survey is scheduled for Fall 2019 (FY 2019/20).
2. New measure in FY 2018/19.



# Public Works – Street Maintenance

## Program Operating Budget - Street Maintenance

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 909,274	\$ 1,025,876	\$ 1,138,522	\$ 1,263,397	\$ 1,464,278	\$ 200,881	16%
Supplies & Services	\$ 1,722,123	\$ 2,097,185	\$ 2,657,087	\$ 4,719,861	\$ 3,773,375	\$ (946,486)	(20%)
Debt Service	\$ 20,396	\$ 20,396	\$ 20,396	\$ 20,397	\$ 20,398	\$ 1	0%
Capital Outlay	\$ 235,716	\$ 257,435	\$ 315,051	\$ 227,392	\$ 226,000	\$ (1,392)	(1%)
Transfers Out - Debt Service	\$ 310,330	\$ 310,010	\$ 268,300	\$ 268,042	\$ 265,617	\$ (2,425)	(1%)
Transfers Out - Grant Match	\$ -	\$ -	\$ -	\$ 53,500	\$ -	\$ (53,500)	(100%)
<b>Division Total</b>	<b>\$ 3,197,839</b>	<b>\$ 3,710,902</b>	<b>\$ 4,399,357</b>	<b>\$ 6,552,589</b>	<b>\$ 5,749,668</b>	<b>\$ (802,921)</b>	<b>(12%)</b>
	\$ Change from Prior	\$ 513,063	\$ 688,455	\$ 2,153,232	\$ (802,921)		
	% Change from Prior	16%	19%	49%	(12%)		

### Budget Notes and Changes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%.

#### Supplies & Services:

Of the \$3.8M budgeted, \$2.9M will be used for arterial and residential pavement preservation, targeted pavement repairs and upgrades, as well as concrete repairs. The net budget decrease from the FY 2017/18 Revised Budget and the FY 2018/19 Budget is due to funds carried forward for pavement preservation and reconstruction projects. In addition, there slight decreases to liability insurance (\$6.5K), and training/conferences (\$4K) have been identified. These reductions are being offset by an increase to street sweeping services (\$35K) necessary for the additional residential subdivisions and new arterial roadways.

#### Capital Outlay:

The capital outlay is showing an overall increase totaling \$226K from the FY 2017/18 Budget to the Recommended FY 2018/19 budget. This increase reflects the request to purchase a variable message board (\$21K), asphalt ripper attachment for skid steer (\$30K), a pavement maintenance crack seal machine (\$65K), and a concrete truck (\$75K), as well as a replacing a ½ ton pick-up truck with a ¾ ton.

#### Transfers Out - Grants Match

The variance is the result of a MAG grant to cover the majority cost to replace one (1) street sweeper in FY 2017/18, making the Town responsibility 6.4% plus all non-reimbursable upgrade costs.



# Public Works – Street Maintenance

## Program Performance – Street Maintenance

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Capital Improvement Program	Percentage of pavement in satisfactory or better condition per Pavement Condition Index (PCI) <sup>1</sup>	83%	85%	85%	85%
	Percent of pothole repairs completed within 24 hours of notification <sup>2</sup>	N/A	N/A	N/A	85%
	Percent of responses to street maintenance issues completed within 1 hour of notification <sup>2</sup>	N/A	N/A	N/A	98%

### Analysis of Performance

1. Pavement maintenance management software is used to track inventory and condition, and to predict and analyze future maintenance needs and condition.
2. New measure in FY 2018/19.





# Public Works – Parks/Grounds Maintenance

## Program Operating Budget – Parks/Grounds Maintenance

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 1,031,057	\$ 1,195,922	\$ 1,303,391	\$ 1,327,265	\$ 1,760,937	\$ 433,672	33%
Supplies & Services	\$ 320,836	\$ 351,469	\$ 286,088	\$ 302,379	\$ 341,380	\$ 39,001	13%
Debt Service	\$ 23,121	\$ 5,780	\$ -	\$ -	\$ -	\$ -	N/A
Capital Outlay	\$ 17,728	\$ -	\$ 32,925	\$ 447,700	\$ 50,000	\$ (397,700)	(89%)
<b>Division Total</b>	<b>\$ 1,392,742</b>	<b>\$ 1,553,172</b>	<b>\$ 1,622,404</b>	<b>\$ 2,077,344</b>	<b>\$ 2,152,317</b>	<b>\$ 74,973</b>	<b>4%</b>
	\$ Change from Prior	\$ 160,430	\$ 69,232	\$ 454,940	\$ 74,973		
	% Change from Prior	12%	4%	28%	4%		

### Budget Notes and Changes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Included in the FY 2018/19 budget are a number of additional staff totaling 5.43 FTE for the opening of Mansel Carter Park. These include: 1.0 FTE Crew Leader, 4.0 FTE Maintenance & Operations Tech, and 0.4 FTE Maintenance & Operations Assistant.

#### Supplies & Services:

The largest ongoing line item in this category is general services at \$111K, or roughly 33% of the \$341K budget. General services include wash trimming, tree trimming, temporary labor, as well as contracted right-of-way maintenance services. Landscape supplies is the second largest line item in this category and accounts for \$66K. Together these account for 52% of the supplies and services budget.

Increases to the FY 2018/19 supplies and service category totaling \$39K is driven by additional contracted services to outsource the continually growing right-of-way maintenance needs (\$10K), additional landscape supplies for the Public Safety Building/Community Center building (\$8.2K), pest control services (\$1.7K), as and supplies (\$18.6K) for repair and maintenance, irrigation, and landscaping of the new Mansel Carter Oasis Park.

#### Capital Outlay:

The Grounds FY 2017/18 Revised Budget reflects several one-time expenditures totaling \$447.7K. Projects include landscape improvements to the south side of the Villages subdivision (\$235K), retrofit Desert Mountain Park to an all softball field park (\$188.7K), and the replacement of two (2) utility vehicles (\$24K). These budgets are not included in the FY 2018/19 budget.

Capital purchases identified for the FY 2018/19 budget include vehicle purchases (\$50K) necessary for the staffing related to the opening and management of the new Mansel Carter Oasis Park.

### Program Performance – Parks/Grounds Maintenance

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Image & Identity	Percent of graffiti or vandalism repaired within 24 hours of notification <sup>1</sup>	N/A	N/A	N/A	95%

### Analysis of Performance

1. New measure in FY 2018/19.



# Public Works – Parks Rangers

## Program Operating Budget – Parks Rangers

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 185,584	\$ 269,225	\$ 83,641	45%
Supplies & Services	\$ -	\$ -	\$ -	\$ 8,980	\$ 6,760	\$ (2,220)	(25%)
<i>Division Total</i>	\$ -	\$ -	\$ -	\$ 194,564	\$ 275,985	\$ 81,421	42%
		\$ -	\$ -	\$ 194,564	\$ 81,421		
		N/A	N/A	N/A	42%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Included in the FY 2018/19 budget is a 1.0 FTE Park Ranger due to the opening of Mansel Carter Park.

### Supplies & Services:

The decrease in this category in FY 2018/19 is for the one-time cost for purchase of two iPads that occurred in FY 2017/18. No other budgets have changed in this category.



# Public Works – Solid Waste

## Program Operating Budget - Solid Waste

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 284,291	\$ 377,602	\$ 457,754	\$ 427,416	\$ 467,278	\$ 39,862	9%
Supplies & Services	\$ 1,396,368	\$ 1,558,253	\$ 1,672,606	\$ 1,938,280	\$ 2,175,004	\$ 236,724	12%
Department Support Costs	\$ 45,962	\$ 51,741	\$ 67,215	\$ 67,287	\$ 66,249	\$ (1,038)	(2%)
Debt Service	\$ 118,950	\$ 119,892	\$ 403,896	\$ 119,893	\$ -	\$ (119,893)	(100%)
Capital Outlay	\$ 25,951	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000	N/A
Contingency	\$ -	\$ -	\$ -	\$ 90,000	\$ 90,000	\$ -	0%
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ 129,700	\$ -	\$ (129,700)	(100%)
<b>Division Total</b>	<b>\$ 1,871,521</b>	<b>\$ 2,107,488</b>	<b>\$ 2,601,470</b>	<b>\$ 2,772,576</b>	<b>\$ 2,948,531</b>	<b>\$ 175,955</b>	<b>6%</b>
	\$ Change from Prior	\$ 235,967	\$ 493,982	\$ 171,106	\$ 175,955		
	% Change from Prior	13%	23%	7%	6%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remaining difference is the result of employee reclassifications and turnover of Finance staff directly allocated to Solid Waste.

### Supplies & Services:

This category contains the contract to provide trash/recycling services which increased 8.5% to \$1.6M of which 5% represents contract rate increases. The remaining increases are directly tied to growth such as new homes and are estimated at approximately \$230K. The budget also includes \$135K for new trash and recycling carts, necessitated by population growth. Slight reductions to the Travel/Conference budget totaling \$4K has been identified.

### Capital Outlay:

The increase in this category is for relocation of the recycling center to the new Corp Yard which is currently under construction. These are one-time costs to develop the new site and include an asphalt drive, concrete pads for the containers, fencing, security and parking lot paving.

### Transfers Out - CIP

This FY 2016/17 revised budget is for **Solid Waste's prorated portion of the** new Utility Billing Software being purchased in conjunction with Water and Wastewater. This has been removed from FY 2017/18 creating the variance.



# Public Works – Solid Waste

## Program Performance – Solid Waste

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Environment	Total weight of recycled and diverted material, as a percentage of total solid waste collection weight <sup>1</sup>	22%	23%	21%	22%
	Percent increase in recyclable material within selected residential neighborhood resulting from targeted inspection program <sup>2</sup>	N/A	N/A	20%	20%

## Analysis of Performance

1. Measure was reworded to include materials that are diverted from landfills.
2. New measure in FY 2018/19. The department performs an audit on residential collections within a subdivision to establish a starting point, then performs targeted outreach and education efforts for 2-3 months and then measures the impact of the program on the amount of non-contaminated, recyclable material.



# Public Works – CIP Management

## Program Operating Budget – CIP Management

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ 8,906	\$ 360,089	\$ 614,289	\$ 769,275	\$ 154,986	25%
Supplies & Services	\$ -	\$ 77,234	\$ 390,138	\$ 189,000	\$ 276,355	\$ 87,355	46%
<i>Division Total</i>	\$ -	\$ 86,141	\$ 750,227	\$ 803,289	\$ 1,045,630	\$ 242,341	30%
	\$ Change from Prior	\$ 86,141	\$ 664,086	\$ 53,062	\$ 242,341		
	% Change from Prior	N/A	771%	7%	30%		

## Budget Notes and Changes

### Salaries and Fringes:

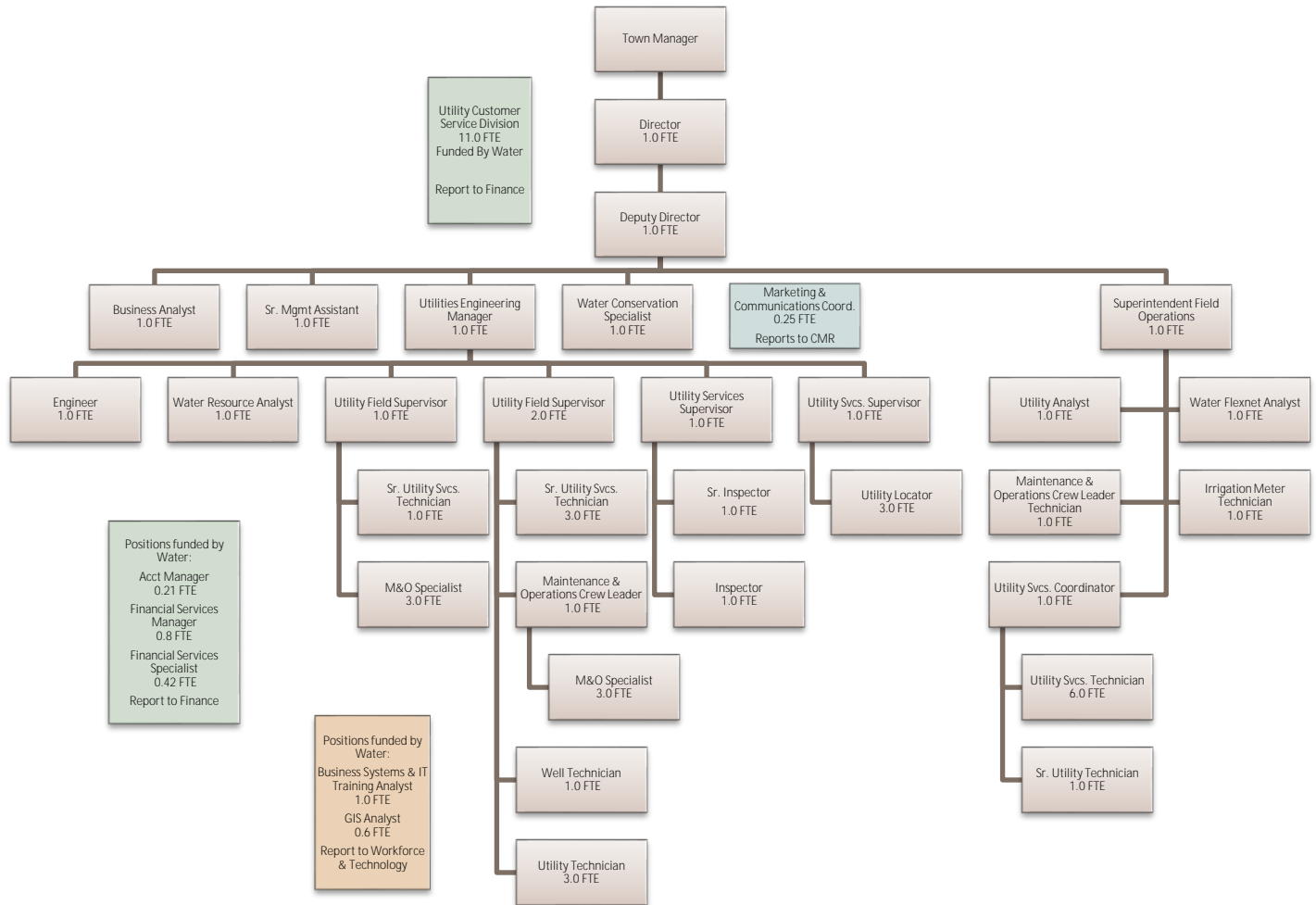
Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. One new position is included for FY 2018/19: a CIP Financial Analyst, which is funded through the CIP, but reports to the Finance Department. In addition, a Real Estate and Right of Way Coordinator funded by the CIP, but reporting to PW Admin was added midway through FY 2017/18, and FY 2018/19 reflects a full year budget.

### Supplies & Services:

The largest account in this category is for construction management consulting services, which accounts for 77% of the \$226K budget and is increasing for FY 2018/19 by approximately \$50K to \$175K. The next largest account is software support at \$37K, which is an increase of \$10K from FY 2017/18 related to the CIP Management Software.



# Utility Services – Water & Wastewater



## Department Description and Programs

The Utility Services Department is composed of the water and sewer enterprise funds to account for the services provided to service area customers. The department is responsible for the operation and maintenance of Queen Creek’s potable water, irrigation, reclaimed water, and sewer facilities and infrastructure in a manner that satisfies all federal, state, county and local agency permits and ensures regulatory compliance through regular sample collection, laboratory testing and backflow prevention. The Town is the sole water utility provider to the residents of Queen Creek. All programs in these areas are funded through the water and sewer funds.

## Department Mission

The Utility Services Department is committed to excellence in providing water and wastewater services for customers in a safe, reliable, and efficient manner that is environmentally friendly and maintains the quality of life of the community and its residents. The department strives to meet or exceed the expectations of Queen Creek residents, businesses, outside customers, and visitors whom we serve.



# Utility Services – Water & Wastewater

## Strategic Priority

### Secure Future



## FY 2018/19 Objectives

- Continue development of sustainable long-range plans for water, reclaimed water and wastewater by adjusting projections for community growth
- Ensure a continued safe and sustainable water supply that fully implements the General Plan
- Proactively work to secure the best opportunity for the 5.5 square miles of state lands and include them in the Town’s planning area. Work with the state land department on a CAG 208 permit

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Water	38.86	39.00	34.00	34.00	40.00
Sewer	5.40	5.00	5.00	5.00	5.00
Department FTE	44.26	44.00	39.00	39.00	45.00

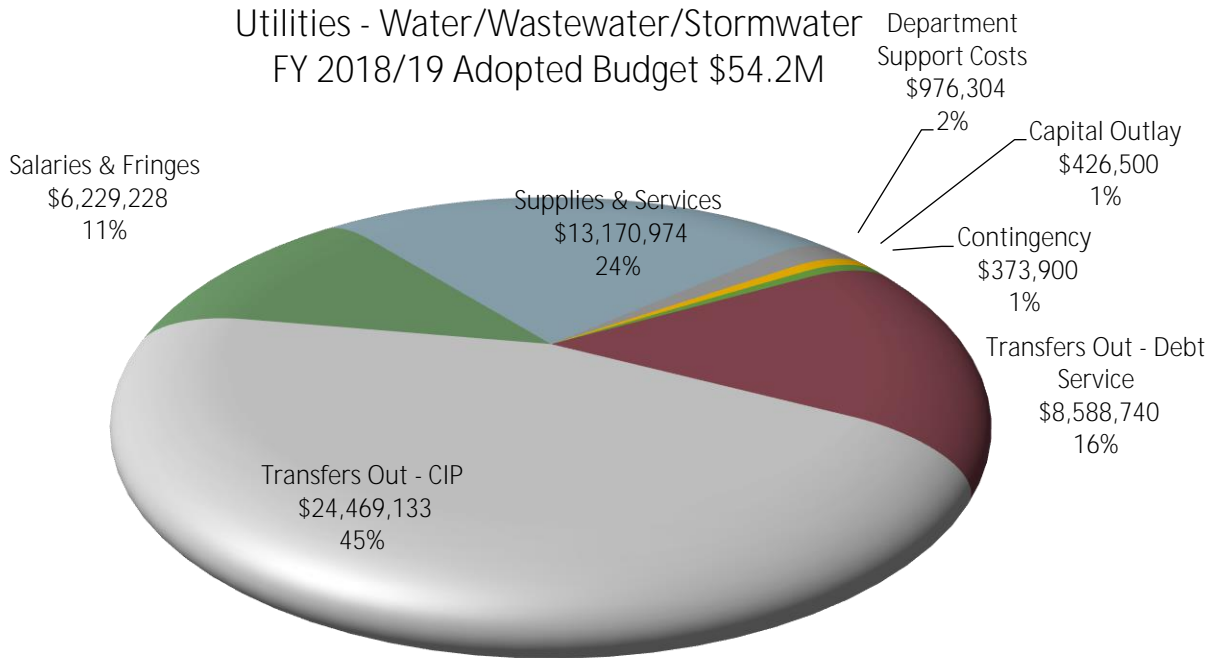
## FTE Changes

Included in the FY 2018/19 budget are an additional 6.0 FTEs in the Water Funds to include a Deputy Director, Water Flexnet Analyst, Utility Engineer, Business Analyst, Irrigation Meter Technician, and a Well Technician which are all necessary due to sustained and anticipated future growth. These positions were all recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility. For the FY 2017/18 budget, 2.0 FTEs were added: 1.0 FTE for a Utility Locator and 1.0 FTE for a Utility Services Technician. In FY 2016/17, the Utilities Customer Service Division, while directly funded from Utility Services, moved under the Finance Department, which resulted in a functional reporting reduction of 5.0 FTE.





# Utility Services – Water & Wastewater



## Funding Source

Funding Source	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Water Revenues	\$ 13,519,862	\$ 16,591,872	\$ 16,447,211	\$ 28,778,692	\$ 33,636,670	\$ 4,857,978	17%
Sewer Revenues	\$ 5,488,385	\$ 7,469,908	\$ 5,824,649	\$ 12,011,965	\$ 20,598,109	\$ 8,586,144	71%
<b>Department Total</b>	<b>\$ 19,008,246</b>	<b>\$ 24,061,780</b>	<b>\$ 22,271,861</b>	<b>\$ 40,790,657</b>	<b>\$ 54,234,779</b>	<b>\$ 13,444,122</b>	<b>33%</b>
	\$ Change from Prior	\$ 5,053,534	\$ (1,789,920)	\$ 18,518,796	\$ 13,444,122		
	% Change from Prior	27%	(7%)	83%	33%		

## Department Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 3,153,710	\$ 3,926,238	\$ 4,468,230	\$ 4,693,109	\$ 6,229,228	\$ 1,536,119	33%
Supplies & Services	\$ 5,461,914	\$ 7,209,328	\$ 7,877,640	\$ 9,048,213	\$ 13,170,974	\$ 4,122,761	46%
Department Support Costs	\$ 722,304	\$ 792,466	\$ 905,835	\$ 932,250	\$ 976,304	\$ 44,054	5%
Capital Outlay	\$ 221,636	\$ 411,417	\$ 317,402	\$ 124,500	\$ 426,500	\$ 302,000	243%
Operating Projects	\$ 1,660	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Contingency	\$ -	\$ -	\$ -	\$ 80,100	\$ 373,900	\$ 293,800	367%
<b>Subtotal Expenses</b>	<b>\$ 9,561,224</b>	<b>\$ 12,339,449</b>	<b>\$ 13,569,108</b>	<b>\$ 14,878,172</b>	<b>\$ 21,176,906</b>	<b>\$ 6,298,734</b>	<b>42%</b>
Transfers Out - Debt Service	\$ 7,743,250	\$ 8,336,274	\$ 8,574,402	\$ 8,690,325	\$ 8,588,740	\$ (101,585)	(1%)
Transfers Out - CIP	\$ 1,703,773	\$ 3,386,058	\$ -	\$ 17,222,160	\$ 24,469,133	\$ 7,246,973	42%
Transfers Out-Operating	\$ -	\$ -	\$ 128,351	\$ -	\$ -	\$ -	N/A
<b>Department Total</b>	<b>\$ 19,008,246</b>	<b>\$ 24,061,780</b>	<b>\$ 22,271,861</b>	<b>\$ 40,790,657</b>	<b>\$ 54,234,779</b>	<b>\$ 13,444,122</b>	<b>33%</b>
	\$ Change from Prior	\$ 5,053,534	\$ (1,789,920)	\$ 18,518,796	\$ 13,444,122		
	% Change from Prior	27%	(7%)	83%	33%		



# Utility Services – Water & Wastewater

## Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Water	\$ 13,519,862	\$ 16,591,872	\$ 16,447,211	\$ 28,778,692	\$ 33,636,670	\$ 4,857,978	17%
Sewer	\$ 5,456,017	\$ 7,415,418	\$ 5,752,348	\$ 11,750,330	\$ 20,348,109	\$ 8,597,779	73%
Stormwater	\$ 32,367	\$ 54,490	\$ 72,302	\$ 261,635	\$ 250,000	\$ (11,635)	(4%)
<b>Department Total</b>	<b>\$ 19,008,246</b>	<b>\$ 24,061,780</b>	<b>\$ 22,271,861</b>	<b>\$ 40,790,657</b>	<b>\$ 54,234,779</b>	<b>\$ 13,444,122</b>	<b>33%</b>
		\$ Change from Prior \$ 5,053,534	\$ (1,789,920)	\$ 18,518,796	\$ 13,444,122		
		% Change from Prior 27%	(7%)	83%	33%		

## Program Performance – Utilities

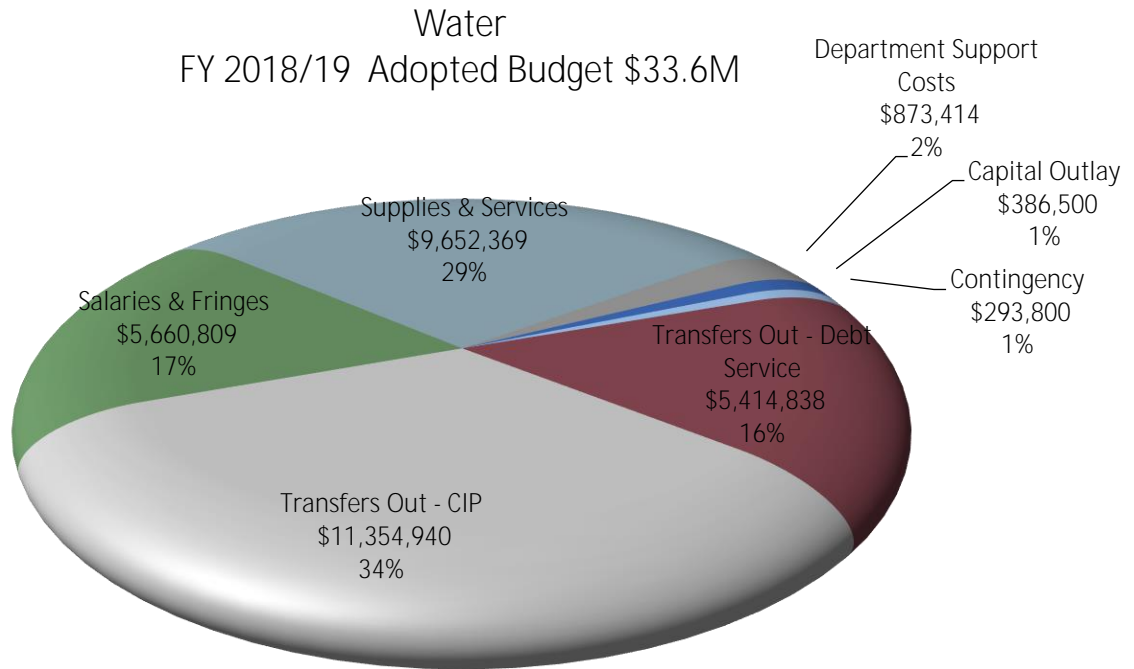
Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Environment  Financial Management, Internal Services & Sustainability	Number of violations of state and federal drinking water standards	0	0	0	0
	Total water service cost per million gallons produced annually <sup>1</sup>	\$1,804	\$1,575	\$1,750	\$1,850
	Percentage of lost/unaccounted for water (non-metered water due to leaks, theft of water, meter inefficiencies, etc.) <sup>2</sup>	5.37%	6.50%	6.00%	6.50%
	Number of sanitary sewer overflows	0	0	0	0
	Total wastewater service costs (dollars) per million gallons generated annually <sup>3</sup>	\$3,567	\$3,100	\$3,100	\$4,450

## Analysis of Performance

1. Water service costs per million gallons produced is based only on the direct operation and maintenance costs of the water utility and does not include loan payments or fund transfer outs.
2. Lost and unaccounted for water limit of 10% is set by Arizona Department of Water Resources (ADWR). The average lost and unaccounted for water by large Arizona municipal providers is between 6% and 7% per ADWR.
3. Based only on the direct operation and maintenance costs of the wastewater utility. For FY 2016/17 and Projected FY 2017/18, wastewater flows and collection system gallons generated are increasing slightly. However, operating expenditures are significantly increasing due to an aging treatment plant requiring costlier repairs and replacements.



# Utility Services – Water Operating



## Water Operating Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 2,840,012	\$ 3,476,592	\$ 3,947,461	\$ 4,190,594	\$ 5,660,809	\$ 1,470,215	35%
Supplies & Services	\$ 3,906,083	\$ 5,315,848	\$ 5,906,031	\$ 6,121,567	\$ 9,652,369	\$ 3,530,802	58%
Department Support Costs	\$ 643,836	\$ 704,988	\$ 817,731	\$ 832,424	\$ 873,414	\$ 40,990	5%
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Capital Outlay	\$ 221,636	\$ 411,417	\$ 256,396	\$ 84,500	\$ 386,500	\$ 302,000	357%
Operating Projects	\$ 1,660	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 293,800	\$ 293,800	N/A
<i>Subtotal Expenses</i>	<i>\$ 7,613,228</i>	<i>\$ 9,908,844</i>	<i>\$ 10,927,620</i>	<i>\$ 11,229,085</i>	<i>\$ 16,866,892</i>	<i>\$ 5,637,807</i>	<i>50%</i>
Transfers Out - Debt Service	\$ 4,768,260	\$ 5,333,022	\$ 5,391,241	\$ 5,521,469	\$ 5,414,838	\$ (106,631)	(2%)
Transfers Out - CIP	\$ 1,138,375	\$ 1,350,006	\$ -	\$ 12,028,138	\$ 11,354,940	\$ (673,198)	(6%)
Transfers Out-Operating	\$ -	\$ -	\$ 128,351	\$ -	\$ -	\$ -	N/A
<b>Department Total</b>	<b>\$ 13,519,862</b>	<b>\$ 16,591,872</b>	<b>\$ 16,447,211</b>	<b>\$ 28,778,692</b>	<b>\$ 33,636,670</b>	<b>\$ 4,857,978</b>	<b>17%</b>
	\$ Change from Prior	\$ 3,072,010	\$ (144,661)	\$ 12,331,480	\$ 4,857,978		
	% Change from Prior	23%	(1%)	75%	17%		



# Utility Services – Water Operating

## Water Operating Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Water (All Operations)	\$ 7,613,228	\$ 9,908,844	\$ 11,055,915	\$ 19,810	\$ -	\$ (19,810)	(100%)
Water Admin	\$ -	\$ -	\$ 56	\$ 2,555,108	\$ 5,177,020	\$ 2,621,912	103%
Customer Service	\$ -	\$ -	\$ -	\$ 1,177,607	\$ 1,805,448	\$ 627,841	53%
Engineering	\$ -	\$ -	\$ -	\$ 323,573	\$ 382,535	\$ 58,962	18%
Field Operations - Meters	\$ -	\$ -	\$ -	\$ 895,857	\$ 1,238,006	\$ 342,149	38%
GIS	\$ -	\$ -	\$ -	\$ 455,476	\$ 516,912	\$ 61,436	13%
Irrigation	\$ -	\$ -	\$ -	\$ 271,645	\$ 347,443	\$ 75,798	28%
CIP	\$ -	\$ -	\$ -	\$ 273,814	\$ 353,341	\$ 79,527	29%
Conservation	\$ -	\$ -	\$ -	\$ 287,316	\$ 363,696	\$ 76,380	27%
Distribution	\$ -	\$ -	\$ -	\$ 4,496,945	\$ 5,821,655	\$ 1,324,710	29%
Water Resources	\$ -	\$ -	\$ -	\$ 471,934	\$ 860,836	\$ 388,902	82%
Water Debt Transfers	\$ 4,768,260	\$ 5,333,022	\$ 5,391,241	\$ 5,521,469	\$ 5,414,838	\$ (106,631)	(2%)
Water CIP Transfers	\$ 1,138,375	\$ 1,350,006	\$ -	\$ 12,028,138	\$ 11,354,940	\$ (673,198)	(6%)
<b>Department Total</b>	<b>\$ 13,519,862</b>	<b>\$ 16,591,872</b>	<b>\$ 16,447,211</b>	<b>\$ 28,778,692</b>	<b>\$ 33,636,670</b>	<b>\$ 4,857,978</b>	<b>17%</b>
	\$ Change from Prior	\$ 3,072,010	\$ (144,661)	\$ 12,331,480	\$ 4,857,978		
	% Change from Prior	23%	(1%)	75%	17%		

## Program Operating Budget – Water Admin

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 526,846	\$ 750,130	\$ 223,284	42%
Supplies & Services	\$ -	\$ -	\$ 56	\$ 1,116,338	\$ 2,873,176	\$ 1,756,838	157%
Department Support Costs	\$ -	\$ -	\$ -	\$ 832,424	\$ 873,414	\$ 40,990	5%
Capital Outlay	\$ -	\$ -	\$ -	\$ 79,500	\$ 386,500	\$ 307,000	386%
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 293,800	\$ 293,800	N/A
<b>Subtotal Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56</b>	<b>\$ 2,555,108</b>	<b>\$ 5,177,020</b>	<b>\$ 2,621,912</b>	<b>103%</b>
Transfers Out - Debt Service	\$ -	\$ -	\$ -	\$ 5,521,469	\$ 5,414,838	\$ (106,631)	(2%)
Transfers Out - CIP	\$ 1,138,375	\$ 1,350,006	\$ -	\$ 12,028,138	\$ 11,354,940	\$ (673,198)	(6%)
<b>Division Total</b>	<b>\$ 1,138,375</b>	<b>\$ 1,350,006</b>	<b>\$ 56</b>	<b>\$ 20,104,715</b>	<b>\$ 21,946,798</b>	<b>\$ 1,842,083</b>	<b>9%</b>
	\$ Change from Prior	\$ 211,631	\$ (1,349,950)	\$ 20,104,659	\$ 1,842,083		
	% Change from Prior	19%	(100%)	N/A	9%		

## Budget Notes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Also included in the FY 2018/19 budget is an additional 2.0 FTE which includes a Utilities Deputy Director and a Business Analyst which are both necessary due to the sustained growth the Town is experiencing. These positions were recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility.

### Supplies & Services:

The Water Admin Division represents the management and associated costs of the water utility. The largest change from prior year are new expenses related to a new policy whereby the Town Utilities will pay a return on investment to the Operating Budget, similar to what a private utility would pay to the Town to operate within Town limits. These new fees total \$1,863,500 for Water.



# Utility Services – Water Operating

The accounts representing the majority of the remaining \$1.0M budget for supplies and services include \$295K for mainline agreements, \$91K liability insurance, \$78K vehicle fuel, and \$386K for vehicle/equipment purchases. Operating Contingency is also included in the Admin Division.

Not accounting for the new return on investment fees, the remaining budget for supplies and services has increased by 3%.

### Capital Outlay:

The capital outlay budget is for new purchase as well as anticipated replacement of aging equipment and rolling stock. There is an overall increase of 386% caused by the need for replacing 5 vehicles in FY 2018/19 and only one vehicle in FY 2017/18.

## Program Operating Budget – Water Customer Service

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 484,183	\$ 1,031,815	\$ 547,632	113%
Supplies & Services	\$ -	\$ -	\$ -	\$ 693,424	\$ 773,633	\$ 80,209	12%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,177,607</b>	<b>\$ 1,805,448</b>	<b>\$ 627,841</b>	<b>53%</b>
		\$ Change from Prior	\$ -	\$ -	\$ 1,177,607	\$ 627,841	
		% Change from Prior	N/A	N/A	N/A	53%	

## Budget Notes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Also included is the reclassification of the Financial Services Manager position from the Enterprise Finance Manager, which charges a portion of compensation to this Division. New for FY 2018/19 are 4.0 FTE in this Division including a Utility Billing IT Analyst which reports to IT, and reporting to Finance are a Utility Accounting Analyst, Customer Service Representative, and a Cashier. These positions were all recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility. There is also additional funding for a temporary Billing Analyst in FY 2018/19.

### Supplies & Services:

The Water Customer Service Division includes utility billing for water, sewer and solid waste. The majority of the supplies and services budget encompasses \$467K for bank and credit card fees and \$176K for third party billing services.

The Supplies and Services budget for Customer Service reflects an increase totaling \$137K. Contributing factors resulting to this increase can be associated with a recently acquired Security Guard contract for the MSB lobby, and a training budget for the Customer Service/Billing staff. Additionally, a software support increase has been added to further assist with the Utility Billing Software enhancements and functionality.



# Utility Services – Water Operating

## Program Operating Budget – Water Engineering

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 153,084	\$ 257,535	\$ 104,451	68%
Supplies & Services	\$ -	\$ -	\$ -	\$ 170,489	\$ 125,000	\$ (45,489)	(27%)
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 323,573</b>	<b>\$ 382,535</b>	<b>\$ 58,962</b>	<b>18%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 323,573	\$ 58,962		
	% Change from Prior	N/A	N/A	N/A	18%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Additionally, included in FY 2018/19 is a 1.0 FTE Engineer due to continual growth and expansion of the water system. This position was recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility.

#### Supplies & Services:

The Water Engineering Division is responsible for the oversight of the Utilities Capital Improvement Program. The Supplies and Services budget consists of professional and technical services from outside engineering and consulting firms. There is no change in this budget.

## Program Operating Budget – Water Field Ops (Meters)

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 844,417	\$ 1,176,566	\$ 332,149	39%
Supplies & Services	\$ -	\$ -	\$ -	\$ 51,440	\$ 61,440	\$ 10,000	19%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 895,857</b>	<b>\$ 1,238,006</b>	<b>\$ 342,149</b>	<b>38%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 895,857	\$ 342,149		
	% Change from Prior	N/A	N/A	N/A	38%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. New in FY 2018/19 is a 1.0 FTE Water Flexnet Analyst to help with increased demands and workload due to growth and expansion. This position was recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility. Also included in this Division are 2 temporary positions, both of which are Utility Services Technicians, which is an increase of \$113K from the prior year. These position are not included in the Town FTE count due to their temporary status, but still require budget authority to fund the positions. Staffing transfers between divisions are also creating a variance between the years.

#### Supplies & Services:

The Field Ops (Meters) Division is responsible for the installation, maintenance and monthly reading of meters and their associated components. The Supplies and Services budget consists of shop supplies and Meter Reading software support. There is no change in this budget.



# Utility Services – Water Operating

## Program Operating Budget – Water GIS

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 443,476	\$ 497,912	\$ 54,436	12%
Supplies & Services	\$ -	\$ -	\$ -	\$ 12,000	\$ 19,000	\$ 7,000	58%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 455,476</b>	<b>\$ 516,912</b>	<b>\$ 61,436</b>	<b>13%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 455,476	\$ 61,436		
	% Change from Prior	N/A	N/A	N/A	13%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The remainder of the difference is a new Real Estate and Right of Way Coordinator that is partially allocated to the GIS function.

#### Supplies & Services:

The Water GIS Division provides visual and spatial data of the Town’s water system. The location based mapping assists with identifying buried assets, optimizing performance, and extending the life span of the utility’s assets. The Supplies and Services budget is made up of \$12k for Blue Stake services, \$2k in software support and \$5k for shop supplies.

The overall budget for supplies and services has increased by \$5K, or 36%. Shop supplies for the entire Water Department had been previously budgeted in the Water Distribution Division. The budget has been split to account for the cost for each division.

## Program Operating Budget – Water Irrigation

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 115,089	\$ 187,443	\$ 72,354	63%
Supplies & Services	\$ -	\$ -	\$ -	\$ 156,556	\$ 160,000	\$ 3,444	2%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 271,645</b>	<b>\$ 347,443</b>	<b>\$ 75,798</b>	<b>28%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 271,645	\$ 75,798		
	% Change from Prior	N/A	N/A	N/A	28%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Increases to call out, standby and overtime total \$18K. Also new is a 1.0 FTE Irrigation Meter Technician which was recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility.

#### Supplies & Services:

The Water Irrigation Division provides Flood Irrigation Services to approximately 350 residential customers as well as schools and contractors. The Supplies and Services budget contains funds for \$15K in repairs to the system, \$140K for a 3<sup>rd</sup> party contract to administer the program.

The overall budget for supplies and services has increased by \$5K, or 3%. Shop supplies for the entire Water Department had been previously budgeted in the Water Distribution Division. The budget has been split to account for the cost for each division.





# Utility Services – Water Operating

## Program Operating Budget – Water Construction and Inspection

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 253,814	\$ 323,341	\$ 69,527	27%
Supplies & Services	\$ -	\$ -	\$ -	\$ 20,000	\$ 30,000	\$ 10,000	50%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 273,814</b>	<b>\$ 353,341</b>	<b>\$ 79,527</b>	<b>29%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 273,814	\$ 79,527		
	% Change from Prior	N/A	N/A	N/A	29%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. Increases to overtime of \$5K and workers comp of \$8K account for the remainder of the increase in FY 2018/19.

#### Supplies & Services:

The Water Construction and Inspection Division is responsible for managing in-house construction and inspection services. The supplies and services budget of \$30K includes \$25K for outside Engineering services as needed as well as \$5K for shop supplies.

The overall budget for supplies and services has increased by \$5K, or 20%. Shop supplies for the entire Water Department had been previously budgeted in the Water Distribution Division. The budget has been split to account for the cost for each division.

## Program Operating Budget – Water Conservation

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 199,865	\$ 218,935	\$ 19,070	10%
Supplies & Services	\$ -	\$ -	\$ -	\$ 87,451	\$ 144,761	\$ 57,310	66%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 287,316</b>	<b>\$ 363,696</b>	<b>\$ 76,380</b>	<b>27%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 287,316	\$ 76,380		
	% Change from Prior	N/A	N/A	N/A	27%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. An increase to overtime of \$6.7K is also included for FY 2018/19 based on current usage.

#### Supplies & Services:

The Water Conservation Division provides programs to educate residents on how to sustainably manage their **water usage**. The programs include reaching out to HOA's, schools, businesses, and residential customers. Program and associated expenses include \$43K for adult and youth education programs, \$10K to deliver educational presentations to HOAs, \$19K for signage, and \$58K for Marketing and Promotion.

The overall budget for Supplies and Services has decreased \$9K, or 6%. This is largely attributed to the reduction in budget for HOA Assistance Program. This is a newer outreach campaign that hasn't reached implementation yet. Cost will increase as the program grows.



# Utility Services – Water Operating

## Program Operating Budget – Water Distribution

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 1,041,032	\$ 1,119,070	\$ 78,038	7%
Supplies & Services	\$ -	\$ -	\$ -	\$ 3,450,913	\$ 4,702,585	\$ 1,251,672	36%
Capital Outlay	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ (5,000)	(100%)
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,496,945</b>	<b>\$ 5,821,655</b>	<b>\$ 1,324,710</b>	<b>29%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 4,496,945	\$ 1,324,710		
	% Change from Prior	N/A	N/A	N/A	29%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The increase in FY 2018/19 is related to an increase of 1.0 FTE Well Technician and a Utility Services Technician which transferred from another Division. The new positions was recommended in a business assessment completed by an outside consultant hired to review the operations of the Water Utility.

#### Supplies & Services:

The Water Distribution Division is responsible for the maintenance and repairs of the Town's water delivery system. The majority of the Supplies and Services budget is attributed to \$2.3M for electricity at the well sites, \$1M for operation and maintenance for the well sites, and \$665K for well site repairs.

The Supplies and Services budget for Customer Service reflects an increase totaling \$1.1M. Contributing factors resulting in this increase can be associated with well site repairs and maintenance involving contracted services, inspections, equipment replacement, and chemicals.

## Program Operating Budget – Water Resources

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ -	\$ -	\$ 128,788	\$ 98,062	\$ (30,726)	(24%)
Supplies & Services	\$ -	\$ -	\$ -	\$ 343,146	\$ 762,774	\$ 419,628	122%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 471,934</b>	<b>\$ 860,836</b>	<b>\$ 388,902</b>	<b>82%</b>
	\$ Change from Prior	\$ -	\$ -	\$ 471,934	\$ 388,902		
	% Change from Prior	N/A	N/A	N/A	82%		

### Budget Notes

#### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance. Medical premiums increased 4% and annual pension rates increased 2.6% from 11.5% to 11.8%. The decrease in the Water Resources Division is related to a position being reclassified to a slightly lower level position and being vacant, which reduces the budget to the minimum of the range.

#### Supplies & Services:

The Water Resources Division manages the Town's water supplies and plans for the community's future water needs. The Supplies and Services budget includes \$74K for ADEQ map fees, \$60K for ADWR groundwater withdrawal fees, and \$49K for testing/sampling.



## Utility Services – Water Operating

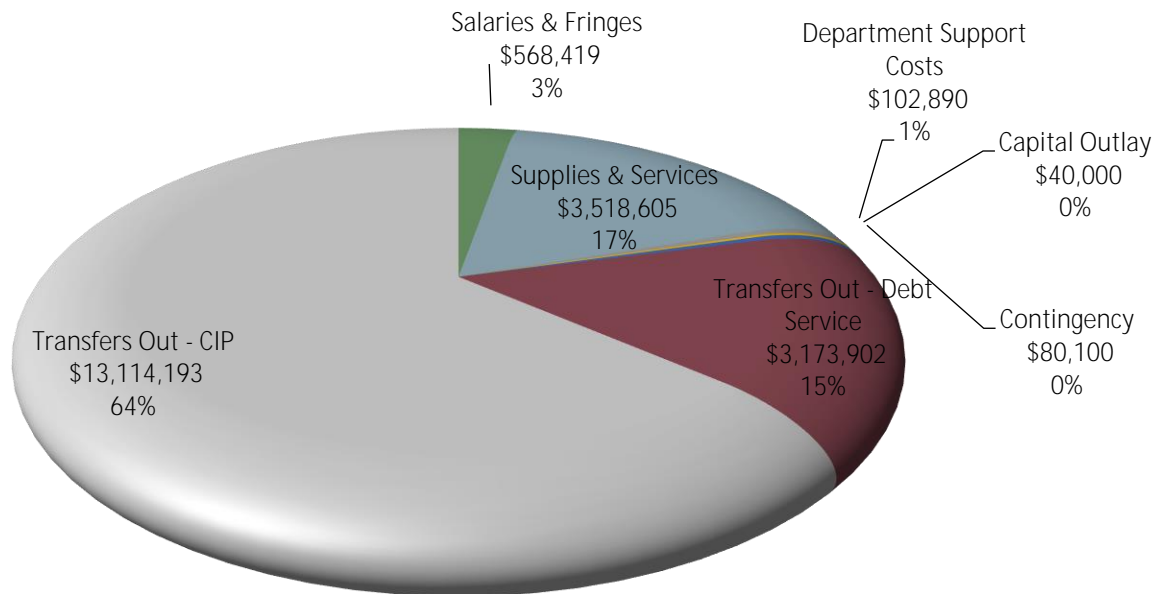
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The Supplies and Service budget for Water Resources reflects an increase totaling \$400K. The contributing factor to this increase is the CAP Irrigation. The total budget of \$565,500 includes an estimate budget of \$285,500 for an estimated 6 months of the newly awarded acre feet. The original budget for FY 2017/18 was \$565K. However, when it was determined we would not be receiving the additional water; \$400K was reallocated to the budget for the O&M and Repairs of Well.



# Utility Services – Sewer/Wastewater Operating & Stormwater

Sewer/Wastewater/Stormwater  
FY 2018/19 Adopted Budget \$20.6M



## Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 313,698	\$ 449,646	\$ 520,769	\$ 502,515	\$ 568,419	\$ 65,904	13%
Supplies & Services	\$ 1,555,831	\$ 1,893,480	\$ 1,971,609	\$ 2,926,646	\$ 3,518,605	\$ 591,959	20%
Department Support Costs	\$ 78,468	\$ 87,479	\$ 88,104	\$ 99,826	\$ 102,890	\$ 3,064	3%
Capital Outlay	\$ -	\$ -	\$ 61,006	\$ 40,000	\$ 40,000	\$ -	0%
Contingency	\$ -	\$ -	\$ -	\$ 80,100	\$ 80,100	\$ -	0%
<i>Subtotal Expenses</i>	<i>\$ 1,947,997</i>	<i>\$ 2,430,605</i>	<i>\$ 2,641,488</i>	<i>\$ 3,649,087</i>	<i>\$ 4,310,014</i>	<i>\$ 660,927</i>	<i>18%</i>
Transfers Out - Debt Service	\$ 2,974,990	\$ 3,003,251	\$ 3,183,161	\$ 3,168,856	\$ 3,173,902	\$ 5,046	0%
Transfers Out - CIP	\$ 565,398	\$ 2,036,052	\$ -	\$ 5,194,022	\$ 13,114,193	\$ 7,920,171	152%
<i>Department Total</i>	<i>\$ 5,488,385</i>	<i>\$ 7,469,908</i>	<i>\$ 5,824,649</i>	<i>\$ 12,011,965</i>	<i>\$ 20,598,109</i>	<i>\$ 8,586,144</i>	<i>71%</i>
\$ Change from Prior		\$ 1,981,524	\$ (1,645,259)	\$ 6,187,316	\$ 8,586,144		
% Change from Prior		36%	(22%)	106%	71%		



# Utility Services – Sewer/Wastewater Operating & Stormwater

## Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Sewer	\$ 5,456,017	\$ 7,415,418	\$ 5,752,348	\$ 11,750,330	\$ 20,348,109	\$ 8,597,779	73%
Stormwater	\$ 32,367	\$ 54,490	\$ 72,302	\$ 261,635	\$ 250,000	\$ (11,635)	(4%)
<b>Department Total</b>	<b>\$ 5,488,385</b>	<b>\$ 7,469,908</b>	<b>\$ 5,824,649</b>	<b>\$ 12,011,965</b>	<b>\$ 20,598,109</b>	<b>\$ 8,586,144</b>	<b>71%</b>
	\$ Change from Prior	\$ 1,981,524	\$ (1,645,259)	\$ 6,187,316	\$ 8,586,144		
	% Change from Prior	36%	(22%)	106%	71%		

## Program Operating Budget – Sewer/Wastewater

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 313,698	\$ 449,646	\$ 520,769	\$ 502,515	\$ 568,419	\$ 65,904	13%
Supplies & Services	\$ 1,523,464	\$ 1,838,990	\$ 1,899,307	\$ 2,665,011	\$ 3,268,605	\$ 603,594	23%
Department Support Costs	\$ 78,468	\$ 87,479	\$ 88,104	\$ 99,826	\$ 102,890	\$ 3,064	3%
Capital Outlay	\$ -	\$ -	\$ 61,006	\$ 40,000	\$ 40,000	\$ -	0%
Contingency	\$ -	\$ -	\$ -	\$ 80,100	\$ 80,100	\$ -	0%
Transfers Out - Debt Service	\$ 2,974,990	\$ 3,003,251	\$ 3,183,161	\$ 3,168,856	\$ 3,173,902	\$ 5,046	0%
Transfers Out - CIP	\$ 565,398	\$ 2,036,052	\$ -	\$ 5,194,022	\$ 13,114,193	\$ 7,920,171	152%
<b>Division Total</b>	<b>\$ 5,456,017</b>	<b>\$ 7,415,418</b>	<b>\$ 5,752,348</b>	<b>\$ 11,750,330</b>	<b>\$ 20,348,109</b>	<b>\$ 8,597,779</b>	<b>73%</b>
	\$ Change from Prior	\$ 1,959,401	\$ (1,663,070)	\$ 5,997,982	\$ 8,597,779		
	% Change from Prior	36%	(22%)	104%	73%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance.

### Supplies & Services:

The largest change from prior year are new expenses related to a new policy whereby the Town Utilities will pay a return on investment to the Operating Budget, similar to what a private utility would pay to the Town to operate within Town limits. These new fees total \$604,600 for Sewer.

The Greenfield Water Reclamation Plant (GWRP) accounts for \$1.9M or 56% of the \$3.3M budget for supplies and services in FY 2018/19. Overall there was a decrease for the GWRP as a result of the repair and replacement reserve decreasing by \$54K from \$479K to \$416K. This decrease offset the planned 3% increase (\$40K) in the operational costs of the facility. These amounts are provided annually by the City of Mesa, who operates the facility under an IGA between Mesa, Gilbert and Queen Creek. Other changes in the budget are for increases in chemicals (\$20K), which was offset by a reduction in the anticipated sewer maintenance expenses.

### Support Costs:

Support Costs (overhead) are the charges from the General Fund for services such as Human Resources, Finance, Payroll, Information Technology, Town Manager and Town Clerk. Any changes identified in this budget is the result of a service/support change from partnering departments.

### Capital Outlay:

The capital outlay category of the budget is for new purchases as well as anticipated replacement of aging equipment and rolling stock. No changes are anticipated in this category.



# Utility Services – Sewer/Wastewater Operating & Stormwater

## Transfer Out – Debt Service

The budget in this category represents the non-growth share of debt service and is adjusted annually per the debt service schedules. Please refer to the Debt Section for more details.

## Transfers Out – CIP

The budget in this category represents the non-growth share of the Infrastructure Improvements that are planned for FY 2018/19

## Program Operating Budget – Storm-water

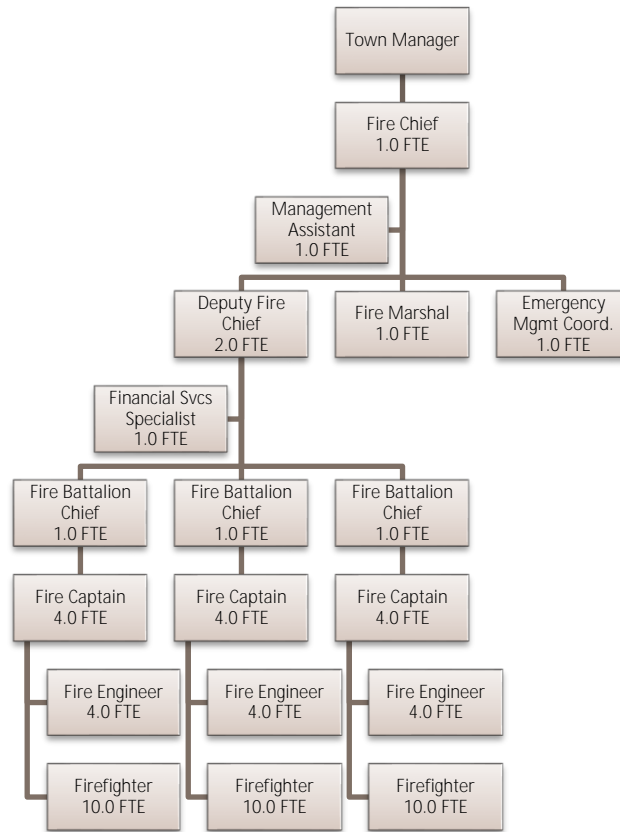
Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Supplies & Services	\$ 32,367	\$ 54,490	\$ 72,302	\$ 261,635	\$ 250,000	\$ (11,635)	(4%)
<i>Division Total</i>	\$ 32,367	\$ 54,490	\$ 72,302	\$ 261,635	\$ 250,000	\$ (11,635)	(4%)
\$ Change from Prior		\$ 22,123	\$ 17,811	\$ 189,334	\$ (11,635)		
% Change from Prior		68%	33%	262%	(4%)		

## Budget Notes and Changes

The budget for Supplies and Services represents compliance costs to operate and maintain storm-water permitting as required by the Arizona Department of Environmental Quality.



# Fire & EMS



## Department Description and Programs

The Emergency Services Department provides programs and services that fall into two broad categories:

1) Emergency Services

Emergency services are provided to the citizens of Queen Creek by the Operations, Medical and Public Safety Divisions. These divisions are responsible for 911 responses to fires, medical emergencies, hazardous materials emergencies and technical rescue, as well as disaster response to a major or widespread incident in the Town. The Operations Division also conducts code enforcement, public safety education and safety preparations for special events.

**Queen Creek’s contract for police services with the Maricopa County Sheriff’s Office (MCSO)** is also administered by the department. These services consist of patrol, crime prevention, investigations, school resource officers and district command oversight.

2) Non-Emergency Services

Non-emergency services support the response capabilities for the department’s paramedic engine companies and include the Administration, Training, and Resource Management Divisions.

## Department Mission

- Prevent or minimize the loss of life and property for our citizens through emergency planning and the response of skilled fire crews
- Provide the highest level of emergency medical services to each Queen Creek citizen and family





# Fire & EMS

## Department Mission (cont'd)

- Successfully mitigate the potential damage of man-made or natural disasters in cooperation with neighboring communities, county governments, and the State of Arizona
- Promote fire, safety, and medical training for families and businesses throughout the community
- Foster goodwill within the community by developing mutual respect and trust
- Safeguard the economic and environmental base of the Town and its neighbors

## Strategic Priority

### Safe Community



## FY 2018/19 Objectives

- Continue efforts towards a reduction in overall response times (example includes, design/construct Fire Station 4, Northeast area of the community)
- Recruit, hire and train 12 new firefighters. Promote three captains and three engineers for the new station
- **Continue working with Maricopa County Sheriff's and the school districts in on-going training for hostile events within the community.** These response plans will include working with regional fire department partners and Maricopa County Sheriff Office, District 6
- Continue progressive staffing and programs for delivery of fire and medical services. Example; by securing land for a future fire station in the Southeast portion of the community
- Continue to grow our public education program for a safe community. Example; continuing education to be delivered in the classrooms by fire crews. Topics include; home fire safety, what to do in an emergency & drowning prevention

## Staffing by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
Administration	4.00	4.00	4.00	4.00	4.00
Operations	28.00	28.00	43.00	43.00	56.00
Training	1.00	1.00	1.00	1.00	1.00
Fire Prevention Bureau	-	1.00	1.00	1.00	1.00
Resource Management	1.00	1.00	1.00	1.00	1.00
Medical	1.00	1.00	1.00	1.00	1.00
Public Safety	1.00	-	-	-	-
<b>Department FTE</b>	<b>36.00</b>	<b>36.00</b>	<b>51.00</b>	<b>51.00</b>	<b>64.00</b>

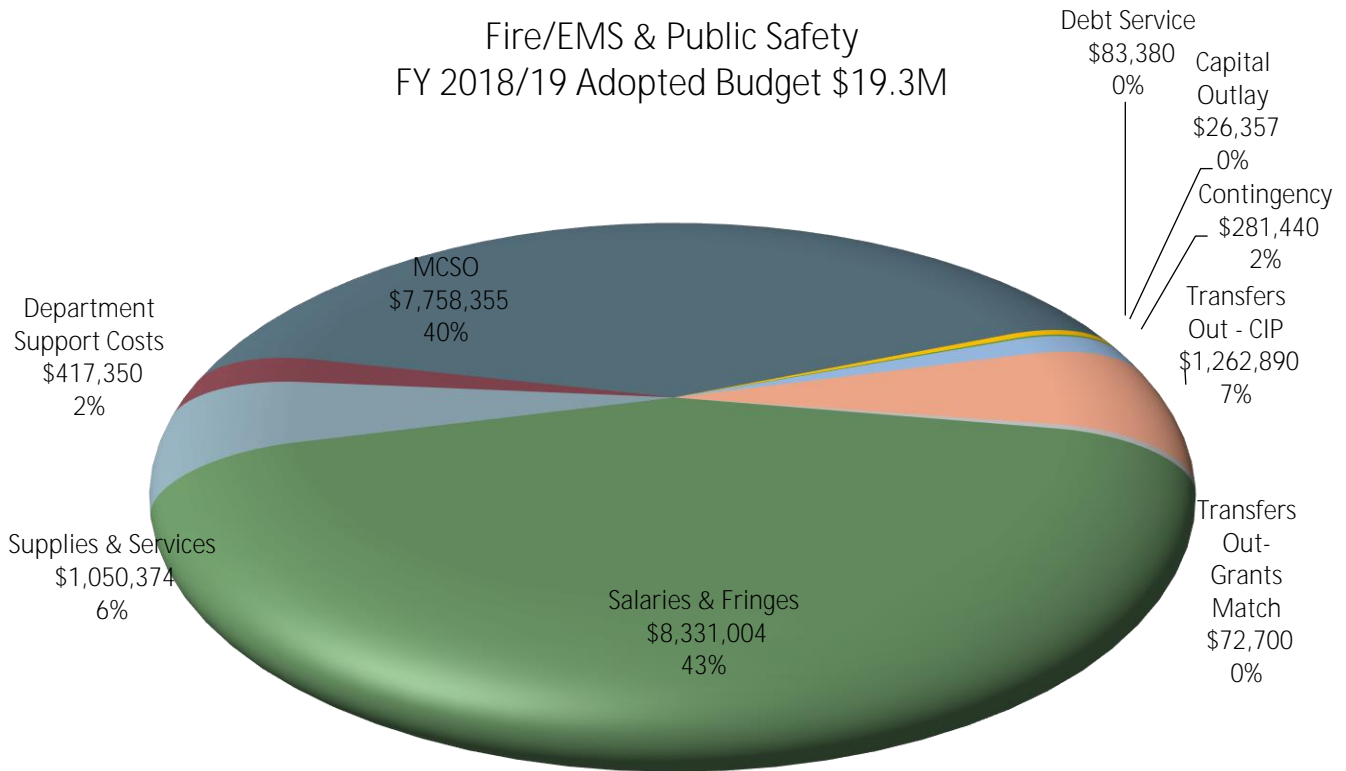
## FTE Changes

The increase in staffing for FY 2018/19 is related to the opening of station #4 and the hiring of 12.0 FTE (6-Firefighters, 3-Fire Engineers, 3-Fire Captains) and 1.0 FTE (Deputy Chief) all of which is related to the Town's growth. The increase in FY 2016/17 was attributed to the hiring of 15.0 FTEs required for the opening of Fire Station #3.



# Fire & EMS

Fire/EMS & Public Safety  
FY 2018/19 Adopted Budget \$19.3M



## Funding Sources

Funding Sources	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
EMS Fund - Direct Revenues	\$ 7,757,030	\$ 8,339,301	\$ 9,777,271	\$ 10,584,059	\$ 14,160,706	\$ 3,576,647	34%
Pension Reserve Funding	\$ -	\$ -	\$ -	\$ -	\$ 1,156,440	\$ 1,156,440	N/A
General Fund	\$ 3,665,448	\$ 3,071,966	\$ 3,106,842	\$ 4,745,424	\$ 3,966,704	\$ (778,720)	(16%)
<b>Net Operating Result</b>	<b>\$ 11,422,478</b>	<b>\$ 11,411,267</b>	<b>\$ 12,884,113</b>	<b>\$ 15,329,483</b>	<b>\$ 19,283,850</b>	<b>\$ 3,954,367</b>	<b>26%</b>
	\$ Change from Prior	\$ (11,211)	\$ 1,472,846	\$ 2,445,370	\$ 3,954,367		
	% Change from Prior	(0%)	13%	19%	26%		



# Fire & EMS

## Department Expenditure by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 5,267,604	\$ 4,575,768	\$ 5,647,903	\$ 6,762,447	\$ 8,331,004	\$ 1,568,557	23%
Supplies & Services	\$ 765,708	\$ 716,797	\$ 763,803	\$ 733,901	\$ 1,050,374	\$ 316,473	43%
Department Support Costs	\$ 284,238	\$ 320,882	\$ 348,936	\$ 406,100	\$ 417,350	\$ 11,250	3%
MCSO	\$ 4,798,197	\$ 5,468,842	\$ 5,982,348	\$ 6,423,145	\$ 7,758,355	\$ 1,335,210	21%
Debt Service	\$ 83,380	\$ 83,380	\$ 83,380	\$ 83,380	\$ 83,380	\$ -	0%
Capital Outlay	\$ 223,351	\$ 245,598	\$ 57,742	\$ 920,510	\$ 26,357	\$ (894,153)	(97%)
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 281,440	\$ 281,440	N/A
<i>Subtotal Expenses</i>	<i>\$ 11,422,478</i>	<i>\$ 11,411,267</i>	<i>\$ 12,884,113</i>	<i>\$ 15,329,483</i>	<i>\$ 17,948,260</i>	<i>\$ 2,618,777</i>	<i>17%</i>
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ -	\$ 1,262,890	\$ 1,262,890	N/A
Transfers Out-Grants Match	\$ -	\$ -	\$ -	\$ -	\$ 72,700	\$ 72,700	N/A
<i>Department Total</i>	<i>\$ 11,422,478</i>	<i>\$ 11,411,267</i>	<i>\$ 12,884,113</i>	<i>\$ 15,329,483</i>	<i>\$ 19,283,850</i>	<i>\$ 3,954,367</i>	<i>26%</i>
\$ Change from Prior		\$ (11,211)	\$ 1,472,846	\$ 2,445,370	\$ 3,954,367		
% Change from Prior		(0%)	13%	19%	26%		

## Expenditure by Division

Division	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Fire Administration	\$ 891,831	\$ 1,032,448	\$ 990,775	\$ 1,091,522	\$ 2,793,908	\$ 1,702,386	156%
Operations	\$ 4,610,154	\$ 3,579,419	\$ 4,665,621	\$ 5,636,540	\$ 7,107,458	\$ 1,470,918	26%
Training	\$ 153,491	\$ 218,261	\$ 250,113	\$ 204,555	\$ 268,154	\$ 63,599	31%
Fire Prevention	\$ -	\$ 156,431	\$ 164,039	\$ 180,708	\$ 205,842	\$ 25,134	14%
Resource Management	\$ 673,076	\$ 696,095	\$ 561,655	\$ 1,418,908	\$ 718,638	\$ (700,270)	(49%)
Medical	\$ 295,729	\$ 259,771	\$ 269,563	\$ 309,105	\$ 366,495	\$ 57,390	19%
Public Safety (MCSO)	\$ 4,798,197	\$ 5,468,842	\$ 5,982,348	\$ 6,423,145	\$ 7,758,355	\$ 1,335,210	21%
Wildland	\$ -	\$ -	\$ -	\$ 65,000	\$ 65,000	\$ -	0%
<i>Department Total</i>	<i>\$ 11,422,478</i>	<i>\$ 11,411,267</i>	<i>\$ 12,884,113</i>	<i>\$ 15,329,483</i>	<i>\$ 19,283,850</i>	<i>\$ 3,954,367</i>	<i>26%</i>
\$ Change from Prior		\$ (11,211)	\$ 1,472,846	\$ 2,445,370	\$ 3,954,367		
% Change from Prior		(0%)	13%	19%	26%		



# Fire & EMS

## Program Performance – Non-Emergency

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Public Safety	Number of emergency response training hours per operations employee <sup>1</sup>	Fire: 255 Medical: 91 Rescue: 112	Fire: 250 Medical: 75 Rescue: 25	Fire: 250 Medical: 76 Rescue: 40	Fire: 250 Medical: 75 Rescue: 25
	Number of annual commercial occupancy inspections, by Risk Category. <sup>2</sup>	High: 104 Medium: 26 Low: 58	High: 153 Medium: 32 Low: 59	High: 153 Medium: 32 Low: 59	High: 168 Medium: 44 Low: 105
Public Safety /Community Involvement	Child car seat installations	49	70	60	60
	Public Education program hours delivered	196	200	300 <sup>3</sup>	260

## Analysis of Performance

1. To perform emergency response training required to meet National Fire Protection Association (NFPA) standards, state statutes, federal mandates, Insurance Services Office (ISO), and local requirements.
2. High-risk occupancies inspections are conducted by the Fire Marshal once every year. Medium and Low risk occupancies are inspected by Fire Operations staff once every two years and once every three years, respectively.
3. The addition of Fire Station 3 is expected to allow additional public safety education classes.

## Program Performance – Fire Emergency

Key Result Area	Program Performance	Actual FY 2016/17	Target FY 2017/18	Projected 2017/18	Target FY 2018/19
Public Safety	Number of emergency response incidents / response time.	3,171/ 4:38	3,200/ 4:00	3,842/ 4:30	4,206/ 4:00
Public Safety & Community Involvement	CERT Basic Training Class Delivered <sup>1</sup>	1	1	1	1
	Disaster Management and Awareness Training Classes Delivered <sup>2</sup>	2	8	0 <sup>3</sup>	3

## Analysis of Performance

1. Community Emergency Response Team (CERT) is a disaster training program designed to teach citizens basic emergency preparedness skills to help themselves, their families, and their neighbors in the event of a catastrophic disaster where emergency services personnel will be unable to respond immediately.
2. Deliver disaster preparedness and awareness training classes, demonstrations and presentations to the community (CERT continuing education).
3. The Emergency Management Coordinator was assigned to the Public Safety Building project and did not hold the projected classes in FY 2017/18. Classes are expected to resume in FY 2018/19.



# Fire & EMS

## Program Operating Budget – Fire Admin

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 333,281	\$ 483,629	\$ 504,468	\$ 529,106	\$ 550,965	\$ 21,859	4%
Supplies & Services	\$ 274,312	\$ 227,937	\$ 137,371	\$ 156,316	\$ 208,563	\$ 52,247	33%
Department Support Costs	\$ 284,238	\$ 320,882	\$ 348,936	\$ 406,100	\$ 417,350	\$ 11,250	3%
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 281,440	\$ 281,440	N/A
<i>Subtotal Expenses</i>	<i>\$ 891,831</i>	<i>\$ 1,032,448</i>	<i>\$ 990,775</i>	<i>\$ 1,091,522</i>	<i>\$ 1,458,318</i>	<i>\$ 366,796</i>	<i>34%</i>
Transfers Out -CIP	\$ -	\$ -	\$ -	\$ -	\$ 1,262,890	\$ 1,262,890	N/A
Transfers Out - Grant Match	\$ -	\$ -	\$ -	\$ -	\$ 72,700	\$ 72,700	N/A
<i>Division Total</i>	<i>\$ 891,831</i>	<i>\$ 1,032,448</i>	<i>\$ 990,775</i>	<i>\$ 1,091,522</i>	<i>\$ 2,793,908</i>	<i>\$ 1,702,386</i>	<i>156%</i>
	\$ Change from Prior	\$ 140,617	\$ (41,673)	\$ 100,747	\$ 1,702,386		
	% Change from Prior	16%	(4%)	10%	156%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as up to a 3% merit increase based on employee performance for non-Sworn and a 5% step program, based on performance for Sworn staff. Medical premiums increased by 4%, and the employer contribution rate for pensions also increased due to revised actuarial assumptions and actual financial performance less than expected.

### Supplies & Services:

The largest line item in this budget is for liability insurance at \$105K, which is 50% of the \$209K budget, and is driving the increase in this category.

### Support Costs:

Support costs (overhead) are the charges from the General Fund for services such as Human Resources, Finance, Payroll, Information Technology (IT), Town Manager and Town Clerk. Overall this is an increase of 3% related to these services.

### Contingency:

The increase in this category is the result of increased operating costs. The contingency is set at 3% of operating expenses, excluding capital, departmental support, debt service and transfers out.

### Transfers Out – CIP:

The amount in FY 2018/19 represents the non-growth share of the construction of Fire Station #4, which is planned for FY 2018/19. The non-growth share represents 22% of the total costs, and growth will cover 78%, and will be paid by impact fees.

### Transfer Out – Grant Match

The Town is applying for a grant to replace Engine 411. This amount represents the Town’s grant match responsibility.



# Fire & EMS

## Program Operating Budget – Fire Operations

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 4,511,691	\$ 3,425,203	\$ 4,454,458	\$ 5,462,314	\$ 6,910,350	\$ 1,448,036	27%
Supplies & Services	\$ 91,349	\$ 104,422	\$ 171,357	\$ 141,614	\$ 186,751	\$ 45,137	32%
Capital Outlay	\$ 7,113	\$ 49,794	\$ 39,807	\$ 32,612	\$ 10,357	\$ (22,255)	(68%)
<b>Division Total</b>	<b>\$ 4,610,154</b>	<b>\$ 3,579,419</b>	<b>\$ 4,665,621</b>	<b>\$ 5,636,540</b>	<b>\$ 7,107,458</b>	<b>\$ 1,470,918</b>	<b>26%</b>
	\$ Change from Prior	\$ (1,030,735)	\$ 1,086,202	\$ 970,919	\$ 1,470,918		
	% Change from Prior	(22%)	30%	21%	26%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as a 5% step program based on employee performance. Medical premiums increased by 4%, and the employer contribution rate for pensions also increased due to revised actuarial assumptions and actual financial performance less than expected. The remainder of the increase is attributed to the full year budget for the 12 additional fire personnel for the opening of Fire Station #4 along with an additional Deputy Chief to help with supervision duties for the growing department.

### Supplies & Services:

The Fire Operations supplies and services budget include increases due to one-time purchases for uniforms related to the hiring of 12 recruit firefighters as well as wireless services for new Fire Engine 414.

### Capital Outlay:

The decrease in this category is the result of a reduction to the capital assessment of the Registered Wireless Network (TOPAZ). This decrease is due to lower negotiated costs and are included in the FY 2017/18 budget at the appropriate level.

## Program Operating Budget – Fire Training

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 134,027	\$ 201,797	\$ 200,552	\$ 175,057	\$ 193,186	\$ 18,129	10%
Supplies & Services	\$ 19,464	\$ 16,464	\$ 49,560	\$ 29,498	\$ 74,968	\$ 45,470	154%
<b>Division Total</b>	<b>\$ 153,491</b>	<b>\$ 218,261</b>	<b>\$ 250,113</b>	<b>\$ 204,555</b>	<b>\$ 268,154</b>	<b>\$ 63,599</b>	<b>31%</b>
	\$ Change from Prior	\$ 64,770	\$ 31,851	\$ (45,558)	\$ 63,599		
	% Change from Prior	42%	15%	(18%)	31%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as a 5% step program based on employee performance. Medical premiums increased by 4%, and the employer contribution rate for pensions also increased due to revised actuarial assumptions and actual financial performance less than expected. The remainder of the increase in this category is based on personnel assignment changes between from FY 2017/18 and FY 2018/19.

### Supplies & Services:

The supplies and services category in the Fire Training division reflects an increase due to one-time training costs related to the fire academy for 12 new members. Additionally funds have been included for additional license fees



# Fire & EMS

to add these new members to the departments' online training program Target Safety where they conduct required Occupational Safety and Health Administration (OSHA) and National Fire Prevention Association (NFPA) training.

## Program Operating Budget – Fire Prevention

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ -	\$ 141,362	\$ 148,435	\$ 166,440	\$ 187,361	\$ 20,921	13%
Supplies & Services	\$ -	\$ 15,069	\$ 15,604	\$ 14,268	\$ 18,481	\$ 4,213	30%
<b>Division Total</b>	<b>\$ -</b>	<b>\$ 156,431</b>	<b>\$ 164,039</b>	<b>\$ 180,708</b>	<b>\$ 205,842</b>	<b>\$ 25,134</b>	<b>14%</b>
	\$ Change from Prior	\$ 156,431	\$ 7,608	\$ 16,669	\$ 25,134		
	% Change from Prior	N/A	5%	10%	14%		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as a 5% step program based on employee performance. Medical premiums increased by 4%, and the employer contribution rate for pensions also increased due to revised actuarial assumptions and actual financial performance less than expected. The remainder of the increase in this category is based on personnel assignment changes between from FY 2017/18 and FY 2018/19.

### Supplies & Services:

This category is essentially unchanged from FY 2017/18 to FY 2018/19.

## Program Operating Budget – Fire Resource

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 133,071	\$ 151,298	\$ 158,006	\$ 172,739	\$ 193,937	\$ 21,198	12%
Supplies & Services	\$ 240,387	\$ 265,613	\$ 302,334	\$ 274,890	\$ 425,321	\$ 150,431	55%
Debt Service	\$ 83,380	\$ 83,380	\$ 83,380	\$ 83,380	\$ 83,380	\$ -	0%
Capital Outlay	\$ 216,238	\$ 195,804	\$ 17,935	\$ 887,898	\$ 16,000	\$ (871,898)	(98%)
<b>Division Total</b>	<b>\$ 673,076</b>	<b>\$ 696,095</b>	<b>\$ 561,655</b>	<b>\$ 1,418,908</b>	<b>\$ 718,638</b>	<b>\$ (700,270)</b>	<b>(49%)</b>
	\$ Change from Prior	\$ 23,019	\$ (134,440)	\$ 857,253	\$ (700,270)		
	% Change from Prior	3%	(19%)	153%	(49%)		

## Budget Notes and Changes

### Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as a 5% step program based on employee performance. Medical premiums increased by 4%, and the employer contribution rate for pensions also increased due to revised actuarial assumptions and actual financial performance less than expected. The remainder of the increase in this category is based on personnel assignment changes between from FY 2017/18 and FY 2018/19.

### Supplies & Services:

The increases in this category are related to the new personnel and fire station #4. The largest line item in this category is for personal protective clothing at \$93K, of which \$67K is a one-time cost to outfit the 12 new fire personnel. Moreover, additional funds have been included in the areas of utilities (combined water, gas and





# Fire & EMS

electricity), waste, maintenance and repairs, gasoline, facility supplies, etc. for Fire Station #4 that is anticipated to open in early 2019.

Capital Outlay:

Capital expenses are reset annually. The one-time expenses for FY 2017/18 for outfitting the new station with appliances, furniture, exercise equipment, and tools has been removed from the FY 2018/19 budget.

## Program Operating Budget – Fire Medical

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 155,533	\$ 172,479	\$ 181,985	\$ 206,791	\$ 245,205	\$ 38,414	19%
Supplies & Services	\$ 140,197	\$ 87,291	\$ 87,578	\$ 102,314	\$ 121,290	\$ 18,976	19%
<b>Division Total</b>	<b>\$ 295,729</b>	<b>\$ 259,771</b>	<b>\$ 269,563</b>	<b>\$ 309,105</b>	<b>\$ 366,495</b>	<b>\$ 57,390</b>	<b>19%</b>
	\$ Change from Prior	\$ (35,959)	\$ 9,792	\$ 39,543	\$ 57,390		
	% Change from Prior	(12%)	4%	15%	19%		

## Budget Notes and Changes

Salaries and Fringes:

Personnel budgets include an allowance for a market increase of 2.5% (tied to the Employment Cost Index), as well as a 5% step program based on employee performance. Medical premiums increased by 4%, and the employer contribution rate for pensions also increased due to revised actuarial assumptions and actual financial performance less than expected. The remainder of the increase in this category is based on personnel assignment changes between from FY 2017/18 and FY 2018/19.

Supplies & Services:

Changes in this category are related to replacements of disposable medical supplies, which is funded in the Medical Equipment line item. Medical calls were up 10% in calendar year 2017. The department’s average cost to replace disposable goods per medical call is \$15. This area increased by \$12K to cover the cost for medical supplies. The remainder of the increase is related to one-time funds have been included for stocking of supplies for a new fire truck.



# Fire & EMS

## Program Operating Budget – Public Safety/Maricopa County Sheriff’s Office

Division by Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Salaries & Fringes	\$ 118,667	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Supplies & Services	\$ 4,201,954	\$ 5,468,186	\$ 5,982,348	\$ 6,394,955	\$ 7,687,215	\$ 1,292,260	20%
Capital Outlay	\$ 477,575	\$ 656	\$ -	\$ 28,190	\$ -	\$ (28,190)	(100%)
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ -	\$ 71,140	\$ 71,140	N/A
<b>Division Total</b>	<b>\$ 4,798,197</b>	<b>\$ 5,468,842</b>	<b>\$ 5,982,348</b>	<b>\$ 6,423,145</b>	<b>\$ 7,758,355</b>	<b>\$ 1,335,210</b>	<b>21%</b>
	\$ Change from Prior	\$ 670,645	\$ 513,506	\$ 440,797	\$ 1,335,210		
	% Change from Prior	14%	9%	7%	21%		

### Budget Notes and Changes

#### Supplies & Services:

The contract with Maricopa County Sheriff’s Office (MCSO) for law enforcement services has increased for the 2018/19 fiscal year. The primary drivers accommodates up to one full additional beat, increased pension costs and overtime hours. **The Town has reserved the Town’s share of the unfunded liability (\$15.2M) and will use that** towards the annual reduction to the unfunded liability. Approximately 74% of the pension cost included in the MCSO contract is attributed to the unfunded liability with Public Safety Pension Retirement System (PSPRS). By reserving this amount from fund balance, annual revenues are not needed to cover that portion of the cost. This amounts to a savings of about \$1.2M annually.

#### Capital Outlay:

Reduced due to one-time purchase of a speed trailer in FY18.

#### Transfers Out - CIP

The increase in this category is for the non-growth share of the new equipment needed for the newly established beat.



# Centralized Services

## Department Description and Programs

The Centralized Services group of the General Fund contains expenditures for resources used by all departments or those that cannot be applied to individual departments. They are not reported in individual departments' base budgets due to the high cost and variable nature of the expenses. These include obligations such as:

- Town support of local non-profit agencies that provide social services for residents
- Town liability and casualty insurance premiums
- **The Town's charge from ADOR to administer the transaction privilege tax collection system**
- Town dues and memberships in the Maricopa Association of Governments (MAG), League of Arizona Cities and Towns, and Alliance for Innovation
- **The Town's annual assessment as a member of the Phoenix-Mesa Gateway Airport Authority**
- Taxes on property owned by the Town
- Utility payments for Town facilities
- Transportation Development Agreements
- Transfers to fund debt service and capital programs

## FY 2018/19 Objectives

- Monitor and control overhead expenditures, providing efficient and effective services to internal stakeholders, ensuring security and protection of Town interests, and ensuring payment of Town obligations

## Expenditures by Type

Expense Category	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted	From Prior Revised	
						Dollar Change	% Change
Census Expenses (non-personnel)	\$ 3,887	\$ 37,980	\$ (1,569)	\$ -	\$ -	\$ -	N/A
Supplies & Services	\$ 1,673,654	\$ 1,597,444	\$ 1,696,824	\$ 1,769,064	\$ 2,001,053	\$ 231,989	13%
Non-Profit Support	\$ 14,810	\$ 16,225	\$ 19,475	\$ 37,600	\$ 41,750	\$ 4,150	11%
Transportation Development Agreements	\$ 2,102,240	\$ 2,231,209	\$ -	\$ -	\$ -	\$ -	N/A
Economic Development Agreements	\$ 2,230,916	\$ 62,466	\$ 6,947,199	\$ 150,000	\$ 125,470	\$ (24,530)	(16%)
Capital Outlay	\$ 372,802	\$ -	\$ 8,639	\$ -	\$ -	\$ -	N/A
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 743,270	\$ 743,270	N/A
<i>Subtotal Expenses</i>	<i>\$ 6,398,309</i>	<i>\$ 3,945,324</i>	<i>\$ 8,670,567</i>	<i>\$ 1,956,664</i>	<i>\$ 2,911,543</i>	<i>\$ 954,879</i>	<i>49%</i>
Transfers Out - Debt Service	\$ 1,075,008	\$ 1,377,990	\$ 441,446	\$ 4,755,735	\$ 3,457,762	\$ (1,297,973)	(27%)
Transfers Out - Transportation CIP Funding	\$ 10,088,780	\$ 8,500,000	\$ -	\$ 2,981,946	\$ 3,933,922	\$ 951,976	32%
<b>Department Total</b>	<b>\$ 17,562,097</b>	<b>\$ 13,823,314</b>	<b>\$ 9,112,013</b>	<b>\$ 9,694,345</b>	<b>\$ 10,303,227</b>	<b>\$ 608,882</b>	<b>6%</b>
	\$ Change from Prior	\$ (3,738,783)	\$ (4,711,301)	\$ 582,332	\$ 608,882		
	% Change from Prior	(21%)	(34%)	6%	6%		

\*Non-Profit historical actuals are only reflective of monetary support. In-kind services are an absorbed expense in the appropriate departmental budget.

## Budget Notes and Changes

### Supplies & Services:

The annual total budget for utilities expenses in FY 2018/19 is \$1.2M, or 62% of the supplies and services category budget. This budget includes an increase of \$148K, mostly attributed to the opening of Mansel Carter Oasis Park. The second largest account in this category is for **Town's liability** insurance, which is budgeted to increase 7%. The total budget for this line item is \$232K. Other items included in this budget: Phoenix Mesa Gateway Airport assessment, lobbying services, Department of Revenue sales tax collection services, Town-wide dues and taxes.



# Centralized Services

## Non-Profit Support:

Annually the Town accepts applications from non-profit groups requesting support for the programs they offer to the Queen Creek community. In February 2014, Town Council established a total funding level of not more than 0.2% of the General Fund expenditures be allocated to fund non-profit agency requests in total for both monetary as well as in-kind services. **It is Council's objective that funding provided offers direct benefit to Queen Creek residents.** The maximum funding level established for FY 2018/19 is \$41,750. The total award recommendation for FY 2018/19 is \$37,800. The Town will consider providing monetary support and/or in-kind services for FY 2018/19 not to exceed the amounts specified for the following agencies:

Entity	Program Name	FY 17/18 Approved	FY 18/19 Adopted
<b>Monetary Support</b>			
Child Crisis Center	<b>Children's Placement Services</b>	\$ 3,090	No Request
American Legion	Legion Programs	3,090	3,000
American Legion Auxiliary Unit #129	Girls State Program	1,500	1,500
Pan de Vida Foundation	Health and Community Fair	3,090	7,500
American Cancer Society	Relay for Life	1,500	1,500
About Care	Support Services for the Homebound	2,560	5,000
Community Alliance Against Family Abuse	Domestic Violence & Sexual Awareness & Prevention in QC	2,560	No Request
<b>Total Monetary Support</b>		<b>\$17,390</b>	<b>\$18,500</b>
<b>In-Kind Support</b>			
Queen Creek 4H	Various Events & Shows	6,200	7,000
Queen Creek 4H	Meeting Space (9 meetings annually)	1,460	3,300
Pan de Vida Foundation	Health and Community Fair	3,519	3,500
American Legion	Office Space	3,000	3,000
American Cancer Society	Relay for Life	1,500	2,500
<b>Total In-Kind Support</b>		<b>\$15,679</b>	<b>\$19,300</b>
<b>Total Town Support – Monetary and In-Kind</b>		<b>\$33,069</b>	<b>\$37,800</b>

Effective with FY 2018/19 it is recommended that the San Tan Historical Society be removed from this process and be included for ongoing support similar to agencies such as the Queen Creek Performing Arts Center, the Chamber and the Boys and Girls Club. The requests for the Historical Society total about \$13K. The amount to include for ongoing support will be evaluated for future budgets.



## Centralized Services

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### Transportation Development Agreements:

These agreements are with the major retail developers for sales tax reimbursements. The budgeted amount represents the non-growth share of these agreements, which accounts for 25% of the agreements. The remaining 75% is funded by the construction sales tax fund. One agreement exists at a cost of \$125K in the Operating Budget for FY 2018/19.

### CIP Transfers:

This is the support from the Operating Budget for cash funding the non-growth share of the Transportation Infrastructure Improvements.

### Debt Transfers:

The non-growth share of debt service is transferred from the Operating Budget to the Debt Service fund. The FY 2018/19 budget anticipates the following debt transfers:

- \$0.3M for the 2016 Refunded 2007 Excise Tax Bond
- \$0.2M for the 2016 Refunded 2004B GADA Loan (Town Buildings)
- \$0.1M for the 2016 Refunded 2005B GADA Loan (Library)
- \$0.3M for the 2016 Refunded 2006A GADA Loan (Library)
- \$2.6M for the 2018 Excise Tax Bond (Transportation)

### Contingency:

The amount budgeted for FY 2018/19 is based on 3% of operating expenses in the General Fund and the HURF fund.



FY 2018/19  
Budget



# Capital Program & Debt

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Capital Program Overview

FY 2018/19 Five-Year Capital Improvement Summary

FY 2018/19 Capital Funding Sources

FY 2018/19 Capital Funding Uses

Capital Budgets Year to Year Comparison

Major Funding Sources for CIP

CIP Impacts on Operations and Maintenance Forecast

Major Projects in Progress

Five-Year Forecast CIP Funds:

*Transportation*

*General Capital Fund*

*Utility Enterprise Funds*

*Development Fee Funds*

Other Funds:

*Municipal Town Center*

*Special Assessment*

*Construction Sales Tax*

*Healthcare Self-Insurance Fund*

*SLIDs*

*Community Events*

*Grants*

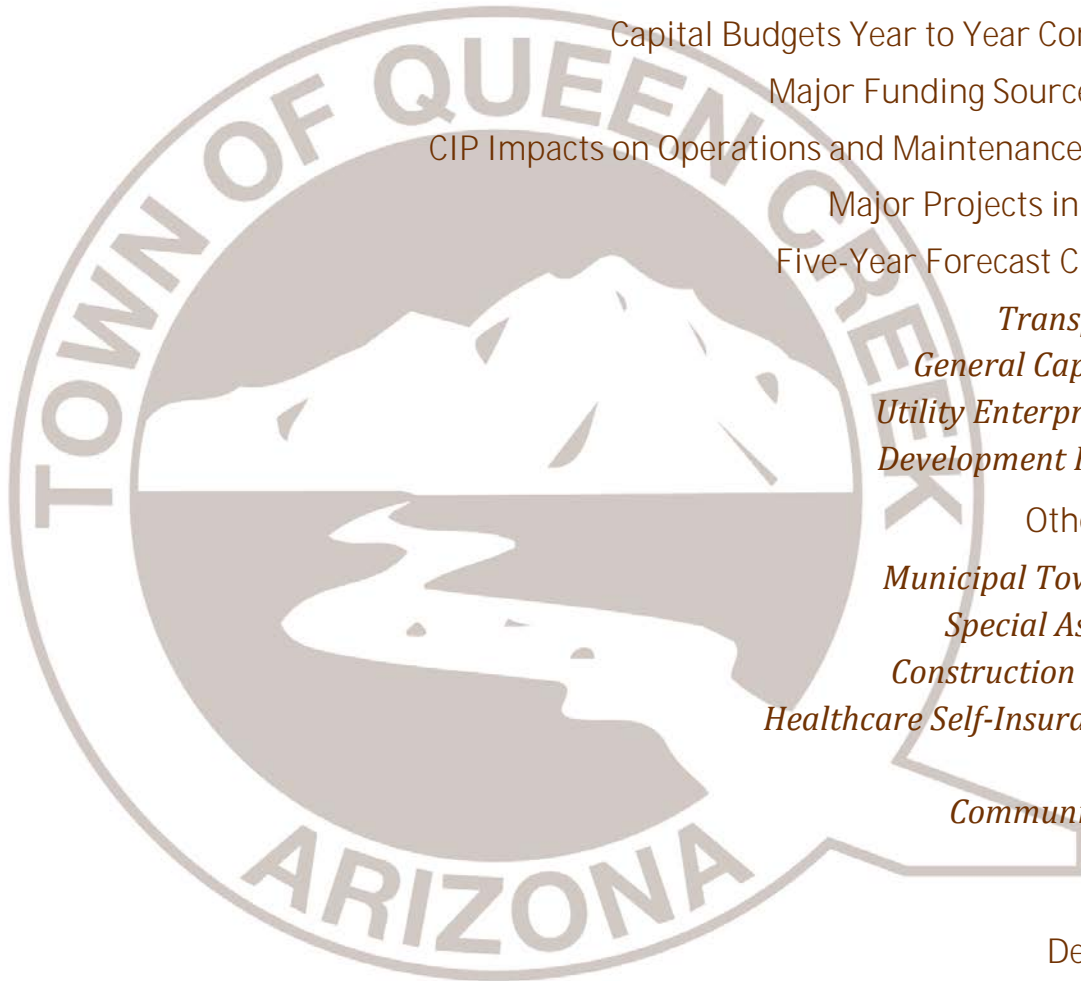
Debt Limits

Debt Guidelines/Summary

Debt by Type

Outstanding Debt Service

Debt Service by Fund







# Capital Program Overview

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## Capital Program Mission

With community input, Queen Creek will plan for sustainable infrastructure improvements that strengthen economic viability and quality of life, providing fiscal stewardship of public funds and balancing construction with the ability to effectively maintain and operate our current assets in a cost-effective and safe manner.

## Capital Program Summary FY 2019-FY 2023

The capital budget process determines which major projects will be financed and constructed. Capital projects are those with high monetary value (typically more than \$50,000) that add to the capital assets or infrastructure of the Town. These projects are long-term in nature (more than one year) and are generally financed on a long-term basis.

Funding for capital programs is appropriated annually. However, due to the fact that these projects are rarely completed within the fiscal year, carry-forward contingencies are budgeted to cover purchase orders that remain open at the end of the fiscal year and for projects that were not expended or encumbered by fiscal year end.

During the annual budget cycle, the Town of Queen Creek prepares a five-year infrastructure/capital improvements program (IIP/CIP) budget. The CIP shown in this budget document provides estimates for the fiscal years ranging from FY 2018/19 through FY 2022/23 and identifies fiscal year needs and financing sources. The FY 2018/19 CIP program is balanced including the use of revenues, fund balances, transfers and recent bond proceeds; however, future years contain undetermined funding requirements that will be addressed prior to projects moving forward.

**The Town of Queen Creek's capital program budget for FY 2018/19** amounts to \$99.0 million in expenditure authority for capital improvements related to General Government and Transportation. That amount includes \$54.3 million in new appropriations for capital projects, and \$44.8 million in carry forward appropriation for **approved in prior years' budgets**. Water and Wastewater CIP includes \$54.5 million in expenditure authority for capital improvements, which includes \$31.5 million in new appropriations for capital projects, and \$23 million in carry forward for projects approved in prior years' budgets. In total, the budget for new appropriations for capital improvements for FY 2018/19 is \$85.8 million. Other capital expenditures for studies as well as the growth portion of debt are shown in each of the capital and development fund's five-year financial forecast later in this section.

The Town Council adopts the five-year CIP on the same date as final adoption of the annual operating budget. Capital projects are scheduled throughout the five-year plan; however, only those projects scheduled during the first year of the CIP are financed and adopted as part of the annual budget. Details of the capital programs are presented in the following section along with funding sources.



# Five-Year Capital Improvement Summary

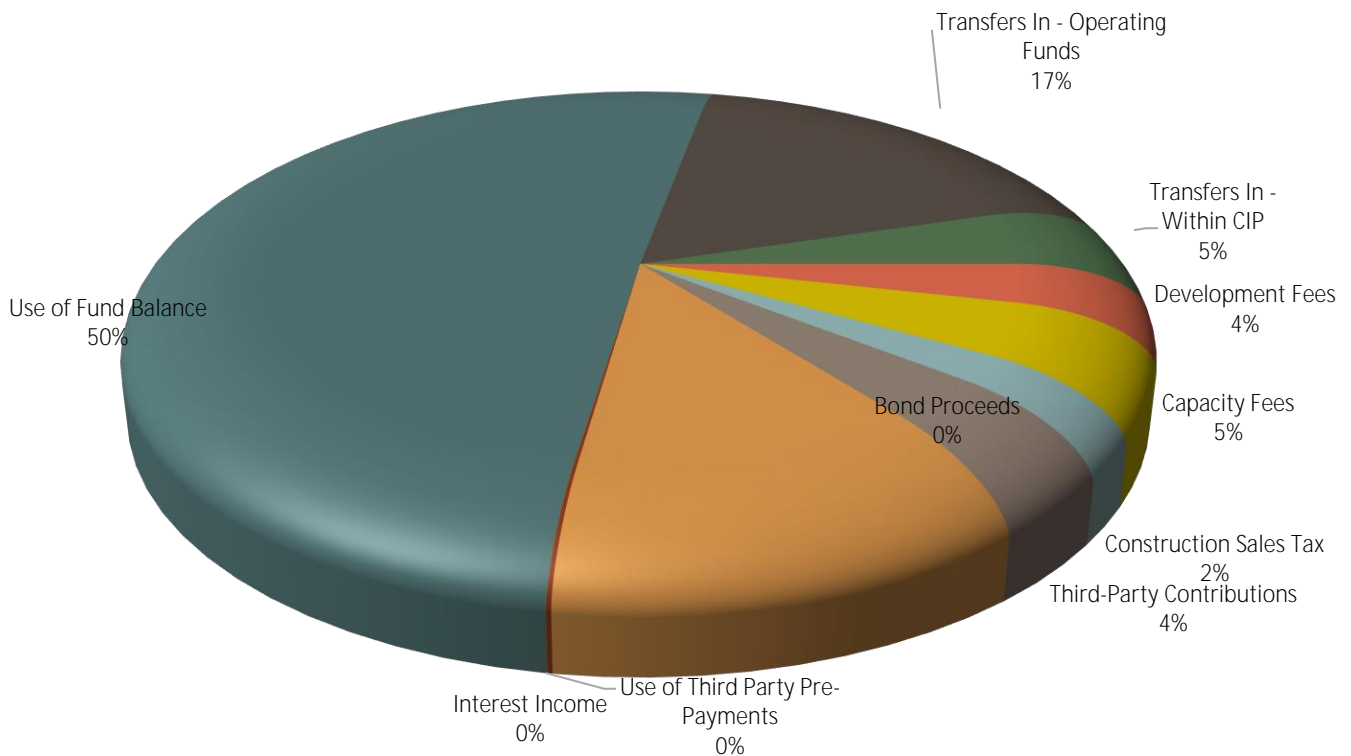
Summary 5-Year CIP	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
New Single Family Home Permits	651	975	1,257	1,284	1,263	5,430
<b>Revenues by Source</b>						
Development Fees	\$ 6,002,310	\$ 7,614,365	\$ 9,758,255	\$ 10,591,460	\$ 10,764,910	\$ 44,731,300
Capacity Fees	8,039,202	11,044,813	13,484,852	13,290,942	12,612,256	\$ 58,472,065
Construction Sales Tax	3,972,970	3,989,880	5,087,890	5,001,460	4,882,220	\$ 22,934,420
Third-Party Contributions	6,601,777	6,570,678	11,255,082	2,011,449	1,752,165	\$ 28,191,151
Bond Proceeds	-	-	-	-	-	\$ -
Other Financing	22,000,000	-	-	-	-	\$ 22,000,000
Interest Income	208,700	86,050	139,300	199,400	223,450	\$ 856,900
CIL - Formerly Restricted	29,094	750,000	175,000	1,675,216	250,000	\$ 2,879,310
<b>Total Revenues</b>	<b>\$ 46,854,053</b>	<b>\$ 30,055,786</b>	<b>\$ 39,900,379</b>	<b>\$ 32,769,927</b>	<b>\$ 30,485,001</b>	<b>\$ 180,065,146</b>
Transfers In - Operating	\$ 29,737,085	\$ 11,148,243	\$ 23,684,378	\$ 9,340,919	\$ 8,469,582	\$ 82,380,207
Transfers In - Within CIP	7,990,351	5,856,593	3,286,278	3,506,621	6,859,768	\$ 27,499,611
<b>Total Sources by Type</b>	<b>\$ 84,581,489</b>	<b>\$ 47,060,622</b>	<b>\$ 66,871,035</b>	<b>\$ 45,617,467</b>	<b>\$ 45,814,351</b>	<b>\$ 289,944,964</b>
<b>Sources by Fund</b>						
Drainage & Transportation	\$ 33,732,517	\$ 12,816,978	\$ 18,609,355	\$ 11,057,756	\$ 8,026,753	\$ 84,243,359
General CIP	7,156,657	4,876,067	82,848	140,591	5,848,915	\$ 18,105,078
Construction Sales Tax Fund	3,972,970	3,989,880	5,087,890	5,001,460	4,882,220	\$ 22,934,420
Wastewater Capital/Capacity	17,245,465	9,087,199	9,824,411	9,414,770	7,622,249	\$ 53,194,094
Water Capital/Capacity	15,348,870	8,337,243	9,418,976	9,308,030	8,555,854	\$ 50,968,973
Transportation Development Fund	1,319,870	1,556,040	1,962,505	2,112,110	2,165,860	\$ 9,116,385
Public Safety Development Fund	188,460	218,480	276,670	296,690	303,270	\$ 1,283,570
Fire Development Fund	493,780	566,430	732,860	786,250	818,450	\$ 3,397,770
Town Buildings Development Fund	489,350	576,810	737,260	795,470	832,960	\$ 3,431,850
Parks Development Fund	4,029,050	4,231,855	19,105,490	5,577,710	5,619,100	\$ 38,563,205
Library Development Fund	604,500	803,640	1,032,770	1,126,630	1,138,720	\$ 4,706,260
<b>Total Sources by Fund</b>	<b>\$ 84,581,489</b>	<b>\$ 47,060,622</b>	<b>\$ 66,871,035</b>	<b>\$ 45,617,467</b>	<b>\$ 45,814,351</b>	<b>\$ 289,944,964</b>
<b>Uses by Fund</b>						
Drainage & Transportation	\$ 84,251,710	\$ 27,250,801	\$ 31,762,682	\$ 13,589,537	\$ 10,610,198	\$ 167,464,928
General CIP	7,156,657	4,876,067	82,848	140,591	5,848,915	\$ 18,105,078
Construction Sales Tax Fund	6,532,118	3,989,880	5,087,890	5,001,460	4,882,220	\$ 25,493,568
Wastewater Capital/Capacity	26,523,143	6,850,534	4,172,701	5,522,947	2,145,445	\$ 45,214,771
Water Capital/Capacity	28,319,943	5,767,344	5,634,625	8,282,299	4,072,586	\$ 52,076,797
Transportation Development Fund	3,009,327	1,556,040	1,962,505	2,112,110	2,165,860	\$ 10,805,842
Public Safety Development Fund	171,709	140,250	183,802	209,527	183,102	\$ 888,390
Fire Development Fund	6,110,696	4,496,238	494,538	494,738	5,222,713	\$ 16,818,923
Town Buildings Development Fund	292,777	292,601	289,481	290,222	291,238	\$ 1,456,319
Parks Development Fund	8,122,071	2,811,337	34,034,857	4,116,639	1,821,856	\$ 50,906,760
Library Development Fund	405,292	406,242	406,383	405,090	406,195	\$ 2,029,202
<b>Total Uses by Fund</b>	<b>\$ 170,895,443</b>	<b>\$ 58,437,334</b>	<b>\$ 84,112,313</b>	<b>\$ 40,165,160</b>	<b>\$ 37,650,328</b>	<b>\$ 391,260,578</b>
Change in Fund Balance	\$ (86,313,954)	\$ (11,376,712)	\$ (17,241,278)	\$ 5,452,307	\$ 8,164,023	\$ (101,315,614)



# Funding Sources FY 2018/19

CIP FY 2018/19 Funding - \$170.9M

Capital Funding by Source	FY 2018/19 Adopted	% of Total
Development Fees	\$ 6,002,310	4%
Capacity Fees	8,039,202	5%
Construction Sales Tax	3,972,970	2%
Third-Party Contributions	6,601,777	4%
Other Financing	22,000,000	
Interest Income	208,700	0%
Use of Third Party Pre-Payments	29,094	0%
Use of Fund Balance	86,313,954	51%
<b>Total Revenues</b>	<b>\$ 133,168,007</b>	<b>78%</b>
Transfers In - Operating Funds	\$ 29,737,085	17%
Transfers In - Within CIP	7,990,351	5%
<b>Total Sources</b>	<b>\$ 170,895,443</b>	<b>100%</b>

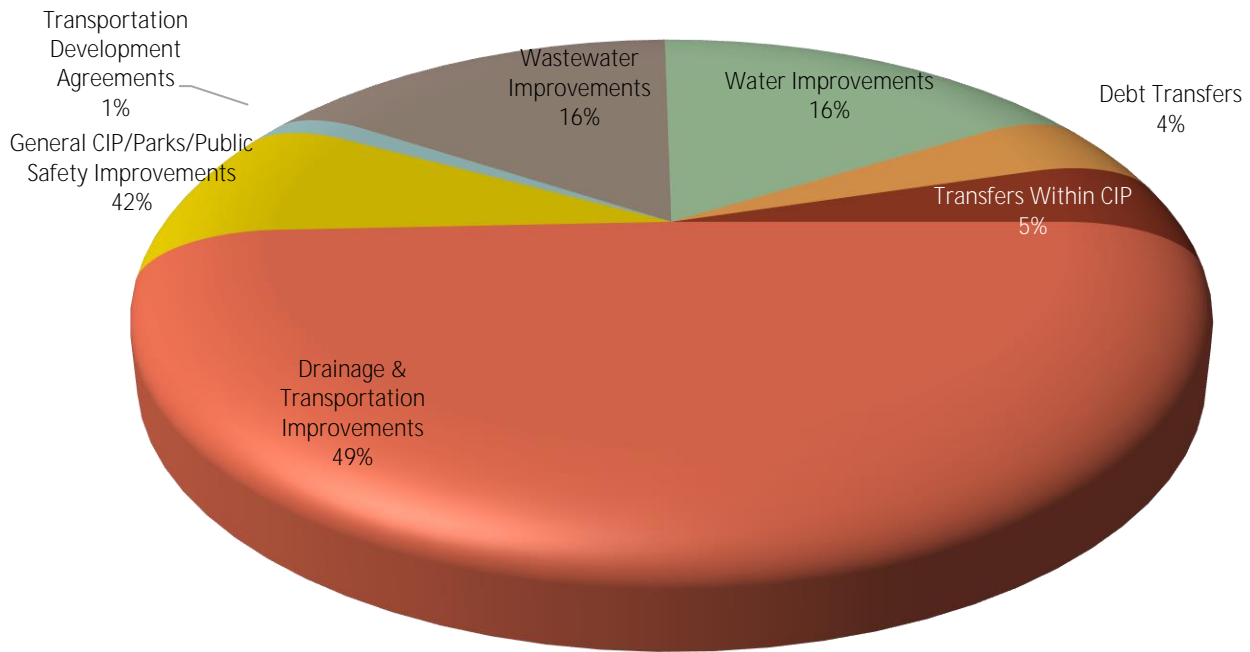




# Expenditures/Uses FY 2018/19

## CIP Expenditures/Uses FY 2018/19 - \$170.9M

Capital Expenditures by Program	FY 2018/19 Adopted	% of Total
Drainage & Transportation Improvements	\$ 84,251,710	49%
General CIP/Parks/Public Safety Improvements	14,756,657	9%
Transportation Development Agreements	2,192,281	1%
Wastewater Improvements	26,523,143	16%
Water Improvements	28,107,557	16%
<b>Total Expenses</b>	<b>\$ 155,831,348</b>	<b>91%</b>
Debt Transfers	7,073,744	4%
Transfers Within CIP	7,990,351	5%
<b>Total Uses</b>	<b>\$ 170,895,443</b>	<b>100%</b>





# Capital Budgets Year to Year Comparison

Capital Funding by Source	FY 2017/18 Revised	FY 2018/19 Adopted	% Change
Development Fees	\$ 8,460,998	\$ 6,002,310	(29%)
Capacity Fees	11,190,250	8,039,202	(28%)
Construction Sales Tax	5,455,850	3,972,970	(27%)
Third-Party Contributions	3,899,000	6,601,777	69%
Bond Proceeds	74,000,000	-	(100%)
Other Financing	-	22,000,000	N/A
Interest Income	259,000	208,700	(19%)
Use of Third Party Pre-Payments	1,221,138	29,094	(98%)
Use of Fund Balance		86,313,954	N/A
Total Revenues	<u>\$ 104,486,236</u>	<u>\$ 133,168,007</u>	27%
Transfers In - Operating Funds	\$ 14,883,693	\$ 29,737,085	
Transfers In - Within CIP	-	7,990,351	
Total Sources	<u>\$ 119,369,929</u>	<u>\$ 170,895,443</u>	

Capital Expenditures by Program	FY 2017/18 Revised	FY 2018/19 Adopted	% Change
Drainage & Transportation Improvements	\$ 11,915,142	\$ 84,251,710	607%
General CIP/Parks/Public Safety Improvements	25,650,194	14,756,657	(42%)
Transportation Development Agreements	2,325,422	2,192,281	(6%)
Wastewater Improvements	5,126,974	26,523,143	417%
Water Improvements	8,360,406	28,107,557	236%
Total Expenses	<u>\$ 53,378,138</u>	<u>\$ 155,831,348</u>	192%
Debt Transfers	2,765,604	7,073,744	
Transfers Within CIP	-	7,990,351	
Total Uses	<u>\$ 56,143,742</u>	<u>\$ 170,895,443</u>	



# Major Funding Sources for CIP

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## Capacity Charges

Capacity charges are a tool used by municipalities to pay the proportionate share of costs for utility infrastructure needs attributable to new growth. **With the purchase of the H2O Water Company in 2014, the Town's service area extends beyond the Town's incorporated boundaries.** Since development fee legislation only allows for fees in service areas within municipal boundaries, it is more appropriate to implement capacity charges, which are the only method allowed by state statute to collect for system improvement both inside and outside town boundaries. Like development fees, capacity charges are one-time charges paid at the time of building permit issuance for new construction and are based on meter size.

Capacity charges are assessed for both the water and wastewater functions and were approved by Council effective May 2, 2014. Future revenue projections are based on projected development activity at the 2014 rates. **Studies are underway to update the charges based on Queen Creek's recently updated Infrastructure Improvement Plans** that capture the growth related projects over the next ten years, which serves as a basis for setting the fees.

Total projected capacity charges revenue anticipated for FY 2018/19 amounts to \$11.2 million. This represents a 19% increase from the FY 2016/17 budget as a result of growth projections being updated.

## Development Fees (Impact Fees)

Development impact fees are one-time payments assessed by the Town to help offset costs associated with providing necessary public services to new development. Currently, the Town of Queen Creek assesses six development fees, each housed in a separate fund, which will be discussed in further detail later in this section. Total projected development fee revenues anticipated for FY 2018/19 amount to \$6.0 million.

In 2011, Arizona's Fiftieth Legislature passed Senate Bill 1525, which legislated a series of significant changes to the calculation, collection, and use of development fees. This legislation fundamentally moved away from the principle of new growth paying for itself, and shifted the burden of paying for this infrastructure on to existing residents and businesses. In addition, city and town councils previously had the ability to determine what constitutes "necessary public services" for their communities; the new bill now narrowly defines what these are allowed to include. The law took effect on January 1, 2012 and included a series of implementation dates, with a requirement that all development fee programs become fully compliant by August 1, 2014. In response to the established deadlines, the Town Council passed Resolution 892-11 on December 21, 2011, which dropped fees from \$15,007 to \$13,883 per single family home. The last change for development fees under SB 1525 went into effect August 1, 2014, and further reduced the fees to \$6,794 from \$8,941 (excluding the sewer fee, which has been replaced with a capacity fee).

Future revenue projections are based on projected development activity at the 2014 rates. Studies are underway to update the fees based on Queen Creek's recently updated Infrastructure Improvement Plan that captures the growth related projects over the next ten years, which is the basis for setting the fees.

The following is a table of fees collected by category for a single-family home with a standard three-quarter inch water meter. Commercial construction impact fees vary depending on type of commercial development and size of water connection.



# Major Funding Sources for CIP

Category	FY 2018/19 Development Fees
Library	\$ 723
Parks, Open Space & Recreational Facilities	\$ 3,681
Transportation	\$ 1,263
Public Safety (Police Services)	\$ 167
Town Buildings & Vehicles	\$ 470
Fire	\$ 490
Subtotal Impact Fees	\$ 6,794
Wastewater Capacity Fee*	\$ 5,082
Water Capacity Fee*	\$ 4,014
Total single family home fee	\$ 15,890

\* Capacity fees effective date was May 2, 2014. Amounts included to reflect all fees collected at time of permitting.

## Construction Sales Tax

Construction sales tax in the Town of Queen Creek is 4.25%, with 2.0% dedicated to financing projects in the Drainage and Transportation Fund. Effective in FY 2016/17, this funding source is also utilized to reimburse major development for the growth share of their contributions to transportation. This funding source also pays the growth share of debt service related to the Ellsworth Loop Road construction. For FY 2018/19, dedicated construction sales tax is projected at \$4.0 million.

## Building Permit Activity

Since impact fees, capacity charges and construction sales tax are dependent on new construction, building permit activity is tracked and monitored throughout the year, with projections for future permitting estimated as part of the annual budget process. A table and chart of single family home activity, total building activity and total valuation of permits since FY 2001 follows.

The increase in valuation in FY 2011/12 was due to commercial permitting of light industrial, office/institution and charter schools in the Town. In FY 2016/17, 80% of total valuation can be attributed to new single family homes (\$390,870,730). Total building permits includes all single-family homes, commercial permits, fencing, pools and all necessary specialty building permits.

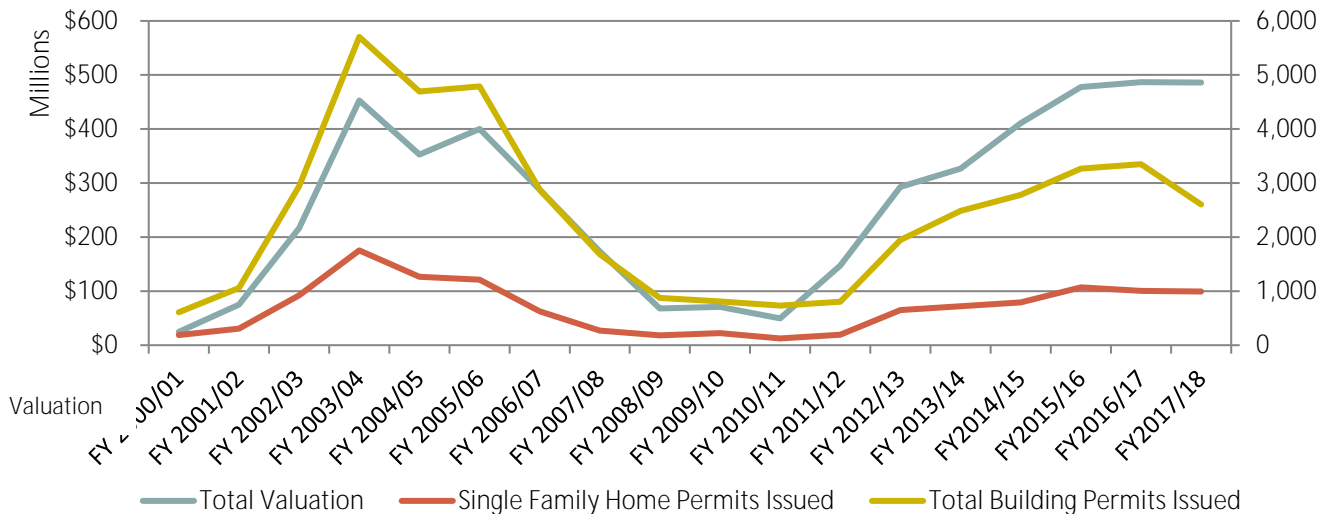




# Major Funding Sources for CIP

Fiscal Year	Single-Family Home Permits Issued	Total Building Permits Issued	Total Valuation
FY 2000/01	188	609	\$24,656,951
FY 2001/02	307	1,061	\$74,891,686
FY 2002/03	920	2,943	\$216,559,217
FY 2003/04	1,754	5,703	\$452,591,435
FY 2004/05	1,265	4,692	\$352,657,045
FY 2005/06	1,215	4,789	\$400,141,504
FY 2006/07	627	2,876	\$287,343,796
FY 2007/08	268	1,684	\$174,150,962
FY 2008/09	180	875	\$68,056,680
FY 2009/10	224	812	\$70,811,968
FY 2010/11	125	731	\$49,554,857
FY 2011/12	193	801	\$147,525,972
FY 2012/13	647	1,946	\$292,920,680
FY 2013/14	719	2,485	\$326,593,909
FY 2014/15	792	2,783	\$410,805,749
FY 2015/16	1,073	3,265	\$477,847,810
FY 2016/17	1,003	3,347	\$486,694,589
FY 2017/18	996	2,606	\$486,045,529

## Building Permit Activity





## CIP Impacts on Operations & Maintenance

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The CIP has direct and often substantial impacts on the operating budget expenditures. Once completed, most capital projects require ongoing costs for operation and maintenance. Examples of this include: utilities and maintenance for new facilities and street lights; regular sweeping for roadways as well as occasional crack filling, patching, and replacement; rights-of-way (such as medians and shoulders) require irrigation, weeding, and ongoing maintenance. Some projects even require additional employees be added to staff in order to maintain levels of service.

Departments submitting capital projects estimate the operations and maintenance costs of each project based on operating costs and levels of service the Town has adopted. Additionally, departments consider if a project has the potential of producing revenues or savings in other areas of the organization.

**Net operating costs are part of new project requests and are included in the long-range forecasts of the respective operating fund.** Operating budget impact is a key criterion in deciding which projects to fund and when. When the Town cannot afford the additional operations and maintenance costs of a project, the project will not be funded. Departments must submit a supplemental request to obtain the additional budget allocation needed to operate and maintain capital projects. Supplemental requests for CIP operation and maintenance costs, like all expenditures, must compete with other funding requests.

Since substantial CIP funding has been approved over the past couple of years, the Town is currently assessing all maintenance and operation costs associated with infrastructure, for both existing as well as the future, to ensure adequate planning for long-term maintenance and operations cost. This data is used to:

- Ensure current maintenance and operation practices are sufficient for existing infrastructure
- Funded CIP maintenance and operations are planned for adequately
- Establish base-line maintenance and operations forecasts for potential future CIP considerations

The following are projections of operating and maintenance costs of projects that have recently been completed or are in the FY 2018/19 budget. It is not anticipated that a savings or new revenue stream will be realized through any FY 2018/19 capital projects. The most significant increase to O&M for the new year is the staffing of Fire Station #4, which will be operating from a temporary location while the new building is constructed during FY 2018/19.



# CIP Impacts on Operations & Maintenance

	FY 18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 Year Projection
<b>Street Improvements</b>						
A0208 Ellsworth & Empire Improvements	\$ 8,200	\$ 8,446	\$ 8,699	\$ 8,960	\$ 9,229	43,535
A0510 Riggs: Ellsworth To Meridian	73,800	76,014	78,294	80,643	83,063	391,814
A0702 Crismon: Queen Creek Rd To Germann	24,600	25,338	26,098	26,881	27,688	130,605
A1403 Power: Ocotillo To Brooks Farm	18,450	19,004	19,574	20,161	20,766	97,954
A1404 Power: Brooks Farm To Chand Hgts	-	6,150	6,335	6,525	6,720	25,729
A1405 Power Road: Chandler Heights to Riggs	-	-	-	-	8,960	8,960
A1406 Power Road: Riggs to Hunt Hwy	-	-	-	-	8,960	8,960
A0306 Rittenhouse: Village Lp To Alliance	-	57,810	59,544	61,331	63,171	241,855
A0115 Ocotillo:signal Butte To Meridian	-	24,600	25,338	26,098	26,881	102,917
TBD Germann: Ellsworth to Crismon	-	-	24,600	25,338	26,098	76,036
TBD Hunt Hwy: Power to Sossaman	-	-	-	-	8,960	8,960
A0008 TC: North/south Duncan To Ocotillo	-	3,280	3,378	3,480	3,584	13,722
A0009 TC Duncan:ellsworth To Ells Loop	-	4,920	5,068	5,220	5,376	20,583
A0010 TC: Aldecoa Ellsworth To Ells Loop	-	4,920	5,068	5,220	5,376	20,583
A0402 Hawes Rd @ Creekview Ranches	-	4,100	4,223	4,350	4,480	17,153
A1002 OC Rd- Ellsworth To Signal Butte	-	16,400	16,892	17,399	17,921	68,611
A0603 Chandler Hts:sossaman To Power	-	-	8,446	8,699	8,960	26,106
A0602 Chandler Hgts - Hawes To Sossaman	-	-	-	8,699	8,960	17,659
A0601 Chandler Hgts - Ellsworth To Hawes	-	-	-	-	8,960	8,960
A1505 Meridian: Combs To QC Wash	-	8,200	8,446	8,699	8,960	34,306
A1506 Meridian - Germann To SR24	-	-	12,669	13,049	13,441	39,159
A1802 196th: Ocotillo To Appleby2	12,300	12,669	13,049	13,441	13,844	65,302
A1803 Appleby2: Sossaman To 196th	4,100	4,223	4,350	4,480	4,615	21,767
A1702 220th: Ryan Rd To Queen Creek Rd	12,300	12,669	13,049	13,441	13,844	65,302
<b>Intersection Improvements</b>						
I0010 Ellsworth & Queen Creek	\$ 6,150	\$ 6,335	\$ 6,525	\$ 6,720	\$ 6,922	\$ 32,651
TBD Ocotillo @ Victoria Traffic Signal	1,500	1,545	1,591	1,639	1,688	\$ 7,964
TBD Ocotillo @ Scotland Ct Traffic Signal	1,500	1,545	1,591	1,639	1,688	\$ 7,964
TBD Ellsworth @ Via De Palmas Traffic Signal	1,500	1,545	1,591	1,639	1,688	\$ 7,964
<b>Parks and Trail Improvements</b>						
TE001 QC Wash Improvements	\$ 8,659	\$ 8,919	\$ 9,186	\$ 9,462	\$ 9,746	45,972
P0610 Mansel Carter Oasis Park	750,000	772,500	795,675	819,545	844,132	3,981,852
<b>Town Buildings</b>						
MF005 Public Works Corp Yard	\$ 9,400	\$ 9,682	\$ 9,972	\$ 10,272	\$ 10,580	\$ 49,906
MF007 Fire Station 4 (New)	1,500,000	2,200,000	2,266,000	2,333,980	2,403,999	10,703,979
TBD Fire Station 5 (New)	-	-	-	-	1,688,263	1,688,263
<b>Total General Government</b>	<b>\$ 2,432,459</b>	<b>\$ 3,290,813</b>	<b>\$ 3,435,252</b>	<b>\$ 3,547,009</b>	<b>\$ 5,377,522</b>	<b>\$ 18,083,055</b>



# CIP Impacts on Operations & Maintenance

	FY 18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 Year Projection
<b>Water Projects</b>						
WA007 Sossaman - 2 Wells	\$ 97,850	100,786	103,809	106,923	110,131	\$ 519,499
WA078/ WA079/ Well Sites (3 Secondary Wells) WA081	195,700	201,571	207,618	213,847	220,262	\$ 1,038,998
WA078 Church Farms East Well & Tank 1	-	61,800	63,654	65,564	67,531	\$ 258,548
WA020 Barney Farms Well & Tank 1	-	-	-	65,564	67,531	\$ 133,095
WA189 Gary East Well - Meridian Crossing	-	61,800	63,654	65,564	67,531	\$ 258,548
WA004 Ocotillo Rd: Crismon to Rittenhouse	275	275	275	550	-	\$ 1,375
WA059 Crismon Rd: Empire to Hunt	-	-	-	422	845	\$ 1,267
WA062 Ocotillo: 186th to Sossaman	-	-	-	1,413	1,413	\$ 2,826
WA063 Germann Rd: Sossaman to 196th	-	-	-	367	733	\$ 1,100
WA066 Riggs Rd: Sossaman to Hawes Rd	1,001	1,001	1,001	2,003	2,003	\$ 7,010
WA067 Riggs Rd: Ellsworth to Rittenhouse	3,867	3,867	3,867	7,733	7,733	\$ 27,066
WA077 Ironwood @ Ocotillo & Marilyn	-	-	648	1,295	1,295	\$ 3,238
WA099 Encanterra Shea Line Install (NMID)	-	-	559	1,118	1,118	\$ 2,795
WA101 Riggs Rd: Recker to Power	1,000	1,000	1,000	2,000	2,000	\$ 7,000
WA104 Ellsworth @ Rittenshouse Tie-in	187	187	374	374	374	\$ 1,496
WA119 Rittenhouse Rd: Combs to Cloud	-	-	741	1,482	1,482	\$ 3,705
WA120 Empire Blvd: Gary to Crismon	2,004	2,004	4,007	4,007	4,007	\$ 16,029
WA123 Crismon Rd: Queen Creek to Germann	-	-	1,000	2,000	2,000	\$ 5,000
WA124 Germann Rd: Ellsworth to Crismon	-	1,000	1,000	2,000	2,000	\$ 6,000
WA131 Ryan Rd: Crismon to Signal Butte	1,000	1,000	1,000	2,000	2,000	\$ 7,000
WA132 Villages Water Reconstruction	924	924	924	1,849	1,849	\$ 6,471
WA137 Ryan Rd: Ellsworth to Crismon	1,000	1,000	2,000	2,000	2,000	\$ 8,000
WA140 Empire Blvd: Ellsworth to Pegasus	1,000	1,000	2,000	2,000	2,000	\$ 8,000
WA141 Orchard Ranch Booster to Bellerio	495	495	495	989	989	\$ 3,463
WA143 Meridian Rd: Combs to Red Fern Phase II	644	644	644	1,288	1,288	\$ 4,508
WA144 West Park Water Lines	1,212	1,212	1,212	2,424	2,424	\$ 8,485
WA145 West Park Well & Equipment	110,000	110,000	113,300	116,699	120,200	\$ 570,199
WA146 West Park Lake	50,000	51,500	53,045	54,636	56,275	\$ 265,457
WA147 Gary: Combs to Empire	1,017	1,017	2,034	2,034	2,095	\$ 8,197
WA149 Duncan St: Ellsworth Loop to Ellsworth & North to Ocotillo	-	189	189	379	379	\$ 1,137
WA150 Aldecoa: Ellsworth Loop to Ellsworth	-	184	184	368	369	\$ 1,105
WA153 220th: Queen Creek to Ryan	366	366	366	731	731	\$ 2,559
WA161 Signal Butte: Germann to Queen Creek	-	482	964	964	964	\$ 3,374
WA162 Meridian Rd: Germann to Queen Creek	-	-	482	964	964	\$ 2,410
MF005 Corp Yard Interim Building & Improvements	5,209	5,366	5,526	5,692	5,863	\$ 27,656
WA158 Jorde - Empire East Well	60,000	61,800	63,654	65,564	67,531	\$ 318,548
WA159 Jorde - Empire West Well	-	61,800	63,654	65,564	67,531	\$ 258,548
TBD Thompson: Empire to Borgata	-	483	483	966	966	\$ 2,898
<b>Total Water Utility</b>	<b>\$ 534,751</b>	<b>\$ 734,752</b>	<b>\$ 765,364</b>	<b>\$ 871,337</b>	<b>\$ 896,406</b>	<b>\$ 3,802,610</b>



# CIP Impacts on Operations & Maintenance

	FY 18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 Year Projection
<b>Wastewater Projects</b>						
WW015 Cloud Rd: Ellsworth to 220th	\$ 1,925	1,982	2,042	2,103	2,166	\$ 10,218
WW025 Ocotillo Rd: Sonoqui to 190th	-	2,472	2,547	2,623	2,702	\$ 10,343
WW027 Cloud Rd: 220th to Rittenhouse	1,314	2,347	2,417	2,490	2,564	\$ 11,132
WW029 Signal Butte: Riggs to Cloud	-	-	-	832	857	\$ 1,689
WW035 Ryan Rd: Ellsworth to Crismon	1,276	2,279	2,347	2,418	2,490	\$ 10,810
WW051 Meridian & Combs Rd. Sewer	-	473	844	869	895	\$ 3,082
WW052 Riggs Rd & Sossaman Intersection	302	311	320	330	340	\$ 1,603
WW053 Ryan Rd: Crismon to Signal Butte	2,279	2,347	2,418	2,490	2,565	\$ 12,100
WW055 Ocotillo Rd: Rittenhouse to Crismon	-	784	808	832		\$ 2,424
WW056 Chandler Heights: Sossaman Intersection	-	320	330	340		\$ 990
WW060 Riggs Rd: Crismon to Rittenhouse	-	4,599	4,737	4,879	5,025	\$ 19,239
WW061 Sossaman & Riggs to Box Canyon	-	3,770	3,883	4,000	4,120	\$ 15,772
WW062 Empire & Ellsworth to Thompson & Borgata	5,201	5,357	5,518	5,683	5,854	\$ 27,613
WW063 Aldecoa: Ellsworth to Ellsworth Loop	-	-	-	366	377	\$ 743
WW064 Power: Ocotillo to Chandler Heights	-	1,534	1,580	1,627	1,676	\$ 6,418
WW065 Power: Riggs to Hunt Highway	-	-	-	-	1,676	\$ 1,676
WW067 Riggs Rd: Ellsworth to Crismon	1,399	2,498	2,573	2,650	2,729	\$ 11,849
WW069 West Park Sewer Line	1,968	2,027	2,088	2,150	2,215	\$ 10,448
WW072 Duncan St: Ellsworth Loop to Ellsworth	-	-	-	435	448	\$ 883
WW076 Ryan to Germann @ Barney Property	-	2,279	2,347	2,418	2,490	\$ 9,534
WW080 Crismon: Riggs to Empire	-	-	-	1,202	1,238	\$ 2,440
WW081 Signal Butte: Riggs to Empire	-	-	-	1,202	1,238	\$ 2,440
WW082 Empire: Ellsworth to 209th	2,213	2,279	2,347	2,418	2,490	\$ 11,747
WW083 Queen Creek Rd: 228th to Meridian	-	2,279	2,347	2,418	2,490	\$ 9,534
WW084 Germann: Signal Butte to Meridian	550	1,133	1,167	1,202	1,238	\$ 5,290
MF005 Corp Yard Interim Building & Improvements	750	773	796	820	844	\$ 3,982
<b>Total Wastewater Utility</b>	<b>\$ 19,176</b>	<b>\$ 41,843</b>	<b>\$ 43,456</b>	<b>\$ 48,796</b>	<b>\$ 50,729</b>	<b>\$ 204,000</b>
<b>Total All</b>	<b>\$ 2,986,386</b>	<b>\$ 4,067,408</b>	<b>\$ 4,244,071</b>	<b>\$ 4,467,142</b>	<b>\$ 6,324,658</b>	<b>\$ 22,089,665</b>



## Major Projects in Progress

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### A1505 – Meridian Road: Combs Road to Queen Creek Wash

The project consists of design and construction of half street improvements and a full street width multi-barrel culvert crossing of Queen Creek Wash to include paving, sidewalks, drainage and street lights. Development will build the other half.

*Design:* 2018-2019

*Construction:* 2019-2020

*Status:* Developing design selection

*Projected Inception to Date Expenses:* \$-

*FY 2017/18 Budget Carry forward:* \$-

*FY 2018/19 Budget (new):* \$1.0M

*Estimated Project Total:* \$7.6M

### A1506 – Meridian Road – Germann Road to SR24

A joint project with Pinal County to design and construct an improved half street to extend Meridian Road to State Route 24 including two lanes of pavement (one lane in each direction) and associated drainage improvements. Remaining half-street improvements will be completed as development occurs.

*Design:* 2018-2019

*Construction:* Estimated to complete 2022

*Status:* Developing design selection

*Projected Inception to Date Expenses:* \$-

*FY 2017/18 Budget Carry forward:* \$-

*FY 2018/19 Budget (new):* \$0.6M

*Estimated Project Total:* TBD

### A1002 – Queen Creek Road and Signal Butte Road Intersection

This project will consist of design and construction of two travel lanes in either direction (north/south and east/west). This is the ultimate build out for the intersection with a traffic signal and street lights.

*Design:* 2018-2019

*Construction:* Estimated to complete March 2019

*Status:* Developing design selection

*Projected Inception to Date Expenses:* \$0.1M

*FY 2017/18 Budget Carry forward:* \$2.0M

*FY 2018/19 Budget (new):* \$2.0M

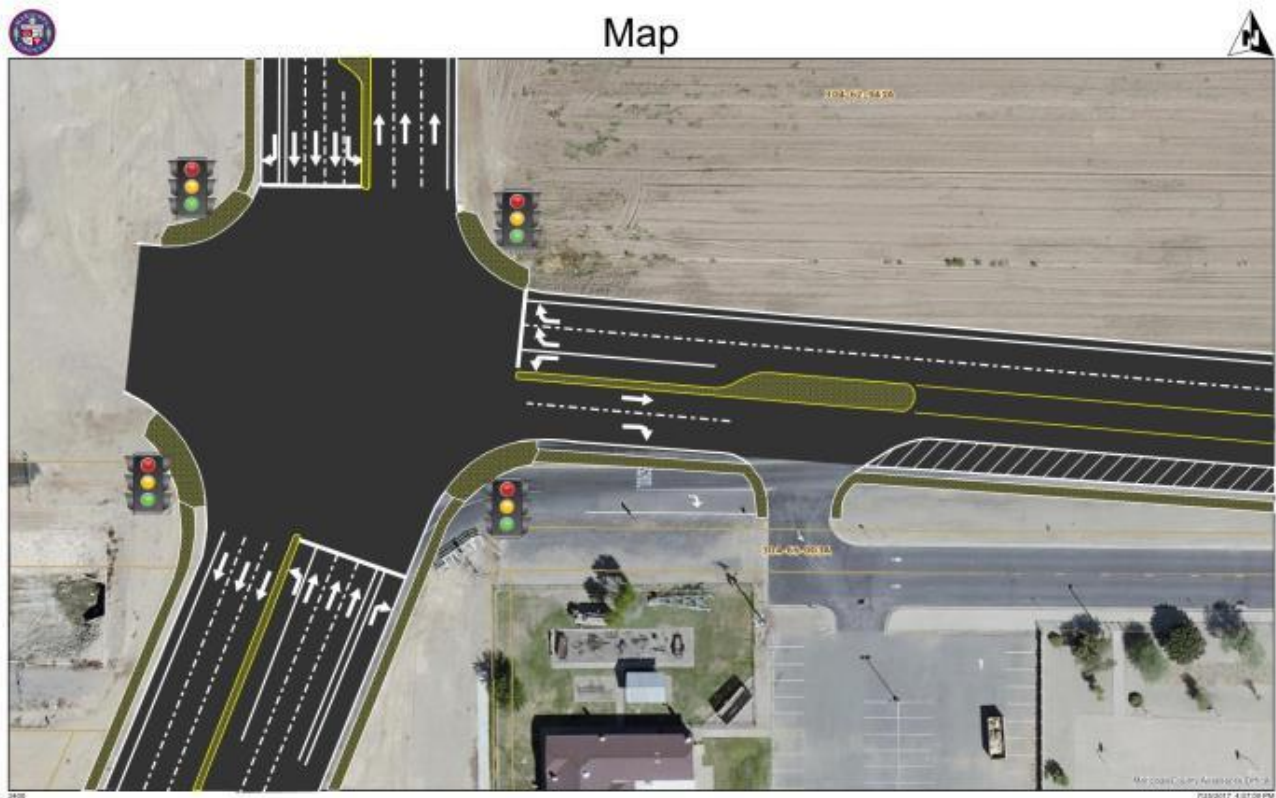
*Estimated Project Total:* \$4.1M

# Major Projects in Progress

## I0010- Ellsworth & Queen Creek Road Intersection

Phase 2 consists of the following improvements on Ellsworth Road from Walnut Road to Ryan Road and 1/8 mile east on Queen Creek Road:

- Realignment and softening of the Ellsworth Loop/Ellsworth Road curve at the Queen Creek Road intersection to improve traffic flow and movement
- Street improvements to widen Ellsworth Road to three lanes in each direction from Walnut to Ryan
- Drainage, irrigation and waterline improvements
- Sidewalk and landscape improvements
- Traffic signal improvements



*Design:* Fall 2015 – Spring 2019

*Construction:* Spring 2016 – Fall 2018

*Status:* Phase 2 is currently under construction

*Projected Inception to Date Expenses:* \$3.0M

*FY 2017/18 Budget Carry forward:* \$3.6M

*FY 2018/19 Budget (new):* \$-

*Estimated Project Total:* \$6.6M





# Major Projects in Progress

## A0702 - Crismon Rd: Queen Creek Rd. to Germann Rd.

Project consists of half-street paving, curb and gutter, intersection and streetlight improvements to extend Crismon Road north from Queen Creek Road to Germann Road with one lane in each direction

*Design:* Spring 2016-Summer 2017

*Construction:* Summer 2017

*Status:* Currently in design

*Projected Inception to Date Expenses:* \$1.9M

*FY 2017/18 Budget Carry forward:* \$1.6M

*FY 2018/19 Budget (new):* \$0.375

*Estimated Project Total:* \$3.8M

## A0510 – Riggs Road: Ellsworth to Meridian

This project is in conjunction with Maricopa County to improve the Riggs Road corridor. Between Ellsworth Road and Meridian Road, the north half of a future six-lane roadway will be constructed with one lane provided in each direction. This is a multi-phase project.



*Design:* Winter 2017-Fall 2017

*Construction:* Fall 2017 – Fall 2019

*Status:* Phase 1 Complete. Phases 2-5 currently under construction.

*Projected Inception to Date Expenses:* \$13.4M

*FY 2017/18 Budget Carry forward:* \$9.7M

*FY 2018/19 Budget (new):* \$0.3M

*Estimated Project Total:* \$23.4M



# Major Projects in Progress

## A1403 – Power Road: Ocotillo to Brooks Farms

Project consists of widening the roadway to three lanes in each direction with a center turn lane, curb and sidewalks. Improvements will also include undergrounding utilities, irrigation and a box culvert crossing at Sonoqui Wash

*Design:* Spring 2017-Winter 2018

*Construction:* Spring 2018 – Winter 2019

*Status:* Construction is currently underway.  
Completion expected early 2019.

*Projected Inception to Date Expenses:* \$0.6M

*FY 2017/18 Budget Carry forward:* \$6.4M

*FY 2018/19 Budget (new):* \$-

*Estimated Project Total:* \$7.0M



## A0115 – Ocotillo: Signal Butte to Meridian

The project consists of design and construction to complete half-street paving, curb and gutter, bike lanes, sidewalks, drainage, intersection and street light improvements. Development will build or has built the other half.

*Design:* 2018-2019

*Construction:* 2019-2020

*Status:* Developing design selection; estimated completion 2020-2021

*Projected Inception to Date Expenses:* \$-

*FY 2017/18 Budget Carry forward:* \$-

*FY 2018/19 Budget (new):* \$1.0M

*Estimated Project Total:* \$7.6M





## Major Projects in Progress

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### WA120 – Empire Blvd: Gary to Crismon

Project consists of 1.5 miles of 16” water line east along Empire Boulevard between Gary and Crismon roads.

*Design:* June 2018 - August 2018

*Construction:* October 2018 – December 2018

*Status:* Currently at 90% design

*Projected Inception to Date Expenses:* \$0.02M

*FY 2017/18 Budget Carry forward:* \$0.1M

*FY 2018/19 Budget (new):* \$0.7M

*Estimated Project Total:* \$0.8M

### WA124 – Germann Rd: Ellsworth to Crismon

Project consists of 1 mile of 12” water line east along Germann Road from Ellsworth to Crismon roads

*Design:* July 2018 - September 2018

*Construction:* December 2018 – January 2018

*Status:* Currently at 50% design

*Projected Inception to Date Expenses:* \$-

*FY 2017/18 Budget Carry forward:* \$-

*FY 2018/19 Budget (new):* \$0.5M

*Estimated Project Total:* \$0.5M

### WA161 – Signal Butte: Queen Creek to German

Project consists of 1 mile of new 12” water line north along Signal Butte from Queen Creek to Germann.

*Design:* June 2018 – September 2018

*Construction:* December 2018 – January 2018

*Status:* Currently at 50% design

*Projected Inception to Date Expenses:* \$0.01M

*FY 2017/18 Budget Carry forward:* \$0.04M

*FY 2018/19 Budget (new):* \$0.6M

*Estimated Project Total:* \$0.6M

### WA156 – Riggs (Phase 3): Signal Butte to Meridian

Project consists of 1.25 miles of 16” water line, half a mile of 12” water line and flow control valve along Riggs Road from Signal Butte to Meridian.

*Design:* June 2018-July 2018

*Construction:* July 2018 – October 2018

*Status:* Construction is 20% complete

*Projected Inception to Date Expenses:* \$0.09M

*FY 2017/18 Budget Carry forward:* \$1.1M

*FY 2018/19 Budget (new):* \$0.3M

*Estimated Project Total:* \$1.5M

### WA189 – Gary East Well: Meridian Crossing

Project consists of a rehabilitation of an existing agricultural well to municipal well standards.

*Design:* June 2018 – August 2018

*Construction:* July – October 2018

*Status:* Design is currently 50% complete; construction has already begun and is 15% complete

*Projected Inception to Date Expenses:* \$0.1M

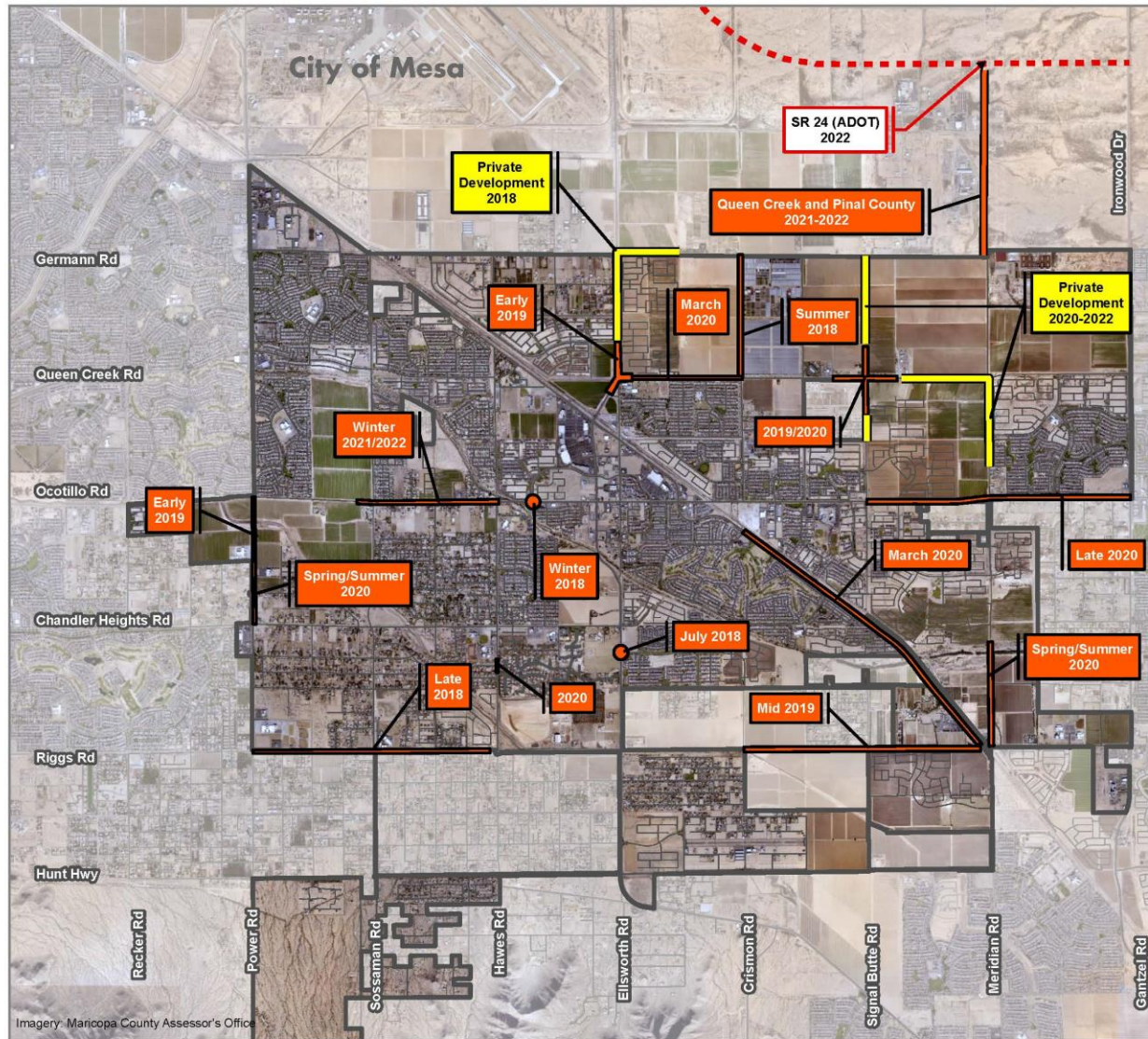
*FY 2017/18 Budget Carry forward:* \$0.06M

*FY 2018/19 Budget (new):* \$0.7M

*Estimated Project Total:* \$0.7M



# Transportation Improvements Map



TOWN OF  
QUEEN CREEK  
ARIZONA

INVESTING IN THE QC  
CREATING A STRONGER COMMUNITY

Capital Improvement Program  
Current and Future  
Transportation Projects

- - - - SR 24 Future Alignment
- Town CIP Projects in Design or Construction = \$54 Mil.
- Town Limits

Dates listed are anticipated opening dates.

For more information visit:  
<http://www.queen creek.org/BetterRoadsAhead>

July 30, 2018





# Capital Funds Five-Year Projections

## Transportation Infrastructure Improvement Fund

Transportation IIP	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Bond Issue: Non-Growth Projects	55,000,000	-	-	-	-	-	\$ -
Bond Issue : Growth Projects	10,000,000	-	-	-	-	-	\$ -
Transfers In - Operating Budget	6,500,000	3,933,922	3,933,922	3,933,922	3,933,922	3,933,922	\$ 19,669,610
Transfer In - Construction Sales Tax (Growth Projects)	-	819,023	889,016	1,986,814	1,908,747	506,194	\$ 6,109,794
Transfers In - Impact Fees	-	1,348,701	969,202	1,258,537	1,528,422	1,584,472	\$ 6,689,334
Outside Town Streets - Financing TBD	-	22,000,000	-	-	-	-	\$ 22,000,000
Third Party Contributions	3,769,000	4,277,000	-	5,533,333	518,414	-	\$ 10,328,747
Developer Half-Street Contributions	-	1,324,777	6,274,838	5,721,749	1,493,035	1,752,165	\$ 16,566,564
Use of Third Party Prepayments	1,221,138	29,094	750,000	175,000	1,675,216	250,000	\$ 2,879,310
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 76,490,138</b>	<b>\$ 33,732,517</b>	<b>\$ 12,816,978</b>	<b>\$ 18,609,355</b>	<b>\$ 11,057,756</b>	<b>\$ 8,026,753</b>	<b>\$ 84,243,359</b>
<b>EXPENDITURES/USES</b>							
Projects	45,492,395	19,454,240	26,163,346	30,631,729	12,413,345	9,386,959	\$ 98,049,619
Ellsworth Rd: Germann to SR24 (Mesa)*	-	10,000,000	-	-	-	-	\$ 10,000,000
Signal Butte: Germann to SR24 (Mesa)*	-	6,000,000	-	-	-	-	\$ 6,000,000
Meridian: Germann to SR24 (Pinal County)*	-	6,000,000	-	-	-	-	\$ 6,000,000
Project Management Expenses	965,655	1,045,630	1,087,455	1,130,953	1,176,192	1,223,239	\$ 5,663,469
Contingency	2,145,353	41,751,840	-	-	-	-	\$ 41,751,840
Allowance for unexpended	(36,751,840)	-	-	-	-	-	\$ -
<b>TOTAL EXPENDITURES/USES</b>	<b>\$ 11,851,563</b>	<b>\$ 84,251,710</b>	<b>\$ 27,250,801</b>	<b>\$ 31,762,682</b>	<b>\$ 13,589,537</b>	<b>\$ 10,610,198</b>	<b>\$ 167,464,928</b>
Annual Result	64,638,575	(50,519,193)	(14,433,823)	(13,153,327)	(2,531,781)	(2,583,445)	
Beginning Balance	\$ -	\$ 64,638,575	\$ 14,119,382	\$ (314,441)	\$ (13,467,769)	\$ (15,999,549)	
Projected Ending Fund Balance	\$ 64,638,575	\$ 14,119,382	\$ (314,441)	\$ (13,467,769)	\$ (15,999,549)	\$ (18,582,994)	

\*Outside of Town Boundaries

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the major transportation projects in the Town. Bond proceeds of \$65M were received in FY 2017/18 to fund projects anticipated over the next few years. Projects over the next five years are listed in the next table. Funding for these projects comes from bond proceeds, the operating budget, transportation impact fees, a portion of construction sales tax, and third parties. An allowance of \$22M is included in FY 2018/19 in anticipation of an Intergovernmental Agreements with neighboring jurisdictions to address roadway improvements leading out/into Town, the financing of which is still to be determined. The FY 2018/19 budget also includes project management costs of \$1M. Given the size of the transportation IIP, the contingency amount included for FY 2018/19 is \$41.8M – of which \$32.5M is for project currently under contract or approved in prior years that need to carry forward. In addition, \$5M of expenditure authority is included for any unplanned projects that may arise after budget adoption.

### Strategic Priorities that relate to the Drainage & Transportation fund are



Superior Infrastructure





# Capital Funds Five-Year Projections

## Transportation Project List

QUEEN CREEK TRANSPORTATION INFRASTRUCTURE IMPROVEMENT PLAN FY 2018/19										
Project Title	#	Project Total	3rd Party	Town	FY2019	FY2020	FY2021	FY2022	FY 2023	Beyond 5
Ocotillo: Ellsworth Loop to Heritage Loop	A0002	5,951,640	1,760,000	4,191,640	-	-	-	-	-	-
Ocotillo UPRR Crossing	A0103	2,366,890	-	2,366,890	-	-	-	-	-	-
Ocotillo Road : Power to Recker	A0107	3,616,546	3,108,678	507,868	-	-	-	-	-	-
Ocotillo Rd West of Railroad to 218th	A0114	2,756,468	109,213	2,647,255	-	-	-	-	-	-
Ellsworth Rd: Ryan to Germann	A0206	3,932,144	27,000	3,905,144	-	-	-	-	-	-
Rittenhouse Rd, Sossaman to QC Marketplace	A0301	6,536,564	1,518,461	5,018,103	-	-	-	-	-	-
Ellsworth @ Queen Creek Alignment	I0010	6,572,667	755,000	5,817,667	-	-	-	-	-	-
Chandler Heights @ Sossaman Intersection	I0024	717,934	-	717,934	-	-	-	-	-	-
Power Road: Chandler Heights to Riggs	A1405	7,550,978	452,315	7,098,663	-	-	663,905	3,598,932	3,288,141	-
Power Road: Ocotillo to Brooks Farms	A1403	6,977,241	-	6,977,241	-	-	-	-	-	-
Power Road: Brooks Farms to Chandler Heights	A1404	4,286,535	-	4,286,535	3,260,910	1,025,625	-	-	-	-
Power Road: Riggs to Hunt Hwy	A1406	7,765,516	3,000,000	4,765,516	-	-	-	283,716	2,036,902	5,444,898
Riggs Road: Ellsworth to Meridian	A0510	22,760,684	5,205,000	17,555,684	353,420	-	-	-	-	-
Riggs Road: Hawes to Power (QC Irrigation)	A0520	1,408,000	-	1,408,000	-	-	-	-	-	-
Rittenhouse Rd Village Loop North to Alliance Lumber	A0306	9,528,260	2,627,000	6,901,260	6,061,550	1,051,826	-	-	-	-
Meridian Road: Combs to Queen Creek Wash	A1505	7,603,596	-	7,603,596	1,000,000	3,892,650	2,710,946	-	-	-
Ocotillo Road: Signal Butte to Meridian	A0115	7,616,693	-	7,616,693	1,000,000	3,435,482	3,181,211	-	-	-
Signal Butte: Ocotillo to Queen Creek	TBD	6,174,708	-	6,174,708	-	-	-	-	-	6,174,708
Hawes Road: Ocotillo to Rittenhouse	A0401	3,229,032	1,222,901	2,006,131	-	-	414,941	2,814,091	-	-
Town Center Street N/S: Duncan to Ocotillo	A0008	960,040	-	960,040	710,040	-	-	-	-	-
Duncan St: Ellsworth Loop to Ellsworth	A0009	769,220	-	769,220	769,220	-	-	-	-	-
Aldecoa: Ellsworth Loop to Ellsworth	A0010	846,140	-	846,140	846,140	-	-	-	-	-
Germann Rd: Ellsworth to Crismon	A1203	8,574,284	5,533,333	3,040,951	-	795,661	7,778,623	-	-	-
Hunt Hwy: Power to Sossaman	A2101	7,608,999	3,525,000	4,083,999	-	-	-	737,661	3,596,338	3,275,000
Hawes Road @ Creekevew Ranches	A0402	249,510	29,094	220,416	249,510	-	-	-	-	-
Ocotillo Road: West of Sossaman Rd to Hawes Rd	A0116	7,257,200	-	7,257,200	700,000	3,351,213	3,205,987	-	-	-
Queen Creek Road - Ellsworth to Signal Butte	A1002	10,644,593	148,327	10,496,266	2,000,000	2,550,512	4,074,896	-	-	-
220th: Queen Creek to Ryan	A1702	1,396,896	1,396,896	-	-	-	-	-	-	-
Crismon Road: Queen Creek to Germann	A0702	3,793,748	1,786,700	2,007,048	375,000	-	-	-	-	-
Chandler Hts-Power to Sossman	A0603	7,817,714	-	7,817,714	800,000	7,017,714	-	-	-	-
Chandler Hts-Sossaman to Hawes	A0602	7,800,000	-	7,800,000	-	850,000	6,950,000	-	-	-
Chandler Hts - Hawes to Ellsworth	A0601	2,950,000	-	2,950,000	-	-	400,000	2,550,000	-	-
Ryan Road: Crismon to Signal Butte	A2001	3,460,990	907,228	2,553,762	-	175,000	808,617	1,975,000	-	-
Ocotillo @ Victoria Traffic Signal	I0061	375,000	-	375,000	-	-	-	-	-	-
196th: Ocotillo to Appleby 2	A1802	2,450,000	-	2,450,000	-	-	-	-	-	-
Ellsworth: Rittenhouse to UPRR-N	A0207	2,006,878	750,000	1,256,878	420,760	1,586,118	-	-	-	-
Appleby 2 - Sossaman to 196Th	A1803	2,300,000	-	2,300,000	-	-	-	-	-	-
Ellsworth & Empire Rd Improvements (j-curve)	A0208	3,261,800	-	3,261,800	-	-	-	-	-	-
Meridian Rd: Germann to State Route 24 IGA	A1506	TBD	-	-	600,000	-	-	-	-	-
UPRR/Rittenhouse Improvements	A1302	175,740	-	175,740	-	-	-	-	-	-
Signal: Riggs & Haws	I0028	529,662	-	529,662	-	-	-	-	-	-
Signal: Ellsworth @ Via de Palmas	I0060	307,266	-	307,266	-	-	-	-	-	-
Signal: Ocotillo & Scotland Court	I0069	307,690	-	307,690	307,690	-	-	-	-	-
Project Management Costs		4,083,977	-	4,083,977	420,760	431,545	442,603	453,945	465,578	1,469,546
<b>Total</b>		<b>197,279,443</b>	<b>33,862,146</b>	<b>159,333,320</b>	<b>19,454,240</b>	<b>26,163,346</b>	<b>30,631,729</b>	<b>12,413,345</b>	<b>9,386,959</b>	<b>16,364,152</b>



# Capital Funds Five-Year Projections

## General Capital Improvement Fund

General CIP Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES</b>							
Transfers from Public Safety Impact Fees	-	69,452	-	40,927	69,452	40,927	\$ 220,758
Transfers from Fire Impact Fees	-	5,753,175	3,998,375	-	-	4,728,175	\$ 14,479,725
Transfers from Operating Budget	-	1,334,030	877,692	41,921	71,139	1,079,813	\$ 3,404,595
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ 7,156,657</b>	<b>\$ 4,876,067</b>	<b>\$ 82,848</b>	<b>\$ 140,591</b>	<b>\$ 5,848,915</b>	<b>\$ 18,105,078</b>
General Government CIP	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>EXPENDITURES</b>							
<b>CONSTRUCTION SERVICES</b>							
Public Safety							
Fire Station #412 Permanent Replacement	-	-	4,876,067	-	-	-	\$ 4,876,067
Fire Station -#4 Northeast	-	4,876,067	-	-	-	-	\$ 4,876,067
Fire Station - #5 Southwest	-	-	-	-	-	4,876,067	\$ 4,876,067
Pumper (Type 1)	-	890,000	-	-	-	890,000	\$ 1,780,000
Ladder Truck	-	1,250,000	-	-	-	-	\$ 1,250,000
PS Equipment	-	140,590	-	82,848	140,591	82,848	\$ 446,877
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 7,156,657</b>	<b>\$ 4,876,067</b>	<b>\$ 82,848</b>	<b>\$ 140,591</b>	<b>\$ 5,848,915</b>	<b>\$ 18,105,078</b>

Annual Result

Beginning Balance	-	-	-	-	-	-	-
Projected Ending Fund Balance	-	-	-	-	-	-	-

### Fund Description and Relation to Corporate Strategic Plan

General Capital Improvement is the Town's primary capital fund for municipal facilities. Revenues into this fund are primarily transfers in from operating and development fee funds. Construction of the Town's newest fire station is included in the FY 2018/19 budget, along with the fire apparatus needed for the new station. Funding is split between the Operating Budget (18%) and Impact Fees (82%). Public Safety equipment is also anticipated for a new patrol/traffic unit with funding from the Operating Budget (50.6%) and Impact Fees (49.4%).

Strategic Priorities that relate to the General Government CIP fund are:



Effective Government



Superior Infrastructure



Safe Community





# Capital Funds Five-Year Projections

## Utility Enterprise Funds

The funding mechanisms for utility infrastructure improvements are capacity charges collected from new construction permits from improvements attributed to growth, and user rates for improvements attributed to non-growth (repair/replacement of existing infrastructure). Capacity fees are also used to make debt service payments on the growth share of capital that was financed, as identified in the current Capacity Fee Study from 2014.

## Wastewater CIP

Wastewater Capacity Fee & Capital Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Wastewater Capacity Fee	5,630,860	4,045,272	5,557,675	6,785,486	6,687,912	6,346,402	\$ 29,422,747
Interest Income	86,000	86,000	43,000	50,000	86,000	90,000	\$ 355,000
Transfers in from Sewer Operating Budget	2,048,153	13,114,193	3,486,524	2,988,925	2,640,858	1,185,847	\$ 23,416,347
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 7,765,013</b>	<b>\$ 17,245,465</b>	<b>\$ 9,087,199</b>	<b>\$ 9,824,411</b>	<b>\$ 9,414,770</b>	<b>\$ 7,622,249</b>	<b>\$ 53,194,094</b>
<b>EXPENDITURES/USES</b>							
<b>PROJECTS</b>							
Wastewater Projects	15,168,974	16,281,143	6,850,534	4,172,701	5,522,947	2,145,445	\$ 34,972,771
<b>OTHER</b>							
Capacity Fee Update	100,000	100,000	-	-	-	-	\$ 100,000
Contingency/Carryover	(10,142,000)	10,142,000	-	-	-	-	\$ 10,142,000
<b>TOTAL EXPENDITURES/USES</b>	<b>\$ 5,126,974</b>	<b>\$ 26,523,143</b>	<b>\$ 6,850,534</b>	<b>\$ 4,172,701</b>	<b>\$ 5,522,947</b>	<b>\$ 2,145,445</b>	<b>\$ 45,214,771</b>
<b>Annual Result</b>	<b>2,638,039</b>	<b>(9,277,678)</b>	<b>2,236,665</b>	<b>5,651,710</b>	<b>3,891,823</b>	<b>5,476,804</b>	
Beginning Balance	\$ 11,904,183	\$ 14,542,222	\$ 5,264,544	\$ 7,501,209	\$ 13,152,918	\$ 17,044,741	
Projected Ending Fund Balance	\$ 14,542,222	\$ 5,264,544	\$ 7,501,209	\$ 13,152,918	\$ 17,044,741	\$ 22,521,545	

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Wastewater Capacity fees, which, like impact fees, are assessed at the time of building permit issuance and are based on water meter size. The capacity fee for a single family home with a ¾" meter is \$5,082. Capacity fees are used towards growth projects identified in the Wastewater Infrastructure Improvement Plan (IIP). The non-growth share is funded by a transfer in from the Wastewater/Sewer Operating Fund. To address short term cash flow issues in the Water capital fund, there is a transfer out included for an inter-fund loan. Since the Town is currently in the process of recalculating the capacity fee based on the update to the IIP, an estimation of a 50% split between growth and non-growth share was used in determining the operating transfer in. A list of projects follows.

Strategic priorities that relate to the Wastewater Capacity/CIP Fund are:



Effective Government



Secure Future



Superior Infrastructure



# Capital Funds Five-Year Projections

Queen Creek Sewer Infrastructure Improvement Plan FY 2018/19								
Project Title	Proj #	Total	FY2019	FY2020	FY2021	FY2022	FY2023	Beyond 5
CIP								
Cloud Rd: 220th to Rittenhouse	WW027	\$ 750,000	-	-	-	-	-	-
Riggs Rd & Sossaman Intersection	WW052	\$ 300,000	-	-	-	-	-	-
Riggs Rd: Ellsworth to Crismon	WW067	\$ 762,787	-	-	-	-	-	-
Riggs Rd: Crismon to Rittenhouse	WW060	\$ 1,649,950	1,000,000	-	-	-	-	-
Ryan Rd: Ellsworth to Crismon	WW035	\$ 1,100,000	-	-	-	-	-	-
Ryan Rd: Crismon to Signal Butte	WW053	\$ 1,593,435	-	-	-	-	-	-
Empire & Ellsworth to Borgata	WW062	\$ 1,250,000	-	-	-	-	-	-
Meridian Rd: Combs to Red Fern Phase II - Land Acquisition & Remediation	WW068	\$ 300,000	-	-	-	-	-	300,000
West Park Sewer Line	WW069	\$ 941,168	-	-	-	-	-	-
Signal Butte: Ryan to Germann	WW076	\$ 1,339,156	1,286,000	-	-	-	-	-
Queen Creek: 228th to Meridian	WW083	\$ 547,069	500,000	-	-	-	-	-
Empire: Ellsworth to 209th	WW082	\$ 601,500	-	-	-	-	-	-
Ocotillo Rd: Sonoqui to 190th	WW025	\$ 1,405,400	637,500	-	-	-	-	-
Combs Rd: ALA to Ironwood	WW051	\$ 654,259	654,259	-	-	-	-	-
Sossaman & Riggs to Box Canyon	WW061	\$ 2,421,900	250,000	2,171,900	-	-	-	-
Empire: 209th to 220th		\$ 650,000	-	100,000	550,000	-	-	-
Crismon: Riggs to Empire	WW080	\$ 700,000	-	-	100,000	600,000	-	-
Signal Butte: Riggs to Empire	WW081	\$ 700,000	-	-	100,000	600,000	-	-
Power: Riggs to Hunt Hwy	WW065	\$ 375,000	-	-	75,000	300,000	-	-
Signal Butte: Riggs to Cloud	WW029	\$ 500,000	-	-	500,000	-	-	-
Aldecoa: Ellsworth to Ellsworth Loop	WW063	\$ 325,000	-	-	-	-	325,000	-
Duncan St: Ellsworth Loop to Ellsworth	WW072	\$ 300,000	-	-	-	-	300,000	-
Sewer Dosing Sites (WW059)	WW059	\$ 300,000	-	-	-	-	-	-
Corp Yard Interim Building & Improvements	MF005	\$ 800,000	250,000	-	-	-	-	-
GWRP 2018 Plant Expansion	WWT06	\$ 18,239,502	9,887,463	3,682,634	17,363	-	130,091	-
GWRP Capital Construction	WW058	\$ 4,715,312	415,921	46,000	180,338	1,022,947	840,354	-
Utility Billing Software	WA107	\$ 265,987	-	-	-	-	-	-
GWRP Reclaimed Water Storage Tank		\$ 2,500,000	-	-	2,500,000	-	-	-
Utilities Corp Yard Building and Improvements	WW075	\$ 2,100,000	-	-	-	2,100,000	-	-
GWRP 2027 Plant Expansion (10% of \$40M)		\$ 4,000,000	-	-	-	-	-	4,000,000
GWRP 2027 Plant Expansion (90% of \$40M)		\$ 36,000,000	-	-	-	-	-	\$ 36,000,000
RECONSTRUCTION CIP PROJECTS								
Power Road T Lock Sleeving	WW070	\$ 2,100,000	700,000	700,000	-	-	-	-
Queen Creek & Ellsworth Intersection (PWP)	WW057	\$ 50,000	-	-	-	-	-	-
Queen Creek Rd: Ellsworth to Signal Butte (PWP)		\$ 125,000	25,000	25,000	25,000	-	-	-
Power: Ocotillo to Chandler Heights (PWP)	WW064	\$ 325,000	175,000	-	-	-	-	-
Ocotillo Rd: Signal Butte to Meridian (PWP)	WW073	\$ 75,000	25,000	50,000	-	-	-	-
Hawes: Ocotillo to Rittenhouse (PWP)	WW066	\$ 75,000	-	-	25,000	50,000	-	-
Chandler Heights: Hawes to Ellsworth (PWP)	WW074	\$ 75,000	-	-	25,000	50,000	-	-
Power Rd: Chandler Heights to South of Riggs (PWP)	WW026	\$ 175,000	-	-	-	25,000	150,000	-
Meridian Rd: Combs to Queen Creek Wash (PWP)	WW079	\$ 50,000	-	-	-	-	25,000	25,000
REOCCURRING CIP PROJECTS								
Project Management	WW900	\$ 450,000	75,000	75,000	75,000	75,000	75,000	-
Sewer Line Rehabilitation	WW077	\$ 500,000	-	-	-	250,000	250,000	-
Manhole Rehabilitation	WW078	\$ 100,000	-	-	-	50,000	50,000	-
MASTER PLANNING CIP PROJECTS								
Capacity Fee Study		\$ 200,000	100,000	-	-	-	-	100,000
Sewer Master Plan 2022		\$ 200,000	-	-	-	200,000	-	-
Water Resources Master Plan 2018	WW071	\$ 400,000	400,000	-	-	-	-	-
Water Resources Master Plan 2022		\$ 200,000	-	-	-	200,000	-	-
<b>TOTAL</b>		<b>\$ 93,187,425</b>	<b>\$ 16,381,143</b>	<b>\$ 6,850,534</b>	<b>\$ 4,172,701</b>	<b>\$ 5,522,947</b>	<b>\$ 2,145,445</b>	<b>\$ 40,425,000</b>



# Capital Funds Five-Year Projections

## Water CIP

Water Capacity Fee & Capital Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Water Capacity Fee	5,559,390	3,993,930	5,487,138	6,699,366	6,603,030	6,265,854	\$ 28,342,854
Interest Income	69,000	-	-	-	10,000	20,000	\$ 30,000
Transfer in from Water Operating Budget	2,792,563	11,354,940	2,850,105	2,719,610	2,695,000	2,270,000	\$ 21,889,655
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 8,420,953</b>	<b>\$ 15,348,870</b>	<b>\$ 8,337,243</b>	<b>\$ 9,418,976</b>	<b>\$ 9,308,030</b>	<b>\$ 8,555,854</b>	<b>\$ 50,968,973</b>
<b>EXPENDITURES/USES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2014 WIFA Loan - H2O purchase	205,893	212,386	219,085	225,995	233,123	240,476	\$ 1,131,065
2014 Schnepf Trust Loan - H2O purchase	-	-	85,028	91,830	99,176	107,110	\$ 383,144
<b>PROJECTS</b>							
Water Projects	21,160,406	15,207,557	5,463,231	5,316,800	7,950,000	3,725,000	\$ 37,662,588
<b>OTHER</b>							
Capacity Fee Update	100,000	-	-	-	-	-	\$ -
Contingency/Carryover	(12,900,000)	12,900,000	-	-	-	-	\$ 12,900,000
<b>TOTAL EXPENDITURES/USES</b>	<b>\$ 8,566,299</b>	<b>\$ 28,319,943</b>	<b>\$ 5,767,344</b>	<b>\$ 5,634,625</b>	<b>\$ 8,282,299</b>	<b>\$ 4,072,586</b>	<b>\$ 52,076,797</b>
Annual Result	(145,346)	(12,971,073)	2,569,899	3,784,351	1,025,731	4,483,268	
Balance Adj - Allowance for Unexpended							
Beginning Balance	\$ 7,583,845	\$ 7,438,499	\$ (5,532,574)	\$ (2,962,675)	\$ 821,676	\$ 1,847,407	
Projected Ending Fund Balance	\$ 7,438,499	\$ (5,532,574)	\$ (2,962,675)	\$ 821,676	\$ 1,847,407	\$ 6,330,675	

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Water Capacity fees, which, like impact fees, are assessed at the time of building permit issuance and are based on meter size. The capacity fee for a single family home with a ¾" meter is \$4,014. The debt service transfers represent the growth share of debt service related to the purchase of the H2O Water Company. Capacity fees are also used towards growth projects identified in the Water Infrastructure Improvement Plan (IIP). The non-growth share is funded by a transfer in from the Water Operating Fund. Since the Town is currently in the process of recalculating the capacity fee based on the update to the IIP, an estimation of a 50% split between growth and non-growth share was used in determining the operating transfer in. A list of projects follows.

Strategic priorities that relate to the Water Development/CIP Fund are:



Secure Future: Environment



Superior Infrastructure



# Capital Funds Five-Year Projections

Project Title	Proj#	Project Total	FY2019	FY2020	FY2021	FY2022	FY2023	Beyond 5
CIP								
Meridian Rd: Ocotillo to Ironwood Crossings	WA160	\$ 300,000	-	-	-	-	-	300,000
Gary Rd: Combs to Empire (PWP)	WA147	\$ 650,000	450,000	-	-	-	-	-
West Park Water Lines (PWP)	WA144	\$ 1,061,329	-	-	-	-	-	-
Orchard Ranch Booster to Bellero	WA141	\$ 225,000	225,000	-	-	-	-	-
Empire Blvd: Ellsworth to Pegasus & J Curve improvements (PWP)	WA140	\$ 400,000	-	-	-	-	-	-
Ryan Rd: Ellsworth to Crismon	WA137	\$ 746,770	-	-	-	-	-	-
Ryan Rd: Crismon to Signal Butte	WA131	\$ 1,417,637	-	-	-	-	-	-
Meridian Rd: Combs to Red Fern Phase II	WA143	\$ 300,000	-	-	-	-	-	300,000
Crismon Rd: Queen Creek to Germann	WA123	\$ 650,000	-	-	225,000	-	-	-
Empire Blvd: Gary to Crismon	WA120	\$ 800,000	700,000	-	-	-	-	-
Rittenhouse Rd: Combs to Cloud (PWP)	WA119	\$ 550,800	-	450,800	-	-	-	-
Ellsworth Rd @ Rittenhouse Tie-in	WA104	\$ 406,582	-	-	-	-	-	-
Riggs Rd: Recker to Power (PWP)	WA101	\$ 80,513	-	-	-	-	-	-
Hashknife Rd (Encanterra-NMID): Kenworthy to Vine	WA099	\$ 737,325	-	493,120	-	-	-	-
Ocotillo & Meridian PRV	WA098	\$ 70,400	-	-	-	-	-	-
Ironwood Rd @ Ocotillo & Marilyn	WA077	\$ 250,000	-	250,000	-	-	-	-
Riggs Rd Phase 1: Ellsworth to Crismon (PWP)	WA067	\$ 1,002,246	-	-	-	-	-	-
Riggs Rd: Sossaman to Hawes Rd (PWP)	WA066	\$ 597,906	-	-	-	-	-	-
Ocotillo Rd: 186th to Sossaman	WA062	\$ 444,000	-	-	444,000	-	-	-
Riggs Rd Phase 2: Crismon to Signal Butte (PWP)	WA155	\$ 400,000	-	-	-	-	-	-
Riggs Rd Phase 3: Signal Butte to Meridian (PWP)	WA156	\$ 1,046,719	346,719	-	-	-	-	-
Sossaman Well Transmission: Site to Power	WA027	\$ 216,000	-	-	-	-	-	-
Hunt Hwy: Power to Sossaman - Upper Zone	WA129	\$ 750,000	-	-	-	-	-	750,000
Germann Rd: Ellsworth to Crismon	WA124	\$ 500,000	500,000	-	-	-	-	-
Meridian Rd & Queen Creek PRV	WA116	\$ 100,000	100,000	-	-	-	-	-
Germann Rd: Sossaman to 196th	WA063	\$ 450,000	-	-	100,000	350,000	-	-
Bell Rd: Hunt to Sun Dance Transmission (Box Canyon Upper Zone Tanks)	(T48)	\$ 750,000	-	-	-	-	-	750,000
Meridian: Ocotillo to Chandler Heights w/ PRVs	(T07)	\$ 750,000	-	-	-	-	-	750,000
Signal Butte: Germann to Queen Creek	WA161	\$ 600,000	600,000	-	-	-	-	-
Chandler Heights: Power to Sossaman(PWP)	(T05)	\$ 675,000	75,000	600,000	-	-	-	-
Thompson (Borgata): Empire to Skyline	(T04)	\$ 750,000	-	-	-	750,000	-	-
Crismon Rd: Cloud to Riggs	WA118	\$ 400,000	-	-	-	-	-	400,000
Meridian Rd & Combs PRV	(T02)	\$ 100,000	100,000	-	-	-	-	-
Meridian Rd: Germann to Queen Creek	WA162	\$ 600,000	-	600,000	-	-	-	-
Gary East Well Transmission Line	WA188	\$ 350,000	350,000	-	-	-	-	-
Germann Rd: Crismon to Signal Butte	(T08)	\$ 500,000	-	-	-	-	-	500,000
Ironwood Rd: Pima to Westbrook	WA121	\$ 269,100	-	-	-	-	-	269,100
Signal Butte Rd: Riggs to Empire w/PRV	WA069	\$ 724,000	-	-	-	-	-	724,000
Sossaman Rd: Via Del Jardine to Empire Transmission	WA065	\$ 2,616,300	-	-	-	-	-	2,616,300
Crismon Rd: Empire to Hunt	WA059	\$ 172,800	-	0	172,800	-	-	-
Chandler Heights Rd: Sossaman to Hawes (PWP)	(T49)	\$ 675,000	-	75,000	600,000	-	-	-
Mandarin: Riggs to Hunt	(T09)	\$ 550,000	-	-	-	-	-	550,000
Germann Rd: Signal Butte to Meridian	WA163	\$ 650,000	-	-	-	-	-	650,000
Hunt Hwy: Sossaman to Hawes	(T10)	\$ 650,000	-	-	-	-	-	650,000
Crismon: Riggs to Empire		\$ 500,000	-	-	-	-	-	500,000
Meridian Rd: Red Fern to Queen Creek Wash (PWP)	(T13)	\$ 400,000	-	-	-	-	100,000	300,000
Ocotillo Rd: Sossaman to Hawes (PWP)	(T14)	\$ 700,000	-	-	-	-	100,000	600,000
Parks East Phase 12"	(T51)	\$ 250,000	-	-	-	-	250,000	-
Circle Cross Ranch 12"	(T52)	\$ 600,000	-	-	-	-	600,000	-
Sossaman: Appleby to Ocotillo	(T53)	\$ 400,000	-	-	-	-	-	400,000
Signal Butte Rd: Ocotillo to Queen Creek (PWP)	(T15)	\$ 700,000	-	-	-	-	-	700,000
Hunt Hwy: Hawes to Ellsworth		\$ 700,000	-	-	-	-	-	700,000
Sherry: Kenworthy to Schnepf		\$ 600,000	-	-	-	-	-	600,000
Combs: Schnepf to Coyote		\$ 400,000	-	-	-	-	-	400,000
Schnepf: Chandler Heights to Combs		\$ 600,000	-	-	-	-	-	600,000



# Capital Funds Five-Year Projections

Project Title	Proj#	Project Total	FY2019	FY2020	FY2021	FY2022	FY2023	Beyond 5
Hashknife: Kenworthy to Schnepf		\$ 500,000	-	-	-	-	-	500,000
Schnepf: Hashknife to Combs		\$ 500,000	-	-	-	-	-	500,000
Duncan St: Ellsworth Loop to Ellsworth & North to Ocotillo	WA149	\$ 300,000	-	-	-	-	-	300,000
Pima: Kenworthy to Schnepf		\$ 750,000	-	-	-	-	-	750,000
Pima: Ironwood to Kenworthy		\$ 750,000	-	-	-	-	-	750,000
Crismon: Queen Creek to Ocotillo		\$ 500,000	-	-	-	-	-	500,000
Red Fern: Meridian to Green Acres		\$ 400,000	-	-	-	-	-	400,000
Cloud: Signal Butte to Rittenhouse	WA190	\$ 300,000	-	-	-	-	-	-
<b>Wells &amp; Tanks</b>								
Hastings Well Rehab	WA138	\$ 836,283	-	-	-	-	-	-
Sossaman West Well & Tank 1	WA007	\$ 3,799,682	-	-	-	-	-	-
Church Farms East Well & Tank 1	WA078	\$ 2,507,869	1,500,000	-	-	-	-	-
West Park Well & Equipment	WA145	\$ 905,510	-	-	-	-	-	-
San Tan (Jorde-Empire East) Well & Tank	WA158	\$ 700,000	-	-	-	-	-	-
Church Farms West Well	WA079	\$ 1,308,402	-	-	-	-	-	-
Villages Well Replacement	WA157	\$ 744,011	-	-	-	-	-	-
Box Canyon Upper Zone Tank 1	WA018	\$ 1,897,000	-	-	-	-	-	1,897,000
Barney Farms Well & Tank 1	WA020	\$ 3,000,000	-	1,500,000	1,500,000	-	-	-
Barney Farms Lake Well		\$ 1,000,000	1,000,000	-	-	-	-	-
Jorde - Empire West Well	WA159	\$ 700,000	-	0	-	-	-	700,000
Gary East Well - Meridian Crossing	WA189	\$ 750,000	750,000	-	-	-	-	-
Pecan Creek North Well Rehabilitation	(T27)	\$ 250,000	-	-	-	-	250,000	-
San Tan (Jorde-Empire East) Tank		\$ 1,675,200	-	-	-	-	-	1,675,200
Sossaman East Well	WA115	\$ 941,850	-	-	-	-	-	941,850
Gantzel Well Redrilling		\$ 1,000,000	-	-	-	-	-	1,000,000
Church Farms Tank #2		\$ 1,300,000	-	-	-	-	-	1,300,000
Orchard Ranch / Jorde - Empire West Well Tank		\$ 2,500,000	-	-	-	-	-	2,500,000
Jorde - Empire South Well	WA164	\$ 800,000	-	-	-	-	-	800,000
Box Canyon Upper Zone Tank 2	WA122	\$ 2,008,000	-	-	-	-	-	2,008,000
Sossaman West Tank 2		\$ 1,734,200	-	-	-	-	-	1,734,200
<b>MISC CIP Projects</b>								
Utilities Billing System	WA107	\$ 1,859,071	1,831,500	-	-	-	-	-
Orchard Ranch Power Service Upgrade/Wall/Site Work	WA096	\$ 253,993	-	-	-	-	-	-
West Park Lake	WA146	\$ 2,563,551	-	-	-	-	-	-
Church Farms Lake		\$ 500,000	-	-	-	-	-	500,000
Goldmine Mountain Parking Lot Water	(T33)	\$ 100,000	100,000	-	-	-	-	-
Emergency Generator Controls	WA017	\$ 1,105,000	-	105,000	1,000,000	-	-	-
CAP Water Allotment	WA151	\$ 5,300,000	-	-	-	-	-	5,300,000
MSB Remodel - Front Counter	WA088	\$ 440,064	424,338	-	-	-	-	-
MSB Remodel - Utilities Back Offices		\$ 300,000	300,000	-	-	-	-	-
Flexnet - Meter & MUX replacement	WA139	\$ 6,600,000	4,000,000	650,000	650,000	650,000	650,000	-
Corp Yard Interim Building & Improvements	MF005	\$ 2,050,000	500,000	-	-	-	-	-
Project Management	WA900	\$ 1,600,000	350,000	350,000	100,000	100,000	500,000	-
Orchard Ranch Irrigation Improvements (WA148)	WA148	\$ 350,000	350,000	-	-	-	-	-
Build-Out Utilities Corp Yard Building and Improvements (\$7M)		\$ 4,900,000	-	-	-	4,900,000	-	-
<b>Reconstruction CIP</b>								
Ellsworth Intersection Improvements @ Queen Creek (PWP)	WA103	\$ 250,000	-	-	-	-	-	-
Villages Water Reconstruction (PWP)	WA132	\$ 600,000	-	-	-	-	-	-
Rancho Jardines Water Reconstruction (PWP)	WA133	\$ 1,000,000	200,000	200,000	200,000	200,000	200,000	-
Queen Creek Rd: Ellsworth to Crismon (PWP)	WA152	\$ 75,000	25,000	-	-	-	-	-
Queen Creek Rd: Crismon to Signal Butte (PWP)	(T37)	\$ 50,000	-	25,000	-	-	-	-
Queen Creek Rd: Signal Butte to Meridian (PWP)	WA125	\$ 75,000	-	-	25,000	-	-	-
Power Rd: Ocotillo to Chandler Heights (PWP)	WA126	\$ 39,311	25,000	14,311	-	-	-	-
Ocotillo: Signal Butte to Meridian (PWP)	(T38)	\$ 125,000	-	25,000	100,000	-	-	-
Chandler Heights: Hawes to Ellsworth (PWP)	(T39)	\$ 75,000	-	-	25,000	50,000	-	-



# Capital Funds Five-Year Projections

Project Title	Proj#	Project Total	FY2019	FY2020	FY2021	FY2022	FY2023	Beyond 5
Hawes Rd: Ocotillo to Rittenhouse (PWP)	WA130	\$ 75,000	-	-	25,000	50,000	-	-
Power Rd: Riggs to Hunt (PWP)	WA127	\$ 25,000	-	-	25,000	-	-	-
Power Rd: Chandler Heights to Riggs (PWP)	(T40)	\$ 125,000	-	-	-	25,000	100,000	-
Cloud Rd: Power to Sossaman	WA050	\$ 405,240	-	-	-	-	400,000	-
Reoccurring CIP								
Fire Hydrant Installation Project	WA049	\$ 192,609	25,000	25,000	25,000	25,000	25,000	-
New Well Investigation	WA252	\$ 700,000	150,000	100,000	100,000	100,000	100,000	-
Water Line Replacement Improvements	(T42)	\$ 500,000	-	-	-	250,000	250,000	-
Well Site Upgrades	(T43)	\$ 200,000	-	-	-	100,000	100,000	-
Master Planning CIP								
Power Master Plan	WA142	\$ 100,000	-	-	-	-	-	-
Repair & Replacement Master Plan	WA134	\$ 100,000	-	-	-	-	-	-
Well Site Security	WA005	\$ 460,000	230,000	-	-	-	-	-
Water Master Plan 2017	WA154	\$ 435,630	-	-	-	-	-	-
Capacity Fee & Rate Study		\$ 200,000	-	-	-	-	100,000	-
Water Master Plan 2022		\$ 200,000	-	-	-	200,000	-	-
Water Resources Master Plan 2022		\$ 200,000	-	-	-	200,000	-	-
<b>TOTAL</b>		<b>\$ 100,272,903</b>	<b>\$ 15,207,557</b>	<b>\$ 5,463,231</b>	<b>\$ 5,316,800</b>	<b>\$ 7,950,000</b>	<b>\$ 3,725,000</b>	<b>\$ 38,065,650</b>



# Capital Funds Five-Year Projections

## Development Fee Funds

Development impact fees charged by the Town are used to pay for the growth portion of new infrastructure. Impact fees are collected for the library, municipal government buildings, parks, transportation, public safety and fire. The following five-year projections are provided to show the revenues anticipated and the transfers out from the various development funds to cover growth share of debt for completed capital improvements, as well as any the growth share of new capital anticipated along with projected fund balances.

## Transportation Development

Transportation Development Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Transportation Development Fee	1,770,197	1,314,870	1,551,040	1,952,505	2,097,110	2,145,860	\$ 9,061,385
Interest Income	9,000	5,000	5,000	10,000	15,000	20,000	\$ 55,000
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 1,779,197</b>	<b>\$ 1,319,870</b>	<b>\$ 1,556,040</b>	<b>\$ 1,962,505</b>	<b>\$ 2,112,110</b>	<b>\$ 2,165,860</b>	<b>\$ 9,116,385</b>
<b>EXPENDITURES/USES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2018 Bond Debt Service	-	471,755	586,838	587,788	583,688	581,388	\$ 2,811,457
Interfund Loan Interest/Repayment	26,161	1,188,871	-	-	-	-	\$ 1,188,871
<b>CIP Transfers</b>							
Transportation Projects IIP	-	1,348,701	969,202	1,258,537	1,528,422	1,584,472	\$ 6,689,334
<b>OTHER</b>							
Update Infrastructure Improvement Plan & Impact Fee Calc	63,579	-	-	116,180	-	-	\$ 116,180
<b>TOTAL EXPENDITURES/USES</b>	<b>\$ 89,740</b>	<b>\$ 3,009,327</b>	<b>\$ 1,556,040</b>	<b>\$ 1,962,505</b>	<b>\$ 2,112,110</b>	<b>\$ 2,165,860</b>	<b>\$ 9,686,878</b>
<b>Annual Result</b>	<b>1,689,457</b>	<b>(1,689,457)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Balance	\$ -	\$ 1,689,457	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Ending Fund Balance	\$ 1,689,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Transportation Impact Fee assessed on new building activity in Queen Creek. The current fee for a single family home is \$1,263 and is collected when a building permit is issued. This revenue is used to pay for growth share of Transportation Improvements and/or debt service related to those improvements. The debt service transfers represent the growth share of the 2018 Excise Tax Bond issued to fund roadway improvements. The Town recently updated its Transportation Infrastructure Improvement Plan based on current development needs, and a new Impact Fee is anticipated by the end of FY 2018/19.

*Strategic priorities that relate to the Transportation Development Fund are:*



Superior Infrastructure





# Capital Funds Five-Year Projections

## Parks, Open Space and Recreation

PARKS & OPEN SPACE RECREATION DEVELOPMENT FUND	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES</b>							
Parks Development Fee	4,327,181	2,975,250	3,964,015	5,105,090	5,577,710	5,619,100	\$ 23,241,165
Interest Income	30,000	53,800	-	900	-	-	\$ 54,700
Operating Budget - Park Infrastructure Non-Growth	3,542,977	-	-	14,000,000	-	-	\$ 14,000,000
Grants	130,000	1,000,000	-	-	-	-	\$ 1,000,000
Census Funding- OC Wash	-	-	295,840	-	-	-	\$ 295,840
<b>TOTAL REVENUES</b>	<b>\$ 8,030,158</b>	<b>\$ 4,029,050</b>	<b>\$ 4,259,855</b>	<b>\$ 19,105,990</b>	<b>\$ 5,577,710</b>	<b>\$ 5,619,100</b>	<b>\$ 38,591,705</b>
<b>EXPENDITURES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2016 Refinancing of the 2007 Excise Tax Bond	220,434	218,440	217,072	217,004	216,115	217,018	\$ 1,085,649
2016 Refinancing of the 2007 Excise Tax Bond - HPEC	243,095	240,895	239,386	239,312	238,331	239,327	\$ 1,197,251
2016 Refinancing of the 2008A GADA Loan - HPEC	63,674	62,736	64,879	64,681	62,193	65,511	\$ 320,000
<b>PROJECTS</b>							
West Park Improvements 40 acres (30 acres Growth, 10 Non Growth Acres)	17,018,548	-	-	-	-	-	\$ -
Eagle Park (Old Landfill Park)	-	1,000,000	-	-	-	-	\$ 1,000,000
QC Sports Complex	-	2,000,000	-	33,513,860	-	-	\$ 35,513,860
QC Wash Underpass at Old Ellsworth Rd	178,937	-	-	-	-	-	\$ -
QC Wash Trail Improvements - Crismon Rd to Rittenhouse	1,265,316	300,000	990,000	-	-	-	\$ 1,290,000
QC Wash Trail Improvements - Railroad Crossing to Town's Eastern Boundary (RH to Meridian)	-	-	-	-	-	1,300,000	\$ 1,300,000
Sonoqui Wash - Riggs Road Channel - Hawes to Ellsworth	-	1,300,000	-	-	-	-	\$ 1,300,000
Sonoqui Wash - Riggs Road Channel - Ellsworth to Crismon	-	-	1,300,000	-	-	-	\$ 1,300,000
SRP Utility Easement Trail - Ellsworth to Signal Butte	-	-	-	-	3,600,000	-	\$ 3,600,000
<b>OTHER</b>							
Update Infrastructure Improvement Plan & Impact Fee Calc	131,495	-	-	-	-	-	\$ -
Parks Master Plan Update	32,200	-	-	-	-	-	\$ -
Contingency/Carry Forward	(3,000,000)	3,000,000	-	-	-	-	\$ 3,000,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 19,153,699</b>	<b>\$ 8,122,071</b>	<b>\$ 2,811,337</b>	<b>\$ 34,034,857</b>	<b>\$ 4,116,639</b>	<b>\$ 1,821,856</b>	<b>\$ 50,906,760</b>
Annual Result	(11,123,541)	(4,093,021)	1,448,518	(14,928,867)	1,461,071	3,797,244	
Beginning Balance	\$ 13,814,797	\$ 2,691,256	\$ (1,401,765)	\$ 46,753	\$ (14,882,114)	\$ (13,421,043)	
Projected Ending Fund Balance	\$ 2,691,256	\$ (1,401,765)	\$ 46,753	\$ (14,882,114)	\$ (13,421,043)	\$ (9,623,799)	

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Parks Impact Fee assessed on new building activity within Queen Creek. The current fee for a single family home is \$3,681 and is collected when a building permit is issued. The Town is in the process of updating its Parks Master Plan to identify the needs for the growing community, which will also be the basis for an update to the Impact Fees.

The landfill park included in FY 2018/19 is being funded through a grant. Other improvements planned for FY 2018/19 are trail improvements along Queen Creek Wash and Sonoqui Wash, along with design work related to the next major park.

The debt service transfers represent the growth share of debt related to Parks land and Horseshoe Park as well as the new debt issue for West Park. The refinancing in 2016 resulted in substantial long-term savings, creating capacity for investment in new infrastructure.

### Strategic priorities that relate to the Parks Development Fund are:



Superior Infrastructure



# Capital Funds Five-Year Projections

## Public Safety

PUBLIC SAFETY DEVELOPMENT FUND	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Public Safety Development Fee	238,820	178,460	208,480	261,670	281,690	288,270	\$ 1,218,570
Interest Income	14,000	10,000	10,000	15,000	15,000	15,000	\$ 65,000
Bond Proceeds	2,000,000	-	-	-	-	-	\$ -
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 2,252,820</b>	<b>\$ 188,460</b>	<b>\$ 218,480</b>	<b>\$ 276,670</b>	<b>\$ 296,690</b>	<b>\$ 303,270</b>	<b>\$ 1,283,570</b>
<b>EXPENDITURES/USES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2018 Bond Issue - PS Admin Building		102,257	140,250	142,875	140,075	142,175	\$ 667,632
<b>PROJECT TRANSFERS</b>							
PS Admin Building Funding Transfer	3,831,929	-	-	-	-	-	\$ -
New Equipment Funding Transfers	-	69,452	-	40,927	69,452	40,927	\$ 220,758
<b>OTHER</b>							
Update Infrastructure Improvement Plan & Impact Fee	50,000	-	-	-	-	-	\$ -
<b>TOTAL EXPENDITURES/USES</b>	<b>\$ 3,881,929</b>	<b>\$ 171,709</b>	<b>\$ 140,250</b>	<b>\$ 183,802</b>	<b>\$ 209,527</b>	<b>\$ 183,102</b>	<b>\$ 888,390</b>
Annual Result	(1,629,109)	16,751	78,230	92,868	87,163	120,168	
Beginning Balance	\$ 2,070,834	\$ 441,725	\$ 458,476	\$ 536,706	\$ 629,574	\$ 716,737	
Projected Ending Fund Balance	\$ 441,725	\$ 458,476	\$ 536,706	\$ 629,574	\$ 716,737	\$ 836,905	

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Public Safety Impact Fee assessed on new building activity within Queen Creek. The current fee for a single family home is \$167 and is collected when a building permit is issued. The 2018 Excise Tax Bond was issued for the growth share of the recent construction of the Public Safety Administration Building. Impact fees will be used to pay the debt service on this portion of the bond. In addition, impact fees will be used to fund 49.4% of equipment purchases needed for a new patrol/traffic unit anticipated in FY 2018/19.

*Strategic priorities that relate to the Public Safety Development Fund are:*



Superior Infrastructure



# Capital Funds Five-Year Projections

## Fire

Fire Development Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES</b>							
Fire Development Fee	648,278	481,680	566,430	732,860	786,250	818,450	\$ 3,385,670
Interest Income	17,000	12,100	-	-	-	-	\$ 12,100
Loan/Bond Proceeds	7,000,000	-	-	-	-	-	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 7,665,278</b>	<b>\$ 493,780</b>	<b>\$ 566,430</b>	<b>\$ 732,860</b>	<b>\$ 786,250</b>	<b>\$ 818,450</b>	<b>\$ 3,397,770</b>
<b>EXPENDITURES</b>							
<b>DEBT SERVICE</b>							
Apparatus Lease/Purchase	173,319	-	-	-	-	-	\$ -
2018 Bond - Fire Station 1 & Fire Station 3	-	357,521	497,863	494,538	494,738	494,538	\$ 2,339,198
<b>PROJECT TRANSFERS</b>							
Fire Station 1 & 3 Funding Transfers	5,903,450	-	-	-	-	-	\$ -
Northeast Fire Station (Station 4)	-	3,998,375	-	-	-	-	\$ 3,998,375
Pumper (Type 1)( Station 4)	-	729,800	-	-	-	-	\$ 729,800
Southeast Fire Station (Station 5)	-	-	-	-	-	3,998,375	\$ 3,998,375
Pumper (Type 1) (Station 5)	-	-	-	-	-	729,800	\$ 729,800
Perm Station 2 Facility	-	-	3,998,375	-	-	-	\$ 3,998,375
Ladder Truck	-	1,025,000	-	-	-	-	\$ 1,025,000
<b>OTHER</b>							
Impact Fee Update	50,000	-	-	-	-	-	\$ -
<b>TOTAL EXPENDITURES/USES</b>	<b>\$ 6,126,769</b>	<b>\$ 6,110,696</b>	<b>\$ 4,496,238</b>	<b>\$ 494,538</b>	<b>\$ 494,738</b>	<b>\$ 5,222,713</b>	<b>\$ 16,818,923</b>
Annual Result	1,538,509	(5,616,916)	(3,929,808)	238,322	291,512	(4,404,263)	
Beginning Balance	\$ 2,826,724	\$ 4,365,233	\$ (1,251,683)	\$ (5,181,491)	\$ (4,943,169)	\$ (4,651,657)	
Projected Ending Fund Balance	\$ 4,365,233	\$ (1,251,683)	\$ (5,181,491)	\$ (4,943,169)	\$ (4,651,657)	\$ (9,055,920)	

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Fire Impact Fee assessed on new building activity within Queen Creek. The current fee for a single family home is \$490 and is collected when a building permit is issued. The 2018 Excise Tax Bond was issued for the growth share of the recent construction of Fire Station #1 and Fire Station #3. Impact fees will be used to pay the debt service on this portion of the bond. In addition, impact fees will be used to fund 82% of construction of the newest Fire Station #4 and related equipment needed as a result of growth from annexations that became effective during FY 2017/18.

*Strategic priorities that relate to the Fire Development Fund are:*



Superior Infrastructure



# Capital Funds Five-Year Projections

## Town Buildings & Vehicles

TOWN BUILDINGS & VEHICLES DEVELOPMENT FUND	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES</b>							
Town Buildings & Vehicles Development Fee	626,512	467,550	545,760	703,360	757,070	789,510	\$ 3,263,250
Interest Income	19,000	21,800	31,050	33,900	38,400	43,450	\$ 168,600
<b>TOTAL REVENUES</b>	<b>\$ 645,512</b>	<b>\$ 489,350</b>	<b>\$ 576,810</b>	<b>\$ 737,260</b>	<b>\$ 795,470</b>	<b>\$ 832,960</b>	<b>\$ 3,431,850</b>
<b>EXPENDITURES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2016 Refinancing of 2004 GADA Loan- Municipal Services Building	224,384	222,111	222,377	219,278	220,307	221,031	\$ 1,105,104
2016 Refinancing of the 2007 Excise Tax Bond - Buildings	71,312	70,666	70,224	70,203	69,915	70,207	\$ 351,215
<b>OTHER</b>							
Update Infrastructure Improvement Plan & Impact Fee Calc	15,000	-	-	-	-	-	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 310,696</b>	<b>\$ 292,777</b>	<b>\$ 292,601</b>	<b>\$ 289,481</b>	<b>\$ 290,222</b>	<b>\$ 291,238</b>	<b>\$ 1,456,319</b>
<b>Annual Result</b>	<b>334,816</b>	<b>196,573</b>	<b>284,209</b>	<b>447,779</b>	<b>505,248</b>	<b>541,722</b>	
Beginning Balance	\$ 2,574,900	\$ 2,909,716	\$ 3,106,289	\$ 3,390,498	\$ 3,838,277	\$ 4,343,525	
Projected Ending Fund Balance	\$ 2,909,716	\$ 3,106,289	\$ 3,390,498	\$ 3,838,277	\$ 4,343,525	\$ 4,885,247	

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the Town Buildings Impact Fee assessed on new building activity within Queen Creek. The current fee for a single family home is \$470 and is collected when a building permit is issued. The debt service transfers represent the growth share of debt related Town building improvements. The refinancing in 2016 resulted in substantial long-term savings, creating capacity for investment in new infrastructure.

*Strategic priorities that relate to the Town Buildings Development Fund are:*



Superior Infrastructure



# Capital Funds Five-Year Projections

## Library

LIBRARY DEVELOPMENT FUND	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES</b>							
Library Development Fee	850,010	584,500	778,640	1,002,770	1,091,630	1,103,720	\$ 4,561,260
Interest Income	15,000	20,000	25,000	30,000	35,000	35,000	\$ 145,000
<b>TOTAL REVENUES</b>	<b>\$ 865,010</b>	<b>\$ 604,500</b>	<b>\$ 803,640</b>	<b>\$ 1,032,770</b>	<b>\$ 1,126,630</b>	<b>\$ 1,138,720</b>	<b>\$ 4,706,260</b>
<b>EXPENDITURES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2016 Refinancing of the 2005B GADA Loan	75,935	75,027	76,148	76,949	77,390	77,724	\$ 383,238
2016 Refinancing of the 2006A GADA Loan	279,358	277,265	277,426	276,782	275,264	275,816	\$ 1,382,553
2016 Refinancing of the 2007 Excise Tax Bond	53,484	53,000	52,668	52,652	52,436	52,655	\$ 263,411
<b>OTHER</b>							
Impact Fee Calculation Update	15,000	-	-	-	-	-	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 423,777</b>	<b>\$ 405,292</b>	<b>\$ 406,242</b>	<b>\$ 406,383</b>	<b>\$ 405,090</b>	<b>\$ 406,195</b>	<b>\$ 2,029,202</b>
Annual Result	441,233	199,208	397,398	626,387	721,540	732,525	
Beginning Balance	\$ 1,517,968	\$ 1,959,201	\$ 2,158,409	\$ 2,555,807	\$ 3,182,194	\$ 3,903,734	
Projected Ending Fund Balance	\$ 1,959,201	\$ 2,158,409	\$ 2,555,807	\$ 3,182,194	\$ 3,903,734	\$ 4,636,259	

### **Fund Description and Relation to Corporate Strategic Plan**

This fund accounts for the Library Impact Fee assessed on new building activity within Queen Creek. The current fee for a single family home is \$723 and is collected when a building permit is issued. The debt service transfers represent the growth share of debt service for the Library. The refinancing in 2016 resulted in substantial long-term savings, creating capacity for investment in new infrastructure.

*Strategic priorities that relate to the Library Development Fund are:*



Superior Infrastructure



# Other Funds

## Municipal Town Center Fund

TOWN CENTER FUND	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES</b>							
Retail Sales Tax 0.25%	723,412	802,990	852,720	933,170	989,840	1,050,150	\$ 4,628,870
Signage Revenue	20,000	20,000	20,000	20,000	20,000	20,000	\$ 100,000
Interfund Loan (transfer in) Property Purchases	-	-	-	-	-	-	\$ -
Interest Income	21,000	21,000	21,000	21,000	21,000	21,000	\$ 105,000
<b>TOTAL REVENUES</b>	<b>\$ 764,412</b>	<b>\$ 843,990</b>	<b>\$ 893,720</b>	<b>\$ 974,170</b>	<b>\$ 1,030,840</b>	<b>\$ 1,091,150</b>	<b>\$ 4,833,870</b>
<b>EXPENDITURES/USES</b>							
<b>DEBT SERVICE TRANSFERS</b>							
2016 Refunding - 2006 ID Bonds - Ellsworth Loop Rd		335,044	333,775	333,875	331,475	332,500	\$ 1,666,669
<b>BUSINESS EXPENSES</b>							
OC Inc/Chamber Annex	21,581	14,700	15,100	15,600	16,100	16,600	\$ 78,100
Gangplank	8,000	8,000	8,000	10,000	10,000	10,000	\$ 46,000
Town Center Rental Properties (TC000)	1,500	1,500	1,550	1,600	1,650	1,700	\$ 8,000
<b>CONSTRUCTION SERVICES</b>							
Town Center Plan Update (TC004)	199,312	-	-	-	-	-	\$ -
Façade Improvements (TC001)	86,636	50,000	50,000	50,000	50,000	50,000	\$ 250,000
TC Decorative Elements/Art (TC006)	25,000	25,000	25,000	25,000	25,000	25,000	\$ 125,000
Library Parking (TC009)	27,695	-	-	-	-	-	\$ -
TC Lighting/Electric Upgrades (A0002)	25,839	-	-	-	-	-	\$ -
Design Elements for NWC Ellsworth/Ocotillo (TC008)	58,301	-	-	-	-	-	\$ -
<b>LAND</b>							
Interfund Loan Principal Repayment		-	-	-	3,200,000	-	\$ 3,200,000
Interfund Loan Interest Payment (2 parcels FY17)	80,000	80,000	80,000	80,000	80,000	-	\$ 320,000
<b>OTHER</b>							
Block Party	40,000	40,000	40,000	40,000	40,000	40,000	\$ 200,000
Trunk or Treat	25,000	25,000	25,000	25,000	25,000	25,000	\$ 125,000
Town Center/Banner Signage (TC007)	10,000	10,000	10,000	10,000	10,000	10,000	\$ 50,000
Construction/Land Contingency		750,000					\$ 750,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 608,864</b>	<b>\$ 1,339,244</b>	<b>\$ 588,425</b>	<b>\$ 591,075</b>	<b>\$ 3,789,225</b>	<b>\$ 510,800</b>	<b>\$ 6,818,769</b>
Annual Result	155,548	(495,254)	305,295	383,095	(2,758,385)	580,350	
Beginning Balance	\$ 1,908,853	\$ 2,064,401	\$ 1,569,147	\$ 1,874,442	\$ 2,257,537	\$ (500,848)	
Projected Ending Fund Balance	\$ 2,064,401	\$ 1,569,147	\$ 1,874,442	\$ 2,257,537	\$ (500,848)	\$ 79,502	

### Fund Description and Relation to Corporate Strategic Plan

This fund is used to run beautification and business-related projects in Town Center. The funding mechanism for these projects is primarily the 0.25% dedicated sales tax charged within the major retail developments in Town Center. Included in the FY 2018/19 budget is includes continued operations of the Chamber of Commerce annex, the Façade Improvement program, decorative elements for Town Center, and funding for special events.

Debt service transfers for the non-growth share of the Improvement District debt have been moved to the Town Center Fund effective with FY 2018/19. A five year inter-fund loan was provided from the Utility Funds for property purchased in FY 2016/17, with interest only payments due annually. The principal is scheduled to be repaid in FY 2021/22.

Strategic priorities that relate to the Municipal Town Center Fund are:



Secure Future



Quality Lifestyle



# Other Funds

## Special Assessment Fund

Special Assessment Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Property Assessment	1,702,406	1,760,910	1,758,080	1,759,515	1,760,093	1,754,813	\$ 8,793,411
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 1,702,406</b>	<b>\$ 1,760,910</b>	<b>\$ 1,758,080</b>	<b>\$ 1,759,515</b>	<b>\$ 1,760,093</b>	<b>\$ 1,754,813</b>	<b>\$ 8,793,411</b>
<b>EXPENDITURES/USES</b>							
Debt Service							
2016 Refunding of 2006 ID Bonds - Ellsworth Loop Rd	1,702,406	1,760,910	1,758,080	1,759,515	1,760,093	1,754,813	\$ 8,793,411
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,702,406</b>	<b>\$ 1,760,910</b>	<b>\$ 1,758,080</b>	<b>\$ 1,759,515</b>	<b>\$ 1,760,093</b>	<b>\$ 1,754,813</b>	<b>\$ 8,793,411</b>
<b>Annual Result</b>							
Beginning Balance	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642
Projected Ending Fund Balance	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642	\$ 118,642

### **Fund Description and Relation to Corporate Strategic Plan**

The fund only accounts for the non-Town owned portion of the Improvement District debt service for the 2006 Improvement District Bond for the construction of Ellsworth Loop Road, which was refinanced in 2016, resulting in significant savings. Debt service is paid by property owners within the Improvement District. The Town owned share of property in the district accounts for 48% of the debt service and is included in the debt service fund, with funding transfers from the Construction Sales Tax Fund (75%) and the Town Center Fund (25%).

*Strategic priorities that relate to the Special Assessment Fund are:*



Effective Government





# Other Funds

## Construction Sales Tax Fund

Construction Sales Tax Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Construction Sales Tax	5,455,850	3,972,970	3,989,880	5,087,890	5,001,460	4,882,220	\$ 22,934,420
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 5,455,850</b>	<b>\$ 3,972,970</b>	<b>\$ 3,989,880</b>	<b>\$ 5,087,890</b>	<b>\$ 5,001,460</b>	<b>\$ 4,882,220</b>	<b>\$ 22,934,420</b>
<b>EXPENDITURES/USES</b>							
<b>Development Agreements</b>							
Transportation Development Agreements	509,551	376,410	-	-	-	-	\$ 376,410
Interfund Loan Payment to GF \$7.8M	1,815,871	1,595,871	1,595,871	1,595,871	1,595,871	1,595,871	\$ 7,979,355
Interfund Loan Payment to Wastewater \$5M	-	100,000	100,000	100,000	100,000	1,379,058	\$ 1,779,058
Interfund Loan Payment to Water \$6M	-	120,000	120,000	120,000	120,000	120,000	\$ 600,000
Interfund Loan Payment to GF \$2.2M	-	2,230,228	-	-	-	-	\$ 2,230,228
<b>Transfers to Debt Service</b>							
2006 ID Bonds - Ellsworth Loop Rd	1,013,812	1,005,131	1,001,325	1,001,625	994,425	997,500	\$ 5,000,006
2016 Refinancing of 2007 Excise Tax Bond	288,062	285,455	283,668	283,580	282,417	283,597	\$ 1,418,717
<b>Transfers to CIP</b>							
Transportation Projects (Growth Projects)	-	819,023	889,016	1,986,814	1,908,747	506,194	\$ 6,109,794
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,627,296</b>	<b>\$ 6,532,118</b>	<b>\$ 3,989,880</b>	<b>\$ 5,087,890</b>	<b>\$ 5,001,460</b>	<b>\$ 4,882,220</b>	<b>\$ 25,493,568</b>
<b>Annual Result</b>	<b>1,828,554</b>	<b>(2,559,148)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Beginning Balance</b>	<b>730,594</b>	<b>2,559,148</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>
<b>Projected Ending Fund Balance</b>	<b>2,559,148</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

### Fund Description and Relation to Corporate Strategic Plan

This fund accounts for the dedicated 2.0% construction sales tax rate. Construction sales tax is used to pay the growth share (75%) of the Transportation Development Agreements and debt related to the 2006 Improvement District and the 2007 Bond. In FY 2016/17, a number of inter-fund loans were authorized by Council in order to pay off development agreements (\$18.8M), as well as advance the funds (on a short-term basis) needed to pay the Construction Sales Tax share of roadway improvements included in the 2014 Transportation Infrastructure Improvement Plan (\$2.2M). After these obligations, any remaining construction sales tax revenues are then transferred to fund ongoing roadway improvements.

*Strategic priorities that relate to the Construction Sales Tax Fund are:*



Superior Infrastructure



# Other Funds

## Healthcare Self-Insurance Fund

Healthcare Self-Insurance Fund	FY17/18 Revised	FY18/19 Adopted	FY 19/20 Requested	FY 20/21 Requested	FY 21/22 Requested	FY 22/23 Requested	Total 5 year Projection
<b>REVENUES/SOURCES</b>							
Employer Premiums - Medical	\$ 2,219,400	\$ 2,576,090	\$ 2,704,900	\$ 2,840,100	\$ 2,982,100	\$ 3,131,200	\$ 14,234,390
Employee Premiums - Medical	698,405	716,818	752,700	790,300	829,800	871,300	\$ 3,960,918
Employer Premiums - Dental	206,670	181,139	190,200	199,700	209,700	220,200	\$ 1,000,939
Employee Premiums - Dental	62,140	55,661	60,110	63,100	66,300	69,600	\$ 314,771
Employer Premiums - Vision	19,350	17,658	18,200	19,100	20,100	21,100	\$ 96,158
Employee Premiums - Vision	5,270	4,809	4,950	5,200	5,500	5,800	\$ 26,259
HSA Funding	395,500	463,586	486,770	511,100	536,700	563,500	\$ 2,561,656
Insurance Premiums	40,000	42,000	44,100	46,300	48,600	51,000	\$ 232,000
Interest	10,000	10,500	11,000	11,600	12,200	12,800	\$ 58,100
Stop Loss Reimbursement	150,000	147,500	144,900	142,100	139,200	136,200	\$ 709,900
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 3,806,735</b>	<b>\$ 4,215,761</b>	<b>\$ 4,417,830</b>	<b>\$ 4,628,600</b>	<b>\$ 4,850,200</b>	<b>\$ 5,082,700</b>	<b>\$ 23,195,091</b>
<b>EXPENDITURES/USES</b>							
Claims & Ins Payments							
Medical Claims	\$ 2,200,000	\$ 2,521,437	\$ 2,723,150	\$ 2,941,000	\$ 3,176,280	\$ 3,430,390	\$ 14,792,257
Fixed Expense	270,000	291,696	300,450	309,460	318,740	328,310	\$ 1,548,656
HSA Contributions	395,500	559,398	559,400	559,400	559,400	559,400	\$ 2,796,998
Short Term Disability Premiums	23,200	23,200	23,900	24,610	25,350	26,110	\$ 123,170
Dental Premiums	268,810	229,881	250,310	262,800	276,000	289,800	\$ 1,308,791
Vision Premiums	24,620	22,467	23,150	24,300	25,600	26,900	\$ 122,417
Flexible Spending premiums	1,700	1,700	1,750	1,800	1,860	1,910	\$ 9,020
Life Insurance Premiums	54,400	76,008	78,290	80,640	83,060	85,550	\$ 403,548
Wellness Initiatives	6,000	6,000	6,000	6,480	7,000	7,560	\$ 33,040
ACA Fees	21,200	22,896	24,730	26,710	28,840	31,150	\$ 134,326
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,265,430</b>	<b>\$ 3,754,683</b>	<b>\$ 3,991,130</b>	<b>\$ 4,237,200</b>	<b>\$ 4,502,130</b>	<b>\$ 4,787,080</b>	<b>\$ 21,272,223</b>
Annual Result	541,305	461,078	426,700	391,400	348,070	295,620	
Beginning Balance	\$ 208,448	\$ 749,753	\$ 1,210,831	\$ 1,637,531	\$ 2,028,931	\$ 2,377,001	
Projected Ending Fund Balance	\$ 749,753	\$ 1,210,831	\$ 1,637,531	\$ 2,028,931	\$ 2,377,001	\$ 2,672,621	

### Fund Description and Relation to Corporate Strategic Plan

This fund is used to account for the Town's self-insured medical benefits, as well as dental, vision and other insurances. Revenue to this fund is mainly derived from premiums charged to both the Town and employees. The premiums are collected each payroll for the Town's portion through an expense to the departments for the Town's share and payroll deductions for the employees' share. Revenues are also collected through insurance recoveries and interest earned. This fund provides payment of actual healthcare expenses, as well as claims administration and other benefit plan expenses.

Strategic priorities that relate to the Healthcare Self-Insurance Fund are:



Effective Government



## Other Funds

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### Street Light Improvement Districts Fund (SLIDs)

Queen Creek uses SLIDs to recover the electric costs of streetlights installed within subdivisions throughout the community. SLIDs are funded through a special levy placed on the secondary property tax collections, with expenditures in the fund being primarily electrical costs. Each year the appropriation is based on anticipated actual electrical consumption within the districts for the upcoming year. At the time of budget development, the Town is anticipating 91 districts for FY 2018/19.

The expenditure budget will remain unchanged for FY 2018/19 at \$700,000.

A contract is in place with the local utility company, who owns the streetlights, to conduct all maintenance and operations of the lights in the SLIDs; however, this contract is set to expire in 2019 and will not be renewed by the utility company. Hence, the Town could have a substantial capital outlay for the purchase of the utility owned streetlights that may need to be addressed in FY 2019/20.

### Community Events Fund

This fund was established to run recurring Town events. Currently, the Town runs the following annual events out of this fund:

- Trunk or Treat (October)
- Holiday Tree Lighting (December)
- Spring into QC (Springtime)
- 4<sup>th</sup> of July Fireworks
- **Founder's Day (September)**
- Town Center Block Party (February)

Revenues are generated through contributions and donations. With some exception, it is anticipated that events will be put on only to the extent to which they have collected contributions and donations in excess of the Town provided minimum funding. The General Fund provides \$25,000 in funding towards the events and the Block Party is specifically funded by a transfer from the Town Center Fund.

The total budget for all events in this fund is \$164,650 for FY 2018/19.

### Grants Fund

A grants fund has been established to house anticipated grant revenue and equivalent expenses. If a grant is not received, then expenses do not occur. However, the Town does need to have sufficient expenditure authority to take advantage of grant opportunities. The following are grants anticipated for FY 2018/19:

Queen Creek Fire and Medical is planning to apply for the following two grants:

- Assistance to Firefighters Grant –Replacement of the fire engine at Station 1 (E411). The grant is for **\$800,000 and the Town's match is \$72,700.**
- Personal Protection Equipment (PPE). The Town will be seeking a grant to purchase second sets of personal protection equipment (turnouts) for the Fire Department – a total of 65 sets (\$230K) – no cost sharing. This grant will alleviate the need to borrow **turnouts from Gilbert while Queen Creek's are being cleaned/launched following fire calls.**

Taking into account these grants, as well as providing expenditure authority for any new grant opportunities, The FY 2018/19 grants budget is set at \$2.0M.



# Debt

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## Debt Capacity Analysis – Arizona Constitutional Limit

Under the provisions of the Arizona Constitution, outstanding general obligation bonded debt for combined water, sewer, light, parks and open space, transportation and public safety purposes may not exceed 20% of a municipality’s net assessed valuation, nor may outstanding general obligation bonded debt for all other purposes exceed 6% of a municipality’s net assessed valuation. The Town of Queen Creek has no outstanding general obligation debt at this time.

The Town of Queen Creek’s net valuation for FY 2018/19 is \$357,013,675. This includes both Maricopa County and Pinal County assessed values.

20% Debt Margin Limit:	\$ 71,402,735
Bonded Debt Outstanding:	<u>0</u>
Unused 20% Limitation Borrowing Capacity:	\$ 71,402,735
6% Debt Margin Limit:	\$ 21,420,821
Bonded Debt Outstanding:	<u>0</u>
Unused 6% Limitation Borrowing Capacity:	\$ 21,420,821

# Debt Guidelines

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The objective of the Town of Queen Creek’s debt management is two-fold: maintain the Town’s ability to incur present and future debt at the most beneficial interest rates for financing the adopted CIP, and ensure debt issuance does not adversely affect the Town’s ability to finance essential Town services.

Analysis of every new debt issuance will be performed to ensure adequate debt capacity, as well as the Town’s ability to repay the debt. In addition, debt management policies of the Town will be followed.

Short-term borrowing or lease purchase contracts will be considered for financing major operating capital equipment when it is determined to be in the Town’s best financial interest. Long-term debt will not be issued to finance current operations.

The Town has no immediate plans to issue General Obligation (GO) Bonds. While the Town prefers to rely on pay-as-you-go for financing CIP projects, there were some debt issuances in FY 2017/18 for transportation, public safety and fire projects.

# Town Debt by Type

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## General Obligation Bonds:

The Town does not currently have any General Obligation Bonds outstanding. GO Bonds are “full faith and credit” bonds, secured by ad valorem taxes levied without limit against all taxable property within the Town. The issuance of GO bonds, and the projects funded by GO bonds require voter approval.



# Debt

## Pledged Revenue Bonds

The Town may issue debt secured by a pledge of excise taxes and state-shared revenue. **The Town's** bond rating for Excise Tax Bonds was recently upgraded by S&P and Fitch. **The Town's rating** is at AA for both S&P and Fitch.

The Town issued Debt in FY 2017/18 in order to pay for some transportation, public safety and fire projects. The Debt was issued in two separate series in order to account for the Growth and Non-Growth portions of the projects. For Series A \$47,945,000 of the total original principal amount and the total outstanding principal as of June 30, 2018 is secured by excise taxes and state-shared revenues. For Series B \$18,015,000 of the total original principal amount and the total outstanding principal as of June 30, 2018 is secured by excise taxes and state-shared revenues

The Town refunded its outstanding Governmental Debt in FY 2016/17 using a single issuance, resulting in \$12.5M in savings. The refunded debt is secured by a pro-rata share of each bonds outstanding debt prior to the refunding. For the refunded bonds \$32,965,000 of the total original principal amount and \$31,165,000 of the total outstanding principal as of June 30, 2018 is secured by excise taxes and state-shared revenue.

Additionally, the Town has an outstanding bond of which \$3,845,000 and \$3,370,000 of the total outstanding principal as of June 30, 2018.

The 2018 bond issuance is secured by a pledge of excise taxes and state shared revenues for the following purposes:

Town of Queen Creek, Arizona

Excise Tax and State Shared Revenue Obligations, Series 2018

\$65,960,000 of the total bond issue is attributable to this original issuance, which has a final maturity date in 2047. The Town issued these bonds to provide \$57,330,000 for transportation projects and \$8,630,000 for public safety projects.

The 2016 refunding bond issuance is secured by a pledge of excise taxes and state shared revenues for the following purposes:

Greater Arizona Development Authority (GADA)

Infrastructure Revenue Bonds, Series 2004B

\$4,305,000 of the total bond issue is attributable to this original issuance, which has a final maturity date in 2029. The Town used these funds for construction of a development service building and the acquisition of land for municipal purposes.

Greater Arizona Development Authority (GADA)

Infrastructure Revenue Bonds, Series 2005B

\$1,470,000 of the total bond issue is attributable to this original issuance, which has a final maturity date in 2030. The Town used these funds for the acquisition of land for a library and other municipal purposes.

Greater Arizona Development Authority (GADA)

Infrastructure Revenue Bonds, Series 2006A

\$7,995,000 of the total bond issue is attributable to this original issuance, which has a final maturity date in 2036. The Town used these funds for the construction of a library.



# Debt

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Town of Queen Creek, Arizona

Excise Tax and State Shared Revenue Obligations, Series 2007

\$18,210,000 of the total bond issue is attributable to this original issuance, which has a final maturity date in 2032. The Town issued the Series 2007 Bonds to provide funds for certain street intersection improvements, library improvements, park improvements and Town Hall improvements, as well as to refinance and repay in full certain outstanding lease-purchase obligations.

Greater Arizona Development Authority (GADA)

Infrastructure Revenue Bonds, Series 2008A

\$985,000 of the total bond issue is attributable to this original issuance, which has a final maturity date in 2023. This portion of the issue has a final maturity in 2023. Queen Creek used these funds for the Horseshoe Park Equestrian Centre.

The remaining bond issuance is supported by the following revenue source:

Greater Arizona Development Authority (GADA)

Infrastructure Revenue 2003 Refunding Bonds, Series 2014A

\$3,845,000 of the total \$10,395,000 bond issue was loaned to the Town of Queen Creek. This portion of the issue has a final maturity date in 2028. These bonds were issued to refund the 2003A issue used for wastewater system improvements.

## Improvement District Bonds

Improvement District (ID) bonds issued by the Town are secured by special assessments levied upon the real property included within the improvement district. These bonds do not constitute a general obligation of the Town and are not backed by general taxing power, but the Town is contingently liable for their payment in the event that the property owners within the District do not make payments. Additionally, the Town is liable for payments on property within the Improvement District that is directly owned by the Town. **The Town's current bond rating in Improvement District Bonds is A3 from Moody's, A- from S&P, and A- from Fitch.**

Statutory provision requires that ID bonds bear a single-interest rate, have a final maturity no longer than twenty-five years and three months, and pay principal on January 1. The Town currently has one outstanding issue of ID bonds.

**In conjunction with the Town's refunding** of its outstanding Governmental Debt in FY 2016/17, the Town included its portion of the Improvement District bonds in the amount refunded.

Additionally, the Town worked to separately refund the remaining Improvement District bonds for parcels owned by private parties.



# Debt

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## Improvement District No. 001: Improvement Bonds - Town

\$15,025,000 of the total bond issue is attributable to this original issuance which has a final maturity date in 2032. The bonds have \$14,215,000 of principal outstanding as of June 30, 2018.

## Improvement District No. 001: Improvement Bonds - Private

The \$18,445,000 Ellsworth Road Improvement District Bonds were issued on November 30, 2016, with an interest rate of 2.45% and a final maturity of January 1, 2030. This re-issuance resulted in \$4.8M in savings. The bonds have \$17,180,000 of principal outstanding as of June 30, 2018.

In both instances the bonds were used to provide funds for improvement costs, such as the construction and installation of certain street improvements, railroad facilities relocation, storm drain facilities and pump station, water and sanitary sewer facilities, landscaping, lighting, irrigation, and related improvements and related appurtenances.

## Water Infrastructure Finance Authority Loans

The Water Infrastructure Finance Authority of Arizona (WIFA) is an independent agency of the state of Arizona authorized to finance the construction, rehabilitation and/or improvement of drinking water, wastewater, wastewater reclamation, and other water quality facilities/projects. Generally, WIFA offers borrowers below market interest rates on loans for up to 100% of eligible project costs.

The Town has four WIFA loans, all secured by a pledge of the new revenues of the respective Water and Sewer funds. Total outstanding principal balance is \$62,149,616 as of June 30, 2018. The most recent WIFA loan was issued in FY 2013/14 to finance \$16 million of the H2O water company purchase. The purchase total was over \$25 million, and the remaining debt for this purchase is discussed below.

## Other Loans/Debt

The Town entered into a purchase agreement for acquiring H2O Water Company, which has been financed in part through the 2013 WIFA loan (\$16M), and the remaining balance to be paid through issuance of a 30-year tax exempt municipal revenue bond to H2O. The original principal amount for this portion of the purchase is \$19,425,089. Interest-only payments are scheduled until FY 2019/20.

The Town has also utilized lease purchase agreements for equipment in Grounds, Streets, and Fire. Original combined amount of these loans is \$2,580,922; the current outstanding balance as of June 30, 2018 is \$258,785.

The following is a summary of Town debt by type:





# Debt

Issue Date	Final Maturity Date	Bond Issue/Loan Type	Original Principal	6/30/18 Outstanding Principal
<b>Pledged Revenue Bonds</b>				
2/21/2018	2047	2018 Excise Tax and State Shared Revenue Obligations, Series 2018	65,960,000	65,960,000
10/1/2016	2029	2016 Refunding - GADA - Infrastructure Revenue Bonds, Series 2004B	4,305,000	4,015,000
10/1/2016	2030	2016 Refunding - GADA - Infrastructure Revenue Bonds, Series 2005B	1,470,000	1,385,000
10/1/2016	2036	2016 Refunding - GADA - Infrastructure Revenue Bonds, Series 2006A	7,995,000	7,675,000
10/1/2016	2033	2016 Refunding - Excise Tax and State Shared Revenue Obligations, Series 2007	18,210,000	17,240,000
10/1/2016	2023	2016 Refunding - GADA- Infrastructure Revenue Bonds, Series 2008A	985,000	850,000
3/26/2014	2028	GADA - Infrastructure Revenue Refunding Bonds, Series 2014A	3,845,000	3,595,000
<i>Subtotal Pledged Revenue Bonds</i>			<b>\$ 102,770,000</b>	<b>\$ 100,720,000</b>
<b>Improvement District Bonds</b>				
10/1/2016	2032	2016 Refunding - Improvement District No 001 Bonds, 2006	15,025,000	14,215,000
11/30/2016	2030	2016 Refunding - Improvement District No 001 Bonds, 2006	18,445,000	17,180,000
<i>Subtotal Improvement District Bonds</i>			<b>\$ 33,470,000</b>	<b>\$ 31,395,000</b>
<b>WIFA Loans</b>				
8/15/1998	2019	WIFA Loan 1998 - Initial Sewer Buy-In Loan	4,400,000	319,218
3/28/2005	2025	WIFA Loan 2005 - Sewer Buy-in GWRP	34,000,000	22,470,507
3/27/2008	2028	WIFA Loan 2008 - QC Water company acquisition	40,000,000	25,817,898
11/1/2013	2033	WIFA Loan 2013 - H2O company acquisition	16,000,000	13,541,993
<i>Subtotal WIFA Loans</i>			<b>\$ 94,400,000</b>	<b>\$ 62,149,616</b>
<b>Other</b>				
2013	2044	Schnepf Trust - H2O Acquisition	19,425,089	19,425,089
2013	2020	2013 Zions Bank - HURF- Dump Truck	124,294	23,118
2014	2021	2015 Oshkosh Capital - Fire Equipment	518,696	235,667
<i>Subtotal Other Debt</i>			<b>\$ 20,068,079</b>	<b>\$ 19,683,874</b>
<b>Total All Debts/Loans</b>			<b>\$ 250,708,079</b>	<b>\$ 213,948,490</b>

The following table provides the FY 2018/19 annual debt service payment breakouts. The source of payment for debt service is provided on the following pages.

Loan/Bond Type	Interest Rate	Original Amount of Loan/Bond	6/30/18 Outstanding Balance	FY 2018/19				Maturity Date (year)
				Annual Principal Amount	Annual Interest Amount	Annual Admin. Fee Amount	Annual Debt Service Amount	
1998 WIFA Loan Initial Sewer Buy-In Loan	3.88%	\$ 4,400,000	\$ 319,218	\$ 319,218	\$ -	\$ -	\$ 319,218	2019
2016 Refunding - 2004 GADA Loan Town Hall Bldgs	2-5%	4,305,000	4,015,000	265,000	172,225	-	437,225	2029
2016 Refunding - 2005 GADA Loan Library	2-5%	1,470,000	1,385,000	80,000	60,500	-	140,500	2030
2005 WIFA Loan Sewer Buy-in - GWRP	2.21%	34,000,000	22,470,507	1,691,723	458,380	311,681	2,461,784	2025
2016 Refunding - 2006 GADA Loan Library	2-5%	7,995,000	7,675,000	270,000	332,750	-	602,750	2036
2016 Refunding - 2006 ID Bonds Ellsworth Loop Road	2-5%	15,025,000	14,215,000	705,000	635,175	-	1,340,175	2032
2016 Refunding - 2006 ID Bonds Ellsworth Loop Road	2.45%	18,445,000	17,180,000	1,340,000	420,910	-	1,760,910	2030
2016 Refunding - 2007 Excise Tax Bonds: Parks, Transportation, Town Buildings, Library	2-5%	18,210,000	17,240,000	850,000	770,800	-	1,620,800	2033
2016 Refunding - 2008 GADA Loan HPEC Facility	2-5%	985,000	850,000	125,000	33,825	-	158,825	2023
2008 WIFA Loan QC Water company acquisition	4.04%	40,000,000	25,817,898	1,910,654	606,646	358,609	2,875,909	2028
2013 Zions Bank - HURF- Dump Truck	2.50%	124,294	23,118	19,942	454	-	20,396	2020
2013 WIFA Loan H2O company acquisition	3.15%	16,000,000	13,541,993	663,707	212,074	192,329	1,068,110	2033
2014 Schnepf Trust H2O company acquisition	8.00%	19,425,089	19,425,089	-	987,407	695,799	1,683,206	2044
2014 GADA Revenue Refunding (Sewer Buy-in - GWRP)	2-5%	3,845,000	3,595,000	245,000	147,900	-	392,900	2028
2015 Oshkosh Capital - Fire Equipment	5.02%	518,696	235,667	76,215	7,164	-	83,379	2021
2018 Series 2018 - Transportation	2-5%	57,330,000	57,330,000	430,000	2,607,833	-	3,037,833	2047
2018 Series 2018 - Public Safety	2-5%	8,630,000	8,630,000	135,000	324,778	-	459,778	2037
<b>Totals</b>		<b>\$ 250,708,079</b>	<b>\$ 213,948,490</b>	<b>\$ 9,126,459</b>	<b>\$ 7,778,821</b>	<b>\$ 1,558,418</b>	<b>\$ 18,463,698</b>	



# Debt

## Debt Service Expenses by Fund

The following tables provide debt service payment amounts by fund, followed by a five-year debt service projection for the Town's outstanding bonds, loans, and lease purchases.

Source of Annual Debt Service Payments	
General Fund	\$ 3,457,763
HPEC	\$ 297,203
HURF/Streets	\$ 286,013
Fire/EMS	\$ 83,380
Sewer Operating	\$ 3,173,902
Water Operating	\$ 5,414,839
Water Capacity	\$ 212,386
Town Center	\$ 335,044
Parks Development	\$ 522,071
Town Buildings Development	\$ 292,777
Library Development	\$ 405,292
Transportation Development	\$ 471,755
Public Safety Development	\$ 102,257
Fire Development	\$ 357,521
Construction Sales Tax	\$ 1,290,586
Improvement District Assessment	\$ 1,760,910
<b>TOTAL</b>	<b>\$ 18,463,699</b>



# Debt

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
Loan/Bond Type	Annual Debt Service Amount	Annual Debt Service Amount	Annual Debt Service Amount	Annual Debt Service Amount	Annual Debt Service Amount
2016 Refunding - 2004B GADA - Town Buildings	215,115	215,373	212,372	213,368	214,069
2016 Refunding - 2005B GADA - Library	65,473	66,452	67,151	67,535	67,826
2016 Refunding - 2006A GADA - Library	325,485	325,674	324,918	323,136	323,784
2016 Refunding - 2007 Excise Tax Bond	285,612	283,823	283,735	282,572	283,753
2018 Series 2018 - Transportation	2,566,078	3,125,800	3,122,300	3,118,700	3,118,800
<i>Subtotal General Fund</i>	<i>\$ 3,457,763</i>	<i>\$ 4,017,122</i>	<i>\$ 4,010,476</i>	<i>\$ 4,005,311</i>	<i>\$ 4,008,232</i>
2016 Refunding - 2007 Excise Tax Bond	201,114	199,855	199,793	198,974	199,805
2016 Refunding - 2008A GADA - HPEC	96,089	99,371	99,069	95,257	100,339
<i>Subtotal HPEC Fund</i>	<i>\$ 297,203</i>	<i>\$ 299,226</i>	<i>\$ 298,862</i>	<i>\$ 294,231</i>	<i>\$ 300,144</i>
2016 Refunding - 2007 Excise Tax Bond	265,617	263,953	263,871	262,790	263,888
2013 Zions Bank - HURF Dump Truck	20,396	3,216	-	-	-
<i>Subtotal HURF Fund</i>	<i>\$ 286,013</i>	<i>\$ 267,169</i>	<i>\$ 263,871</i>	<i>\$ 262,790</i>	<i>\$ 263,888</i>
1998 WIFA Loan Initial Sewer Loan	319,218	-	-	-	-
2005 WIFA Loan Sewer Buy-in - GWRP	2,461,784	2,459,461	2,457,051	2,454,552	2,451,961
2014A GADA Revenue Refunding (Sewer Buy-in GWRP)	392,900	392,700	392,100	388,350	384,100
<i>Subtotal Sewer Operating Fund</i>	<i>\$ 3,173,902</i>	<i>\$ 2,852,161</i>	<i>\$ 2,849,151</i>	<i>\$ 2,842,902</i>	<i>\$ 2,836,061</i>
2008 WIFA Loan QC Water Co Acquisition	2,875,909	2,872,794	2,869,554	2,866,183	2,862,675
2014 WIFA Loan H2O Water Co Acquisition	855,724	848,365	840,774	832,944	824,866
2014 Schnepf Trust H2O Water Co Acquisition	1,683,206	1,719,636	1,711,845	1,703,439	1,694,368
<i>Subtotal Water Operating Fund</i>	<i>\$ 5,414,839</i>	<i>\$ 5,440,795</i>	<i>\$ 5,422,173</i>	<i>\$ 5,402,566</i>	<i>\$ 5,381,909</i>
2014 WIFA Loan H2O Water Co Acquisition	212,386	219,085	225,995	233,123	240,476
2014 Schnepf Trust H2O Water Co Acquisition	-	85,028	91,830	99,176	107,110
<i>Subtotal Water Capacity Fund</i>	<i>\$ 212,386</i>	<i>\$ 219,085</i>	<i>\$ 225,995</i>	<i>\$ 233,123</i>	<i>\$ 240,476</i>
2016 Refunding - 2006 ID Bonds - Ellsworth Loop Rd	335,044	333,775	333,875	331,475	332,500
<i>Subtotal Town Center Development Fund</i>	<i>\$ 335,044</i>	<i>\$ 333,775</i>	<i>\$ 333,875</i>	<i>\$ 331,475</i>	<i>\$ 332,500</i>
2016 Refunding - 2007 Excise Tax Bond	218,440	217,072	217,004	216,115	217,018
2016 Refunding - 2007 Excise Tax Bond - HPEC	240,895	239,386	239,312	238,331	239,327
2016 Refunding - 2008A GADA - HPEC	62,736	64,879	64,681	62,193	65,511
<i>Subtotal Parks &amp; Open Space Development Fund</i>	<i>\$ 522,071</i>	<i>\$ 521,337</i>	<i>\$ 520,997</i>	<i>\$ 516,639</i>	<i>\$ 521,856</i>
2016 Refunding - 2004B GADA - Town Buildings	222,110	222,377	219,278	220,307	221,031
2016 Refunding - 2007 Excise Tax Bond	70,667	70,224	70,203	69,915	70,207
<i>Subtotal Town Buildings Development Fund</i>	<i>\$ 292,777</i>	<i>\$ 292,601</i>	<i>\$ 289,481</i>	<i>\$ 290,222</i>	<i>\$ 291,238</i>
2018 Series 2018 - Transportation	471,755	586,838	587,788	583,688	581,388
<i>Subtotal Transportation Development Fund</i>	<i>\$ 471,755</i>	<i>\$ 586,838</i>	<i>\$ 587,788</i>	<i>\$ 583,688</i>	<i>\$ 581,388</i>
2016 Refunding - 2005B GADA - Library	75,027	76,148	76,949	77,390	77,724
2016 Refunding - 2006A GADA - Library	277,265	277,426	276,782	275,264	275,816
2016 Refunding - 2007 Excise Tax Bond	53,000	52,668	52,652	52,436	52,655
<i>Subtotal Library Development Fund</i>	<i>\$ 405,292</i>	<i>\$ 993,080</i>	<i>\$ 994,171</i>	<i>\$ 988,778</i>	<i>\$ 987,583</i>
2018 Series 2018 - Public Safety	102,257	140,250	142,875	140,075	142,175
<i>Subtotal Public Safety Fund</i>	<i>\$ 102,257</i>	<i>\$ 140,250</i>	<i>\$ 142,875</i>	<i>\$ 140,075</i>	<i>\$ 142,175</i>
2015 Oshkosh Capital - Fire Equipment	83,380	83,380	83,380	-	-
<i>Subtotal EMS-Fire Fund</i>	<i>\$ 83,380</i>	<i>\$ 83,380</i>	<i>\$ 83,380</i>	<i>\$ -</i>	<i>\$ -</i>
2018 Series 2018 - Public Safety	357,521	497,863	494,538	494,738	494,538
<i>Subtotal Fire Development Fund</i>	<i>\$ 357,521</i>	<i>\$ 497,863</i>	<i>\$ 494,538</i>	<i>\$ 494,738</i>	<i>\$ 494,538</i>
2016 Refunding - 2006 ID Bonds - Ellsworth Loop Rd	1,005,131	1,001,325	1,001,625	994,425	997,500
2016 Refunding - 2007 Excise Tax Bond	285,455	283,668	283,580	282,417	283,597
<i>Subtotal Construction Sales Tax</i>	<i>\$ 1,290,586</i>	<i>\$ 1,284,993</i>	<i>\$ 1,285,205</i>	<i>\$ 1,276,842</i>	<i>\$ 1,281,097</i>
2016 Refunding - 2006 ID Bonds - Ellsworth Loop Rd	1,760,910	1,758,080	1,759,515	1,760,093	1,754,813
<i>Subtotal Special Assessment ID Fund</i>	<i>\$ 1,760,910</i>	<i>\$ 1,758,080</i>	<i>\$ 1,759,515</i>	<i>\$ 1,760,093</i>	<i>\$ 1,754,813</i>
<b>Total Debt Service</b>	<b>\$ 18,463,699</b>	<b>\$ 19,085,945</b>	<b>\$ 19,066,395</b>	<b>\$ 18,938,961</b>	<b>\$ 18,943,620</b>



FY 2018/19  
Budget



# Outstanding Debt Schedules

Town of Queen Creek Outstanding Debt FY2019- FY2048								
Principal, Interest and Fees Combined								
Year	2016 Refunding Bond				Excise Tax Bond 2007		2016I Refunding Bond	2014 Bond
	GADA 2004B \$4,305,000 Town Buildings	GADA 2005B \$1,470,000 Library	GADA 2006A \$7,995,000 Library	GADA 2008 \$985,000 HPEC	Parks -52% \$18,210,000	ID Bond 2006 \$15,025,000	ID Bond 2006 \$18,445,000	GADA 2014A \$3,845,000 Sewer
FY18-19	\$ 437,225	\$ 140,500	\$ 602,750	\$ 158,825	\$ 1,620,800	\$ 1,340,175	\$ 1,760,910	\$ 392,900
FY19-20	437,750	142,600	603,100	164,250	1,610,650	1,335,100	1,758,080	392,700
FY20-21	431,650	144,100	601,700	163,750	1,610,150	1,335,500	1,759,515	392,100
FY21-22	433,675	144,925	598,400	157,450	1,603,550	1,325,900	1,760,093	388,350
FY22-23	435,100	145,550	599,600	165,850	1,610,250	1,330,000	1,754,813	384,100
FY23-24	435,775	145,925	595,175	158,875	1,609,575	1,327,225	1,753,798	384,100
FY24-25	435,850	136,300	595,250		1,607,100	1,327,950	1,761,925	386,500
FY25-26	436,950	137,200	596,350		1,612,900	1,326,450	1,758,950	385,000
FY26-27	432,550	142,800	596,850		1,606,900	1,323,550	1,760,118	387,500
FY27-28	435,625	137,625	594,825		1,598,125	1,314,250	1,760,305	384,250
FY28-29	431,000	141,625	595,075		1,600,750	1,313,000	1,759,513	385,000
FY29-30	430,500	140,250	594,325		1,600,125	1,309,250	532,740	
FY30-31		143,500	592,575		1,591,375	1,307,875		
FY31-32			594,700		1,589,375	1,303,750		
FY32-33			595,575		1,588,750	1,301,750		
FY33-34			597,800					
FY34-35			596,600					
FY35-36			594,600					
FY36-37			596,700					
FY37-38								
FY38-39								
FY39-40								
FY40-41								
FY41-42								
FY42-43								
FY43-44								
FY44-45								
FY45-46								
FY46-47								
FY47-48								
Total	\$ 5,213,650	\$ 1,842,900	\$ 11,341,950	\$ 969,000	\$ 24,060,375	\$ 19,821,725	\$ 19,880,760	\$ 4,262,500



# Outstanding Debt Schedules

Town of Queen Creek Outstanding Debt FY2019- FY2048									
Principal, Interest and Fees Combined									
2018 Bond	Loans					Capital Leases			
Excise Tax and State Shared Revenue Bond 2018 \$57,330,000 Transportation & \$8,630,000 Public Safety	WIFA	WIFA	WIFA	WIFA	Subordinate Lien (Schneff Trust) \$19,425,089	Zions Lease	Oshkosh		
	1998	2005	2008	2014		2013	Capital		
	\$4,400,000	\$34,000,000	\$40,000,000	\$16,000,000		\$124,294	\$518,696		
	Sewer	Sewer	QC Water	H2O	H2O	HURF	Fire		FY Total
\$ 3,497,611	\$ 319,218	\$ 2,461,784	\$ 2,875,909	\$ 1,068,110	\$ 1,683,206	\$ 20,396	\$ 83,380		\$ 18,463,699
4,350,750		2,459,461	2,872,794	1,067,450	1,804,664	3,216	83,380		19,085,945
4,345,500		2,457,051	2,869,554	1,066,769	1,803,675		83,380		19,064,394
4,337,200		2,454,552	2,866,183	1,066,066	1,802,615				18,938,959
4,336,900		2,451,961	2,862,675	1,065,342	1,801,479				18,943,620
4,329,775		2,449,273	2,859,027	1,064,594	1,800,259				18,913,376
4,332,350		2,446,486	2,855,230	1,063,823	1,798,947				18,747,711
4,328,475		2,443,596	2,851,281	1,063,028	1,797,539				18,737,719
4,330,600		2,440,598	2,847,172	1,062,207	1,796,027				18,726,872
4,323,600		2,437,489	2,842,897	1,061,361	1,794,401				18,684,753
4,327,225		2,434,266	2,838,449	1,060,487	1,792,656				18,679,046
4,316,350				1,059,587	1,790,778				11,773,905
4,310,975				1,058,658	1,788,759				10,793,717
4,322,431				1,057,700	1,786,589				10,654,545
4,316,063				1,056,711	1,784,254				10,643,103
4,315,381				1,057,469	1,781,742				7,752,392
4,313,963					1,779,041				6,689,604
4,311,563					1,776,134				6,682,297
4,304,113					1,773,005				6,673,818
4,311,188					1,769,637				6,080,825
3,666,125					1,766,012				5,432,137
3,664,000					1,762,109				5,426,109
3,665,875					1,757,907				5,423,782
3,656,625					1,753,380				5,410,005
3,656,000					1,748,504				5,404,504
3,653,500					1,743,254				5,396,754
3,648,875									3,648,875
3,641,875									3,641,875
3,642,000									3,642,000
3,638,750									3,638,750
\$ 122,195,638	\$ 319,218	\$ 26,936,517	\$ 31,441,171	\$ 16,999,362	\$ 46,236,573	\$ 23,612	\$ 250,140		



FY 2018/19  
Budget





# Appendix

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Acronyms

Glossary

Position Listing

Budget Adoption Resolution

State Auditor General Budget Schedules





# Acronyms

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ACMA – Arizona City/County Management Association	GFOA – Government Finance Officers Association
ADEQ – Arizona Department of Environmental Quality	GFOAz – Government Finance Officers Association of Arizona
ADOT – Arizona Department of Transportation	GWRP – Greenfield Water Reclamation Plant
ADOR – Arizona Department of Revenue	HR – Human Resources
ADWR – Arizona Department of Water Resources	HPEC – Horseshoe Park Equestrian Centre
A.R.S – Arizona Revised Statute	HURF – Highway User Revenue Fund
ASRS – Arizona State Retirement System	ICMA – International City Managers Association
CAAG – Central Arizona Association of Governments	IIP – Infrastructure Improvement Plan
CAGRD – Central Arizona Groundwater Replenishment District	IT – Information Technology
CAFR – Comprehensive Annual Financial Report	KRA – Key Result Area
CAP – Central Arizona Project	LEED – Leading Through Education & Environmental Design
CDBG – Community Development Block Grant	LTAf – Local Transportation Assistance Fund
CERT - Community Emergency Response Team	MAG – Maricopa Association of Governments
CIL- Cash-in-Lieu	MCSO – <b>Maricopa County Sheriff's Office</b>
CIP – Capital Improvement Program	M&O – Maintenance & Operations
CMAQ – Congestion Mitigation & Air Quality	O & M – Operations & Maintenance
CMR – Communications, Marketing & Recreation	OSHA – Occupational Safety and Health Administration
CPI – Consumer Price Index	PMGAA – Phoenix Mesa Gateway Airport Authority
CSP – Corporate Strategic Plan	PRV – Pressure Reducing Valve
CY – Calendar Year	PSPRS – Public Safety Personnel Retirement System
DEQ – Department of Environmental Quality	PSPRS TIER 1 – Sworn Fire staff hired prior to 1/1/2012
EEO – Equal Employment Opportunity	PSPRS TIER 2 – Sworn Fire staff hired on/after 1/1/2012 but prior to 7/1/2017
EMS – Emergency Medical Services	PSPRS TIER 3 – Sworn Fire staff hired on/after 7/1/2017
EMT – Emergency Medical Technician	SLID – Street Light Improvement District
EOC – Emergency Operations Center	TIP – Transportation Improvement Plan
FASB – Financial Accounting Standards Board	WIFA – Water Infrastructure Financing Authority
FICA – Federal Insurance Contribution Act	
FMLA – Family and Medical Leave Act	
FTE – Full-Time Equivalent	
FY – Fiscal Year	
GAAP – General Accepted Accounting Principles	
GADA – Greater Arizona Development Authority	
GASB – Government Accounting Standards Board	
GIS – Geographic Information System	



# Glossary

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## A

**Account** – An organizational budget/operating unit within a Town department or division.

**Accrual** – A liability due to an expense for which no invoice has yet been received.

**Actual** – As used in the fund summaries and division summaries within the budget document, represents the actual cost results of operations.

**Adopted Budget** – Represents the current fiscal year budget and spending limit as approved by formal action of the Town Council.

**Amortization** – Recognition of expense of a debt by regular intervals over a specific period of time.

**Allocation** – A part of a lump sum appropriation that is designated for expenditure by specific organization units and/or for special purposes, activities, or subjects.

**Appropriation** – Authorization by the Town Council which permits the Town to incur obligations to make expenditures for a specific purpose.

**Assessed Valuation** – A value that is established for real and personal property used as a basis for levying property taxes. Property values are established by the County Assessor and the State as a basis for levying taxes.

**Asset** – A resource owned or held by a government that has monetary value.

**Available Fund Balance** – Funds remaining from the prior year that are available for appropriation in the current year.

## B

**Balanced Budget** – A budget that contains ongoing revenues equal to the ongoing expenditures of the Town.

**Base Budget** – The ongoing expense necessary to maintain desired service levels. Changes in demand and activity level may create the need for additional resources or make available resources for other purposes.

**Bond** – A long-term **"IOU" or promise to pay. It is a promise** to repay a specified amount of money (the face value of the bond) on a particular date (maturity date). Bonds are used primarily for financing capital projects.

**Bond Rating** – The measure of the quality and safety of a bond. It indicates the likelihood that a debt issuer will be able to meet scheduled repayments and dictates the interest rate paid.

**Budget Amendment** – A change of budget appropriation between expenditure accounts that is different from the original adopted budget. Budget amendments do not change the legal spending limit adopted by the Town Council.

**Budget Calendar** – A schedule of key dates and milestones in preparation, adoption and administration of the budget.

**Budget Message** – The opening section of the budget document, which provides a general summary of the most important aspects of the budget, changes from the previous fiscal year, key issues impacting the budget and recommendations regarding the financial policy for the upcoming period.

**Budgetary Control** – The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.



# Glossary

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## C

**Capital Budget** – The first year of the five-year Capital Improvement Program (CIP) becomes the fiscal commitment to develop projects for the current fiscal year. The capital budget reflects appropriations for items that have a high monetary value (\$50,000 or more), are long-term in nature, add to the capital assets or infrastructure of the Town, and are financed on a long-term basis.

**Capital Improvement Program** – The Capital Improvement Program (CIP) is a comprehensive projection of capital investment projects, which identifies priorities as to need, method of financing, and project costs and revenues over a five-year period. It is a guide for identifying current and future fiscal year requirements and becomes the basis for determining the annual capital budget. The capital improvement program for the ensuing year must be formally adopted during the budget approval process.

**Capital Outlay** – Payments made in cash or cash equivalents over a period of more than one year; they are also known as capital expenditures. Capital outlays are used to acquire assets or improve the useful life of existing assets.

**Carry Over / Carry Forward** – Year-end unused expenditure authority from the prior fiscal year budget included in new year budget to cover obligations that cross fiscal years for approved capital projects or other one-time expenses.

**Cash-in-lieu** – Funding for capital projects the Town requires from developers in lieu of them constructing necessary off-site improvements related to their development project.

**Citizen Corps** – a program under the Department of Homeland Security that provides training for the population of the United States to assist in the recovery after a disaster or terrorist attack.

**Commodities** – Expendable items used by operating or construction activities. Examples include office supplies, repair and replacement parts for equipment, fuels and lubricants, etc.

**Consumer Price Index (CPI)** – A statistical description of price levels provided by the US Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

**Contingency** – A budgetary reserve set aside for emergency or unanticipated expenses and/or revenue shortfalls. The Town Council must approve all contingency expenditures.

**Contractual Services** – Expenditures for services such as rentals, insurance, maintenance, etc. that are generally purchased by the Town through an approved contract.

## D

**Debt Service** – The cost of paying principal, interest and related service charges on borrowed money according to a predetermined payment schedule.

**Department** – A major administrative division of the Town with overall management responsibility for an operation or a group of related operations.

**Depreciation** – Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

**Development Impact Fee** – Fee charged to new development to offset the cost of Town improvements that are required due to new growth.

**Disbursement** – The expenditure of money from an account.



# Glossary

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Division – An organized unit within a department.

## E

Encumbrance – The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund – A governmental accounting fund in which the services provided, such as water or sewer or sanitation, are financed and operated similarly to those of a private business. The rate schedules for the services are established to ensure that user revenues are adequate to meet necessary expenditures.

Estimated Revenue – The projected amount of revenues to be collected during a fiscal year.

Expenditure – Actual outlay of funds for an asset, good, or service obtained regardless of when expense is actually paid.

Expenditure Limitation – An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The limit is set by the Economic Estimates Commission based on population growth and inflation. All municipalities have the option of adopting Home Rule, under which voters approve a four-year expenditure limit based on revenues received.

## F

Fiscal Year – The time period designated by a government or organization signifying the beginning and end of the financial reporting period. Queen Creek has established July 1 to June 30 as the municipal fiscal year.

Fixed Assets – Assets of a long-term character intended to be held or used, such as land, buildings, machinery, furniture and other equipment.

Franchise Fees – Annual fees paid by utilities (natural gas and cable TV) for use of Town public rights-of-way. Franchise fees are typically a set percentage of gross revenue within the Town.

Fringe Benefits – Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the **Town's share of costs for social security, pension plans, medical and life insurance plans.**

Full-Time Equivalent (FTE) – A calculation used to convert hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per fiscal year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund – An accounting entity that has a set of self-balancing accounts and records all financial transactions for specific activities or government functions.

Fund Balance – Difference between assets and liabilities reported in a government fund.

Assigned – **Amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed.**

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by **formal action of the government's highest level of decision-making authority.** In the case of the Town, this would be the Council and Mayor.

Non-spendable – Portions of fund balance that include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.



# Glossary

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Restricted – Portion of fund balance that reflects constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Unassigned – Residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

## G

General Fund – The primary general purpose fund supported **by taxes, fees, and other non-enterprise revenues**.

General Plan – A planning and legal document that outlines the community vision in terms of land use.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Government Funds – Refers to the use of fund accounting in which funds are set up for specific sources of revenues. Its main purpose is stewardship of financial resources received and expended in compliance with legal or other requirements.

Grants – State, federal or other subsidies received in aid of a public undertaking that do not need to be repaid.

## H

Highway User Fuel Tax (HURF) – Gasoline tax shared with municipalities; a portion is distributed based upon the population of the town and a portion is distributed based upon the origin of the sale of fuel. The Arizona State Constitution requires that this revenue be used solely for street and highway purposes.

## I

Improvement Districts – Improvement districts are composed of property owners who desire improvements that will benefit all properties within the district. Bonds are issued to finance these improvements, which are repaid by assessments on affected property owners.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned, such as administrative support, facility maintenance or custodial services.

Inter-Fund Transfer – The movement of monies between funds of the same governmental entity.

Internal Service Funds – A group of funds that account for services provided to other divisions and departments within the Town government.

## J

Journal Entry – An entry into the financial system that transfers actual amounts from one account, department, or fund to another.

## L

Liability – An obligation of the Town to convey something of value in the future.



# Glossary

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## M

**Modified Accrual Basis** – Under the modified accrual basis of accounting recommended for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

## O

**Objective** – A mission, purpose, or standard that can be reasonably achieved within the expected timeframe and with available resources. Along with goals, objectives are basic planning tools underlying all strategic activities. They serve as the basis for policy and performance appraisals.

**Operating Budget** – The annual spending plan for a **government's** recurring non-capital expenses, including personnel salaries, fringe benefits, professional development, supplies, equipment, repairs and administrative expenses. The operating budget is distinct from expenses to build or acquire permanent infrastructure.

**Operating Expense** – Cost for necessary resources needed by a department to provide services and perform desired tasks.

**Operating Revenue** – Funds that a government receives as income to pay for ongoing operations, including taxes, user fees, interest earnings and grants. Operating revenues are used to pay for recurring, non-capital expenses.

**Ordinance** – A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

## P

**Performance Management** – A results-oriented system that allows the Town to set goals and targets for programs and services and assess whether those targets are being met on a recurring basis.

**Property Tax** – Total property tax levied by a municipality on the assessed value of a property within Town limits. In Arizona, the property tax system is divided into primary and secondary.

**Primary Property Tax** – A limited tax levy used for operations based on primary assessed valuation and primary tax rate. The tax rate is restricted to a 2% annual increase.

**Secondary Property Tax** – An unlimited tax levy restricted to voter-approved budget overrides. The tax is based on the secondary assessed valuation and secondary tax rate.

**Property Tax Levy** – The total amount that can be raised by property tax for purposes outlined in the Tax Levy Ordinance.

**Property Tax Rate** – The amount of tax stated in terms of a unit of the tax base expressed as dollars per \$100 of assessed valuation.

**Proprietary Funds** – These funds call for the services rendered under these accounts to be paid for by their patrons who use them, working like a business. Proprietary funds aren't eligible to make a profit. Therefore, the ideal situation is for its costs to balance out with its revenue.

**Program** – A group of related activities performed by one or more divisions or departments of the Town for the purpose of accomplishing a service the Town is responsible for delivering.





# Glossary

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## R

**Reserve/Contingency** – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. The Town Council must approve all contingency expenditures.

**Revenue** – The income of a government from all sources appropriated for the payment of the public expenses during a specified period of time. For Queen Creek, revenues may include receipts from taxes, intergovernmental sources, user fees, voter-authorized bonds, development fees and grants.

**Roll-Up/Roll-Up Code** – A set of like accounts linked together for the purpose of interactive budget management. An individual expense line under a designated roll-up code can be overdrawn as long as the sum of the whole has an available budget appropriation.

## S

**Scenario** – A tool used by the Town to understand different ways that future events might affect the projected budget.

**State Shared Revenue** – The portion of revenues collected by the state that are allocated to municipalities based on population data.

**Special Revenue Fund** – An account composed of receipts from specific revenues. Such funds are authorized by statutory or charter provisions to pay for specific activities with continuing revenues.

**Street Light Improvement District (SLID)** – A special district to fund the energy costs of streetlights placed in residential subdivisions. An assessment is levied against the property owners to cover the costs of electrical billings received and paid by the Town.

## T

**Transfers** – The authorized exchanges of cash or other resources between funds, departments and/or capital projects.

**Trust Funds** – Established to administer resources received and held by the Town as the trustee or agent for others. Use of these funds facilitates the discharge of responsibility placed upon the Town by virtue of law or other similar authority.

## U

**User Fees or Charges** – The payment of a fee for direct receipt of a public service by the party who benefits from the service.

## V

**Variance** – Comparison of actual expenditure and revenues from one year to the next and comparison of budget-to-actual in current fiscal year.

## W

**Working Capital** – A financial metric that represents operating liquidity available to the Town. It is calculated as current assets minus current liability.



# Position Listing

Queen Creek Authorized Positions	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
<b>General Fund</b>				
<i>Town Manger</i>				
TOWN MANAGER	1.00	1.00	1.00	1.00
ASSISTANT TOWN MANAGER	1.00	1.00	1.00	1.00
ASSISTANT TO THE TOWN MANAGER	1.00	1.00	1.00	1.00
EXECUTIVE ADMIN ASSISTANT	1.00	1.00	1.00	1.00
COUNCIL ASSISTANT	1.00	1.00	1.00	1.00
INTERGOVERNMENTAL RELATIONS COORDINATOR	-	1.00	1.00	1.00
<i>Total Town Manger</i>	5.00	6.00	6.00	6.00
<i>Town Clerk</i>				
TOWN CLERK	1.00	1.00	1.00	1.00
TOWN CLERK ASSISTANT	1.00	1.00	1.00	1.00
<i>Total Town Clerk</i>	2.00	2.00	2.00	2.00
<b>Total Town Manager/Legal Services/Clerk</b>	<b>7.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>
<i>Finance</i>				
FINANCE DIRECTOR	1.00	1.00	1.00	1.00
FINANCE DEPUTY DIRECTOR	-	-	1.00	1.00
SR. ACCOUNTANT	1.00	1.00	1.00	1.00
ACCOUNTING MANAGER* (1.0 FTE; 30% Enterprise Funded)	0.70	0.70	0.70	0.70
ACCOUNTANT	1.00	1.00	1.00	1.00
FINANCIAL SERVICES SPECIALIST	1.00	1.00	2.00	2.00
PROCUREMENT OFFICER	2.00	2.00	2.00	2.00
PAYROLL SPECIALIST	0.50	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	-	-	0.48	0.48
OFFICE AIDE	0.48	0.48	-	-
PROCUREMENT MANAGER	-	-	1.00	1.00
CIP ANALYST* (1.0 FTE; 100% CIP Funded)	-	-	-	-
UTILITY ACCOUNTING ANALYST* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
FINANCIAL SERVICES SPECIALIST* (0.5 FTE; 60% Enterprise Funded)	0.40	0.20	0.28	0.28
ENTERPRISE FINANCE MANAGER* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
FINANCIAL SERVICES MANAGER* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
CUSTOMER SERVICE MANAGER* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
CUSTOMER SERVICE SUPERVISOR* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
CUSTOMER SERVICE REPRESENTATIVE* (5.0 FTE; 100% Enterprise Funded)	-	-	-	-
CASHIER* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
<i>Total Finance</i>	8.08	8.38	11.46	11.46
<i>Budget</i>				
BUDGET ADMINISTRATOR	1.00	1.00	1.00	1.00
SR. FINANCIAL SERVICES ANALYST	1.00	1.00	3.00	4.00
<i>Total Budget</i>	2.00	2.00	4.00	5.00
<b>Total Finance</b>	<b>10.08</b>	<b>10.38</b>	<b>15.46</b>	<b>16.46</b>
<i>Workforce &amp; Technology</i>				
<i>Human Resources</i>				
DEPARTMENT DIRECTOR	1.00	-	-	-
SR. HUMAN RESOURCES ANALYST	2.00	-	-	-
HUMAN RESOURCES PROGRAM MANAGER	-	2.00	2.00	2.00
HUMAN RESOURCES SPECIALIST	1.00	1.00	1.00	1.00
<i>Total Human Resources</i>	4.00	3.00	3.00	3.00
<i>Information Technology</i>				
TECHNOLOGY SUPERVISOR	1.00	1.00	1.00	1.00
SR. DEVELOPER/IT PROJECT MANAGER	1.00	1.00	1.00	1.00
SR. SYSTEMS ADMINISTRATOR	1.00	1.00	1.00	1.00
APPLICATION & DESKTOP SUPPORT ANALYST	1.00	1.00	1.00	1.00
BUSINESS SYSTEMS & IT TRAINING ANALYST	1.00	1.00	-	-
BUSINESS SYSTEMS & IT TRAINING SUPERVISOR	-	-	1.00	1.00
GIS COORDINATOR	1.00	1.00	1.00	1.00



# Position Listing

Queen Creek Authorized Positions	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
<i>Information Technology - continued</i>				
SR. NETWORK & SECURITY ANALYST	1.00	1.00	1.00	1.00
GIS ANALYST* (1.0 FTE; 60% Enterprise Funded)	-	-	0.40	0.40
BUSINESS SYSTEMS & IT TRAINING ANALYST* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
UTILITY BILLING IT ANALYST* (1.0 FTE; 100% Enterprise Funded)	-	-	-	-
IT ANALYST	-	-	-	1.00
<i>Total Information Technology</i>	7.00	7.00	7.40	8.40
<b>Total Workforce &amp; Technology</b>	<b>11.00</b>	<b>10.00</b>	<b>10.40</b>	<b>11.40</b>
Communications, Marketing & Recreation Services				
<i>Communications &amp; Marketing</i>				
DIRECTOR	1.00	1.00	1.00	1.00
PUBLIC INFORMATION OFFICER	1.00	1.00	1.00	1.00
MARKETING SPECIALIST	1.00	1.00	1.00	1.00
DIGITAL MEDIA SPECIALIST	1.00	1.00	1.00	1.00
MARKETING & COMMUNICATION COORDINATOR (1.0 FTE; 100% Enterprise Fund)	-	-	-	-
<i>Total Communications &amp; Marketing</i>	4.00	4.00	4.00	4.00
<i>Recreation Programs</i>				
RECREATION SUPERINTENDENT	1.00	1.00	1.00	1.00
MANAGEMENT ASSISTANT I	1.00	1.00	1.00	1.00
CUSTOMER SERVICE COORDINATOR	1.00	1.00	1.00	1.00
RECREATION COORDINATOR	2.00	2.00	2.00	2.00
RECREATION TECHNICIAN (PT)	1.25	1.25	1.25	1.25
RECREATION POSITIONS (Seasonal)	2.46	2.46	2.46	2.83
<i>Total Recreation Programs</i>	8.71	8.71	8.71	9.08
<b>Total Communications, Marketing &amp; Recreation Services</b>	<b>12.71</b>	<b>12.71</b>	<b>12.71</b>	<b>13.08</b>
Economic Development				
<i>Economic Development</i>				
DEPARTMENT DIRECTOR	1.00	1.00	1.00	1.00
ECONOMIC DEVELOPMENT COORDINATOR	1.00	1.00	1.00	1.00
ECONOMIC DEVELOPMENT RESEARCH SPECIALIST	1.00	1.00	1.00	1.00
SR. ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
REALESTATE & ROW COORDINATOR	-	-	0.10	0.10
SR. FINANCIAL SERVICES ANALYST	1.00	1.00	-	-
<i>Total Economic Development</i>	5.00	5.00	4.10	4.10
<b>Total Economic Development</b>	<b>5.00</b>	<b>5.00</b>	<b>4.10</b>	<b>4.10</b>
Development Services				
<i>Development Services Administration</i>				
DEPARTMENT DIRECTOR	1.00	1.00	1.00	1.00
SPECIAL PROJECTS MANAGER	1.00	1.00	1.00	1.00
SR. FINANCIAL SERVICES ANALYST	1.00	1.00	1.00	1.00
REALESTATE & ROW COORDINATOR	-	-	0.10	0.10
SR. ADMINISTRATIVE ASSISTANT	1.00	1.00	-	-
<i>Total Development Services Administration</i>	4.00	4.00	3.10	3.10
<i>Planning</i>				
PLANNING ADMINISTRATOR	1.00	1.00	1.00	1.00
SR PLANNER	-	-	1.00	1.00
PLANNER II	1.00	1.00	-	-
PLANNER I	1.00	1.00	1.00	1.00
PRINCIPAL PLANNER	1.00	1.00	1.00	1.00
PLANNING ASSISTANT	1.00	1.00	1.00	-
<i>Total Planning</i>	5.00	5.00	5.00	4.00
<i>Engineering</i>				
ENGINEER	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN	1.00	1.00	1.00	1.00
INSPECTOR	1.00	1.00	1.00	1.00
PRINCIPAL ENGINEER	-	-	1.00	1.00
SR. ENGINEER	-	-	-	-
SR. INSPECTOR	1.00	1.00	1.00	1.00



# Position Listing

Queen Creek Authorized Positions	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
<i>Engineering - continued</i>				
TOWN ENGINEER	1.00	1.00	1.00	1.00
<i>Total Engineering</i>	5.00	5.00	6.00	6.00
<i>Building Safety</i>				
BUILDING OFFICIAL	1.00	1.00	1.00	1.00
INSPECTOR	3.00	2.00	2.00	2.00
MANAGEMENT ASSISTANT I	1.00	1.00	1.00	1.00
SR. INSPECTOR	1.00	1.00	1.00	1.00
DEVELOPMENT SERVICES COORDINATOR	1.00	1.00	1.00	1.00
PERMIT TECHNICIAN	2.00	2.00	2.00	3.00
PLANS EXAMINER	1.00	1.00	1.00	1.00
<i>Total Building Safety</i>	10.00	9.00	9.00	10.00
<i>Neighborhood Preservation</i>				
NEIGHBORHOOD PRESERVATION SUPERVISOR	-	1.00	1.00	1.00
NEIGHBORHOOD PRESERVATION SPECIALIST	1.00	-	-	-
SR. NEIGHBORHOOD PRESERVATION COORD	1.00	1.00	1.00	1.00
NEIGHBORHOOD PRESERVATION SPECIALIST (PT)	0.50	0.50	0.50	0.50
<i>Total Neighborhood Preservation</i>	2.50	2.50	2.50	2.50
<b>Total Development Services</b>	<b>26.50</b>	<b>25.50</b>	<b>25.60</b>	<b>25.60</b>
<i>Public Works</i>				
<i>Public Works Administration</i>				
DIRECTOR	1.00	1.00	1.00	1.00
DEPUTY DIRECTOR	-	-	1.00	1.00
REALESTATE & ROW COORDINATOR (1.0 FTE; 20% GF, 40% Enterprise, 40% CIP)	-	-	-	-
CIP PROJECT SUPERVISOR	1.00	-	-	-
SR. MANAGEMENT ASSISTANT	1.00	1.00	1.00	1.00
SR. ADMINISTRATIVE ASSISTANT	1.00	1.00	2.00	2.00
MANAGEMENT ASSISTANT II	1.00	1.00	1.00	1.00
PROJECT MANAGER	1.00	-	-	-
<i>Total Public Works Administration</i>	6.00	4.00	6.00	6.00
<i>Facilities Maintenance</i>				
DAY PORTER	0.75	0.75	1.00	1.00
FACILITY SERVICES SUPERVISOR	1.00	1.00	1.00	1.00
SR. FACILITY SERVICES SPECIALIST	2.00	2.00	2.00	2.00
FACILITY SERVICES SPECIALIST	1.00	1.00	1.00	2.00
<i>Total Facilities Maintenance</i>	4.75	4.75	5.00	6.00
<i>Fleet Maintenance</i>				
FLEET SERVICES SUPERINTENDENT	1.00	1.00	1.00	1.00
SR. MECHANIC	-	-	1.00	1.00
MECHANIC	1.00	1.00	1.00	2.00
MAINTENANCE & OPERATIONS TECHNICIAN	1.00	1.00	1.00	-
MAINTENANCE & OPERATIONS SPECIALIST	1.00	1.00	-	-
<i>Total Fleet Maintenance</i>	4.00	4.00	4.00	4.00
<i>Traffic</i>				
TRAFFIC ENGINEERING MANAGER	1.00	1.00	1.00	1.00
TRAFFIC SIGNAL TECHNICIAN	1.00	1.00	2.00	2.00
SR. TRAFFIC ENGINEERING ANALYST	1.00	1.00	-	-
TRAFFIC ENGINEER	-	-	1.00	1.00
<i>Total Traffic</i>	3.00	3.00	4.00	4.00



# Position Listing

Queen Creek Authorized Positions	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
<i>Parks &amp; Grounds Maintenance</i>				
PARKS SUPERINTENDENT	1.00	1.00	1.00	1.00
MAINTENANCE & OPERATIONS SUPERVISOR	1.00	1.00	1.00	1.00
MAINTENANCE & OPERATIONS CREW LEADER	1.00	1.00	3.00	4.00
SR. MAINTENANCE & OPERATIONS TECHNICIAN	3.00	3.00	-	-
MAINTENANCE & OPERATIONS TECHNICIAN	5.00	5.00	7.00	11.00
MAINTENANCE & OPERATIONS SPECIALIST	1.00	1.00	1.00	1.00
MAINTENANCE & OPERATIONS ASSISTANT	3.00	3.00	5.00	5.00
MAINTENANCE & OPERATIONS ASSISTANT (PT)	1.61	1.61	0.43	0.86
SR. PARK RANGER	1.00	1.00	-	-
PARK RANGER	1.00	1.00	-	-
PARK RANGER (PT)	1.00	1.00	-	-
<b>Total Parks &amp; Grounds Maintenance</b>	<b>19.61</b>	<b>19.61</b>	<b>18.43</b>	<b>23.86</b>
<i>Parks Rangers</i>				
SR. PARK RANGER	-	-	1.00	1.00
PARK RANGER	-	-	1.00	2.00
PARK RANGER (PT)	-	-	1.00	1.00
<b>Total Parks &amp; Grounds Maintenance</b>	<b>-</b>	<b>-</b>	<b>3.00</b>	<b>4.00</b>
<b>Total Public Works</b>	<b>37.36</b>	<b>35.36</b>	<b>40.43</b>	<b>47.86</b>
<b>Total General Fund</b>	<b>109.65</b>	<b>106.95</b>	<b>116.70</b>	<b>126.50</b>
<i>Other Operating Funds</i>				
<i>Drainage &amp; Transportation Fund - Public Works</i>				
<i>Capital Improvements Program (CIP)</i>				
CIP ENGINEER	-	-	1.00	1.00
CIP PROJECT MANAGER	-	1.00	-	-
SR. PROJECT MANAGER	-	-	1.00	1.00
PROJECT MANAGER	-	3.00	3.00	2.00
CIP PROJECT SUPERVISOR	-	-	-	1.00
CIP FINANCIAL ANALYST	-	-	-	1.00
CIP INSPECTOR	-	1.00	-	-
REALESTATE & ROW COORDINATOR	-	-	0.40	0.40
SR. ADMIN ASSISTANT	-	0.50	0.50	0.50
<b>Total CIP Program - Drainage &amp; Transportation Fund</b>	<b>-</b>	<b>5.50</b>	<b>5.90</b>	<b>6.90</b>
<i>HURF/Streets Fund - Public Works</i>				
STREETS SUPERINTENDENT	1.00	1.00	1.00	1.00
PROJECT MANAGER	-	-	1.00	1.00
FIELD OPERATIONS SUPERVISOR	1.00	1.00	1.00	1.00
MAINTENANCE & OPERATIONS CREW LEADER	2.00	2.00	2.00	2.00
MAINTENANCE & OPERATIONS SPECIALIST	4.00	4.00	3.00	4.00
MAINTENANCE & OPERATIONS ASSISTANT	2.00	2.00	-	-
MAINTENANCE & OPERATIONS TECHNICIAN	3.00	4.00	7.00	8.00
<b>Total HURF/Streets Fund - Public Works</b>	<b>13.00</b>	<b>14.00</b>	<b>15.00</b>	<b>17.00</b>
<i>Solid Waste Fund - Public Works</i>				
ENVIRONMENTAL PROGRAMS MANAGER	-	-	1.00	1.00
ENVIRONMENTAL PROGRAMS SUPERVISOR	1.00	1.00	-	-
CUSTOMER SERVICE COORDINATOR	1.00	1.00	2.00	2.00
MAINTENANCE & OPERATIONS TECHNICIAN	1.00	1.00	1.00	1.00
CUSTOMER SERVICE REPRESENTATIVE	1.00	1.00	-	-
COMMUNITY OUTREACH COORDINATOR (1.0 FTE - 25% Water)	0.75	0.75	-	-
MARKETING & COMMUNICATION COORDINATOR (1.0 FTE - 25% Water)	-	-	0.75	0.75
ENTERPRISE FINANCE MANAGER	0.20	0.20	-	-
FINANCIAL SERVICES MANAGER	-	-	0.20	0.20
ACCOUNTING MANAGER	0.10	0.10	0.10	0.10
<b>Total Solid Waste Fund - Public Works</b>	<b>5.05</b>	<b>5.05</b>	<b>5.05</b>	<b>5.05</b>



# Position Listing

Queen Creek Authorized Positions	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
<i>Horseshoe Park Equestrian Centre (HPEC) Fund - Economic Development</i>				
HPEC GENERAL MANAGER	1.00	1.00	1.00	1.00
MAINTENANCE & OPERATIONS SUPERVISOR	1.00	1.00	1.00	1.00
MAINTENANCE & OPERATIONS SPECIALIST	4.00	4.00	4.00	4.00
SR. ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
<b>Total HPEC Fund</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>
<i>Utilities</i>				
<i>Water Fund</i>				
<i>Water - Administration</i>				
UTILITIES DIRECTOR	1.00	1.00	1.00	1.00
UTILITIES DEPUTY DIRECTOR	-	-	-	1.00
SR. MANAGEMENT ASSISTANT	1.00	1.00	1.00	1.00
BUSINESS ANALYST	-	-	-	1.00
BUSINESS SYSTEMS & IT TRAINING ANALYST	-	-	1.00	1.00
ENTERPRISE FINANCE MANAGER *	0.40	0.40	-	-
FINANCIAL SERVICES MANAGER *	-	-	0.40	0.40
ACCOUNTING MANAGER *	0.10	0.10	0.10	0.10
FINANCIAL SERVICES SPECIALIST *	0.30	0.15	0.21	0.21
<i>Total Water - Administration</i>	<b>2.80</b>	<b>2.65</b>	<b>3.71</b>	<b>5.71</b>
<i>Water - Customer Service</i>				
CUSTOMER SERVICE MANAGER *	-	1.00	1.00	1.00
IT ANALYST (UTILITY BILLING)	-	-	-	1.00
UTILITY FINANCIAL ANALYST	-	-	-	1.00
CUSTOMER SERVICE COORDINATOR*	1.00	1.00	1.00	1.00
BILLING SPECIALIST*	-	-	1.00	1.00
CASHIER* (1.0 FTE; 100% Enterprise Funded)	-	-	-	1.00
ADMINISTRATIVE ASSISTANT I (to be reclassified to a "Receptionist")*	-	-	1.00	1.00
CUSTOMER SERVICE SUPERVISOR *	1.00	1.00	1.00	1.00
CUSTOMER SERVICE REPRESENTATIVE *	4.00	4.00	4.00	5.00
ADMINISTRATIVE ASSISTANT	1.00	-	-	-
<i>Total Water - Customer Service</i>	<b>7.00</b>	<b>7.00</b>	<b>9.00</b>	<b>13.00</b>
<i>Water - Engineering</i>				
UTILITY ENGINEERING MANAGER	1.00	1.00	1.00	1.00
ENGINEER	-	-	-	1.00
<i>Total Water - Engineering</i>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>2.00</b>
<i>Water - Field Ops Meters</i>				
FIELD OPERATIONS SUPERINTENDENT	1.00	1.00	1.00	1.00
UTILITY SERVICES COORDINATOR	2.00	2.00	2.00	2.00
WATER FLEXNET ANALYST	-	-	-	1.00
MAINTENANCE & OPERATIONS CREW LEADER	1.00	1.00	-	-
UTILITY SERVICES TECHNICIAN	7.00	7.00	7.00	6.00
<i>Total Water - Field Ops Meters</i>	<b>11.00</b>	<b>11.00</b>	<b>10.00</b>	<b>10.00</b>
<i>Water - GIS</i>				
UTILITY SERVICES SUPERVISOR	1.00	1.00	1.00	1.00
UTILITY LOCATOR	2.00	2.00	3.00	3.00
REALESTATE & ROW COORDINATOR *	-	-	0.40	0.40
GIS ANALYST	-	-	0.60	0.60
<i>Total Water - GIS</i>	<b>3.00</b>	<b>3.00</b>	<b>5.00</b>	<b>5.00</b>
<i>Water - Irrigation</i>				
SR. UTILITY SERVICES TECHNICIAN	1.00	1.00	1.00	1.00
IRRIGATION METER TECHNICIAN	-	-	-	1.00
<i>Total Water - Irrigation</i>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>2.00</b>
<i>Water - CIP</i>				
UTILITY SERVICES SUPERVISOR	1.00	1.00	1.00	1.00
SR. INSPECTOR	1.00	1.00	1.00	1.00
INSPECTOR	1.00	1.00	1.00	1.00
<i>Total Water - CIP</i>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<i>Water - Conservation</i>				
WATER CONSERVATION SPECIALIST/CUST SUPP	1.00	1.00	1.00	1.00
COMMUNITY OUTREACH COORDINATOR (1.0 FTE - 75% Solid Waste)	0.25	0.25	-	-



# Position Listing

Queen Creek Authorized Positions	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Adopted
<i>Water - Conservation - continued</i>				
MARKETING & COMMUNICATION COORDINATOR (1.0 FTE - 75% Solid Waste)	-	-	0.25	0.25
<i>Total Water - Conservation</i>	1.25	1.25	1.25	1.25
<i>Water - Distribution</i>				
MAINTENANCE & OPERATIONS CREW LEADER	1.00	1.00	1.00	1.00
UTILITY SERVICES TECHNICIAN	2.00	2.00	2.00	3.00
UTILITY FIELD SUPERVISOR	1.00	1.00	2.00	2.00
SR. UTILITY SERVICES TECHNICIAN	2.00	3.00	3.00	3.00
MAINTENANCE & OPERATIONS SPECIALIST	3.00	3.00	3.00	3.00
WELL TECHNICIAN	-	-	-	1.00
<i>Total Water - Distribution</i>	9.00	10.00	11.00	13.00
<i>Water - Resources</i>				
WATER RESOURCE ANALYST	-	-	1.00	1.00
WATER RESOURCE ADVISOR	1.00	1.00	-	-
<i>Total Water - Resources</i>	1.00	1.00	1.00	1.00
<b>Total Water Fund</b>	<b>40.05</b>	<b>40.90</b>	<b>45.96</b>	<b>55.96</b>
<i>Sewer Fund</i>				
ENTERPRISE FINANCE MANAGER	0.40	0.40	-	-
FINANCIAL SERVICES MANAGER	-	-	0.40	0.40
ACCOUNTING MANAGER	0.10	0.10	0.10	0.10
FINANCIAL SERVICES SPECIALIST	0.30	0.15	0.21	0.21
UTILITY FIELD SUPERVISOR	1.00	1.00	1.00	1.00
SR. UTILITY SERVICES TECHNICIAN	-	1.00	1.00	1.00
UTILITY SERVICES TECHNICIAN	1.00	-	-	-
MAINTENANCE & OPERATIONS SPECIALIST	3.00	3.00	3.00	3.00
<b>Total Sewer Fund</b>	<b>5.80</b>	<b>5.65</b>	<b>5.71</b>	<b>5.71</b>
<b>Total Utilities - Water &amp; Sewer Funds</b>	<b>45.85</b>	<b>46.55</b>	<b>51.67</b>	<b>61.67</b>
<i>Emergency Services Fund</i>				
<i>Fire Administration</i>				
FIRE CHIEF	1.00	1.00	1.00	1.00
EMERGENCY MANAGEMENT COORDINATOR	1.00	1.00	1.00	1.00
FIRE SERVICES SPECIALIST	1.00	1.00	1.00	1.00
FINANCIAL SERVICES SPECIALIST	1.00	1.00	1.00	1.00
<i>Total Fire Administration</i>	4.00	4.00	4.00	4.00
<i>Fire Operations</i>				
DEPUTY FIRE CHIEF	1.00	1.00	1.00	2.00
FIRE CAPTAIN	6.00	9.00	9.00	12.00
FIRE ENGINEER	6.00	9.00	9.00	12.00
FIREFIGHTER	15.00	24.00	24.00	30.00
<i>Total Fire Operations</i>	28.00	43.00	43.00	56.00
<i>Fire Prevention Bureau</i>				
FIRE MARSHALL	1.00	1.00	1.00	1.00
<i>Total Fire Prevention Bureau</i>	1.00	1.00	1.00	1.00
<i>Fire Training</i>				
FIRE BATTALION CHIEF	1.00	1.00	1.00	1.00
<i>Total Fire Training</i>	1.00	1.00	1.00	1.00
<i>Fire Resource Management</i>				
FIRE BATTALION CHIEF	1.00	1.00	1.00	1.00
<i>Total Fire Resource Management</i>	1.00	1.00	1.00	1.00
<i>Fire - Medical</i>				
FIRE BATTALION CHIEF	1.00	1.00	1.00	1.00
<i>Total Fire - Medical</i>	1.00	1.00	1.00	1.00
<b>Total Emergency Services Fund</b>	<b>36.00</b>	<b>51.00</b>	<b>51.00</b>	<b>64.00</b>
<b>Summary</b>				
<b>Total Town Employees (less elected officials)</b>	<b>216.55</b>	<b>236.05</b>	<b>252.32</b>	<b>288.12</b>
<b>Elected Officials</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>
<b>Total All</b>	<b>223.51</b>	<b>243.03</b>	<b>259.32</b>	<b>295.12</b>
<b># - Change from Prior FY</b>	<b>7.81</b>	<b>19.52</b>	<b>6.25</b>	<b>35.80</b>
<b>% - Change from Prior FY</b>	<b>4%</b>	<b>9%</b>	<b>2%</b>	<b>14%</b>





# Budget Adoption Resolution

**RESOLUTION 1220-18**

**TOWN OF QUEEN CREEK**

**Adoption of the Budget**

**Fiscal Year 2019**

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Town Council did, on May 16, 2018, in accordance with adopted financial policies, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, and did also make 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 Town of Queen Creek, and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Council met on June 6, 2018, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies, and

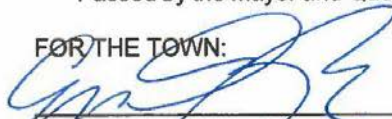
WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 6, 2018, at the office of the Council for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in A.R.S. §42-17051(A), therefore be it

RESOLVED, that the said estimates of revenues and expenditures/expenses shown on the accompanying schedules attached hereto as Exhibit 1, as now increased, reduced, or changed, are hereby adopted as the budget of the Town of Queen Creek for the fiscal year 2018/2019.

Passed by the Mayor and Queen Creek Town Council, this 6th day of June 2018.

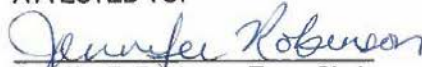
FOR THE TOWN:

  
Emilena Turley, Vice Mayor

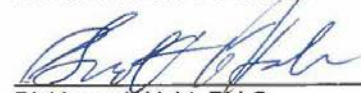
REVIEWED BY:

  
John Kross, Town Manager

ATTESTED TO:

  
Jennifer F. Robinson, Town Clerk

APPROVED AS TO FORM:

  
Dickinson Wright, PLLC  
Attorneys for the Town



# Auditor General Budget Schedules

TOWN OF QUEEN CREEK  
Summary Schedule of Estimated Revenues and Adopted Expenditures/Expenses  
Fiscal Year 2019

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2018	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	21,663,982	46,872,813	6,042,167	66,537,099		80,061,974	2,915,430	213,093,455
2018	Actual Expenditures/Expenses**	E	21,663,982	43,872,813	6,042,167	23,295,697		67,019,974	2,915,430	164,900,043
2019	Fund Balance/Net Position at July 1***		6,037,168	14,641,421	336,841	76,070,673		16,486,195	1,099,753	113,671,051
2019	Primary Property Tax Levy	B		6,962,716						6,962,716
2019	Secondary Property Tax Levy	B		-						-
2019	Estimated Revenues Other than Property Taxes	C	37,673,416	26,705,090	1,702,407	26,277,000		40,443,430	4,215,761	137,017,104
2019	Other Financing Sources	D	-	-	-	-		-	-	-
2019	Other Financing (Uses)	D	-	-	-	-		-	-	-
2019	Interfund Transfers In	D	4,812,461	8,563,253	7,797,886	11,090,579		63,431,826	-	95,696,005
2019	Interfund Transfers (Out)	D	15,817,237	16,446,942	-	-		63,431,826	-	95,696,005
2019	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									-
2019	Total Financial Resources Available		31,705,606	40,425,536	9,637,234	113,436,162	-	66,926,625	5,315,514	257,650,871
2019	Budgeted Expenditures/Expenses	E	22,074,631	37,632,407	9,668,796	91,408,367		87,557,263	3,754,683	251,896,147

EXPENDITURE LIMITATION COMPARISON

	2018	2019
1. Budgeted expenditures/expenses	\$ 213,093,455	\$ 251,896,147
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	213,093,455	251,896,147
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 213,093,455	\$ 251,896,147
6. EEC expenditure limitation	\$	\$

\* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

\*\* Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

\*\*\* Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).



# Auditor General Budget Schedules

## TOWN OF QUEEN CREEK Tax Levy and Tax Rate Information Fiscal Year 2019

	<u>2018</u>	<u>2019</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>10,493,244</u>	<u>11,487,053</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>6,189,464</u>	\$ <u>6,962,716</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>6,189,464</u>	\$ <u>6,962,716</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>5,299,519</u>	
(2) Prior years' levies	<u>52,284</u>	
(3) Total primary property taxes	\$ <u>5,351,803</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>5,351,803</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>1.9500</u>	<u>1.9500</u>
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	<u>1.9500</u>	<u>1.9500</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>91</u> 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.



# Auditor General Budget Schedules

**TOWN OF QUEEN CREEK**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
City Sales Tax	\$ 20,681,790	\$ 21,317,405	\$ 21,577,090
Sales Tax Recovery			
<b>Licenses and permits</b>			
Business Licenses	87,420	87,420	87,420
Liquor License	10,000	10,000	10,000
Building Revenue	5,704,000	4,804,000	3,892,400
<b>Intergovernmental</b>			
State Sales Tax	3,560,500	3,774,000	3,871,400
Urban Revenue Sharing	4,552,500	4,399,985	4,699,000
<b>Charges for services</b>			
Recreation User Fees	522,000	522,000	529,740
<b>Interest on investments</b>			
Interest Income	259,000	259,000	469,279
<b>Miscellaneous</b>			
Telecommunications	150,000	150,000	154,500
Building Lease Revenue	55,020	55,020	56,700
Gas Franchises	96,020	96,020	105,622
Cable Licenses	223,600	223,600	245,960
Miscellaneous	100,000	100,000	101,500
Departmental Support Revenue	1,803,351	1,803,351	1,872,805
<b>Total General Fund</b>	<b>\$ 37,805,201</b>	<b>\$ 37,601,801</b>	<b>\$ 37,673,416</b>
<b>SPECIAL REVENUE FUNDS</b>			
<b>Highway User Revenue Fund</b>			
Highway Users Revenue	\$ 2,277,000	\$ 2,467,000	\$ 2,531,700
Pinal County Taxes	23,590	23,590	22,860
Vehicle License Tax	1,441,000	1,488,249	1,600,800
Interest Income	22,000	22,000	
<b>Total Highway User Revenue Fund</b>	<b>\$ 3,763,590</b>	<b>\$ 4,000,839</b>	<b>\$ 4,155,360</b>
<b>Municipal Town Center Fund</b>			
City Sales Tax	\$ 694,520	\$ 723,412	\$ 802,990
Signage Revenue	20,000	20,000	20,000
Interest Income	21,000	21,000	21,000
<b>Total Municipal Town Center Fund</b>	<b>\$ 735,520</b>	<b>\$ 764,412</b>	<b>\$ 843,990</b>
<b>Construction Sales Tax Fund</b>			
2% Construction Sales Tax	\$ 5,455,850	\$ 5,455,850	\$ 3,972,970
<b>Total Construction Sales Tax Fund</b>	<b>\$ 5,455,850</b>	<b>\$ 5,455,850</b>	<b>\$ 3,972,970</b>
<b>Grants &amp; Contingency Fund</b>			
Grants	\$ 2,000,000	\$ 2,000,000	\$ 1,927,300
Contingency			
<b>Total Grants &amp; Contingency Fund</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>1,927,300</b>





# Auditor General Budget Schedules

**TOWN OF QUEEN CREEK**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>Parks Development Fund</b>			
Parks Development Fee	\$ 4,327,181	\$ 4,327,181	\$ 2,975,250
3rd Party Contributions			1,000,000
Interest Income	155,500	155,500	21,500
<b>Total Parks Development Fund</b>	<b>\$ 4,482,681</b>	<b>\$ 4,482,681</b>	<b>\$ 3,996,750</b>
<b>Town Buildings &amp; Vehicle Fund</b>			
Town Building & Vehicle Development Fee	\$ 626,512	\$ 626,512	467,550
Interest Income	19,000	19,000	19,350
<b>Total Town Buildings &amp; Vehicle Fund</b>	<b>\$ 645,512</b>	<b>\$ 645,512</b>	<b>\$ 486,900</b>
<b>Transportation Development Fee Fund</b>			
Transportation Development Impact Fee	\$ 1,770,197	\$ 1,770,197	1,314,870
Interest Income	9,000	9,000	5,000
<b>Total Transportation Development Fee Fund</b>	<b>\$ 1,779,197</b>	<b>\$ 1,779,197</b>	<b>\$ 1,319,870</b>
<b>Library Development Fee Fund</b>			
Library Development Impact Fee	\$ 850,010	\$ 850,010	\$ 584,500
Interest Income	15,000	15,000	20,000
<b>Total Library Development Fee Fund</b>	<b>\$ 865,010</b>	<b>\$ 865,010</b>	<b>\$ 604,500</b>
<b>Public Safety Development Fee Fund</b>			
Public Safety Development Fees	\$ 238,820	\$ 238,820	\$ 178,460
Interest Income	14,000	14,000	10,000
<b>Total Public Safety Development Fee Fund</b>	<b>\$ 252,820</b>	<b>\$ 252,820</b>	<b>\$ 188,460</b>
<b>Emergency Services Fund</b>			
City Sales Tax	\$ 2,584,150	\$ 2,662,765	\$ 2,689,690
County Island Fire District	1,422,330	1,422,330	1,713,200
Fire Inspections	75,000	75,000	75,000
PSPRS Premium Tax Credit	77,500	77,500	100,000
ROI Utility Revenue			2,468,100
IGA - School District	64,000	64,000	64,000
Wildland Reimbursement	65,000	65,000	65,000
Miscellaneous	28,000	28,000	23,000
<b>Total Emergency Services Fund</b>	<b>\$ 4,315,980</b>	<b>\$ 4,394,595</b>	<b>\$ 7,197,990</b>
<b>Fire Development Fee Fund</b>			
Fire Development Fees	\$ 648,278	\$ 648,278	\$ 481,680
Interest Income	17,000	17,000	12,100
<b>Total Fire Development Fee Fund</b>	<b>\$ 665,278</b>	<b>\$ 665,278</b>	<b>\$ 493,780</b>
<b>Streetlight Improvement Districts</b>			
Special Assessment	\$ 625,500	\$ 625,500	\$ 700,000
<b>Total Streetlight Improvement Districts</b>	<b>\$ 625,500</b>	<b>\$ 625,500</b>	<b>\$ 700,000</b>
<b>Community Events Fund</b>			
Contributions/Donations	\$ 75,000	\$ 75,000	\$ 74,650
<b>Total Community Events Fund</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 74,650</b>
<b>Horseshoe Park &amp; Equestrian Center (HPEC) Fund</b>			
Park Revenues	\$ 565,590	\$ 565,590	\$ 742,570
<b>Total HPEC Fund</b>	<b>\$ 565,590</b>	<b>\$ 565,590</b>	<b>\$ 742,570</b>
<b>Total Special Revenue Funds</b>	<b>\$ 26,227,528</b>	<b>\$ 26,572,284</b>	<b>\$ 26,705,090</b>



# Auditor General Budget Schedules

**TOWN OF QUEEN CREEK**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>DEBT SERVICE FUNDS</b>			
<b>Special Assessment Fund</b>			
Property Assessments	\$ 1,702,407	\$ 1,702,407	\$ 1,702,407
Interest Income			
<b>Total Special Assessment Fund</b>	<b>\$ 1,702,407</b>	<b>\$ 1,702,407</b>	<b>\$ 1,702,407</b>
<b>Total Debt Service Funds</b>	<b>\$ 1,702,407</b>	<b>\$ 1,702,407</b>	<b>\$ 1,702,407</b>
<b>CAPITAL PROJECTS FUNDS</b>			
<b>Drainage &amp; Transportation Fund</b>			
Reimbursement from Government Agency	\$ 3,555,000	\$ 3,555,000	\$ 4,277,000
Developer Contribution	177,421	177,421	
Other Financing - To Be Determined			22,000,000
Bond Proceeds	75,000,000	75,000,000	
<b>Total Drainage &amp; Transportation Fund</b>	<b>\$ 78,732,421</b>	<b>\$ 78,732,421</b>	<b>\$ 26,277,000</b>
<b>Total Capital Projects Funds</b>	<b>\$ 78,732,421</b>	<b>\$ 78,732,421</b>	<b>\$ 26,277,000</b>
<b>INTERNAL SERVICE FUNDS</b>			
<b>Healthcare Self-Insurance</b>			
Premiums	\$ 3,646,735	\$ 3,646,735	\$ 4,055,761
Stop Loss Reimbursement	150,000	150,000	150,000
Interest Income	10,000	10,000	10,000
<b>Total Healthcare Self-Insurance</b>	<b>\$ 3,806,735</b>	<b>\$ 3,806,735</b>	<b>\$ 4,215,761</b>
<b>ENTERPRISE FUNDS</b>			
<b>Sewer Utility Funds</b>			
User Fees	\$ 6,300,000	\$ 6,300,000	\$ 6,741,250
Developer Contribution			
Capacity Fee	5,630,860	5,630,860	4,045,270
Interest Income	117,591	117,591	198,500
<b>Total Sewer Utility</b>	<b>\$ 12,048,451</b>	<b>\$ 12,048,451</b>	<b>\$ 10,985,020</b>
<b>Water Fund</b>			
Water Revenues/User Fees	\$ 20,665,000	\$ 20,665,000	\$ 21,906,891
Capacity Fee	5,559,390	5,559,390	3,993,930
Miscellaneous	345,692	345,692	358,895
Interest Income	324,000	324,000	339,000
<b>Total Water Fund</b>	<b>\$ 26,894,082</b>	<b>\$ 26,894,082</b>	<b>\$ 26,598,716</b>
<b>Solid Waste Fund</b>			
User Fees	\$ 2,499,828	\$ 2,499,828	\$ 2,659,194
Recycling	20,000	20,000	20,000
Cart Fees	96,679	96,679	153,000
Interest Income	1,000	1,000	1,500
Miscellaneous	26,000	26,000	26,000
<b>Total Solid Waste</b>	<b>\$ 2,643,507</b>	<b>\$ 2,643,507</b>	<b>\$ 2,859,694</b>
<b>Total Enterprise Funds</b>	<b>\$ 41,586,040</b>	<b>\$ 41,586,040</b>	<b>\$ 40,443,430</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 189,860,332</b>	<b>\$ 190,001,688</b>	<b>\$ 137,017,104</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.



# Auditor General Budget Schedules

**TOWN OF QUEEN CREEK**  
**Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2019**

FUND	OTHER FINANCING 2019		INTERFUND TRANSFERS 2019	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
Debt Service	\$	\$	\$	3,457,762
Interfund Loan			4,812,461	
Infrastructure (CIP)				3,933,922
Emergency Services Fund				5,123,144
Horseshoe Park & Equestrian Center Fund				1,683,101
HURF				1,594,308
Community Events				25,000
<b>Total General Fund</b>	\$	\$	\$ 4,812,461	\$ 15,817,237
<b>SPECIAL REVENUE FUNDS</b>				
Library Development Fee Fund	\$	\$	\$	405,292
Emergency Services Fund			5,123,144	1,406,730
Grants Fund			72,700	
Parks Development				522,071
Public Safety Development Fee Fund				171,709
Town Buildings & Vehicles Development Fee				292,777
Fire Development Fee Fund				6,110,696
Transportation Development Fund				1,634,465
Construction Sales Tax				4,940,337
Town Center				400,044
HURF			1,594,308	265,617
Community Events			90,000	
Horseshoe Park & Equestrian Center Fund			1,683,101	297,204
<b>Total Special Revenue Funds</b>	\$	\$	\$ 8,563,253	\$ 16,446,942
<b>DEBT SERVICE FUNDS</b>				
Special Assessment Fund	\$	\$	\$	\$
Debt Service			7,797,886	
<b>Total Debt Service Funds</b>	\$	\$	\$ 7,797,886	\$
<b>CAPITAL PROJECTS FUNDS</b>				
Drainage & Transportation Fund	\$	\$	\$ 3,933,922	
General CIP			7,156,657	
<b>Total Capital Projects Funds</b>	\$	\$	\$ 11,090,579	\$
<b>ENTERPRISE FUNDS</b>				
Water Fund	\$	\$	\$	16,769,778
Water Capacity				16,965,003
Water CIP			28,107,557	
Water Debt			5,627,224	
Sewer/Wastewater Fund				16,288,095
Sewer/Wastewater Capacity				13,408,950
Sewer/Wastewater CIP			26,523,143	
Sewer/Wastewater Debt			3,173,902	
<b>Total Enterprise Funds</b>	\$	\$	\$ 63,431,826	\$ 63,431,826
<b>TOTAL ALL FUNDS</b>	\$	\$	\$ 95,696,005	\$ 95,696,005





# Auditor General Budget Schedules

<b>TOWN OF QUEEN CREEK Expenditures/Expenses by Fund Fiscal Year 2019</b>				
<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2018</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019</b>
<b>GENERAL FUND</b>				
Town Council	\$ 434,432	\$ (4,991)	\$ 429,441	\$ 431,085
Town Manager	1,059,779	5,090	1,064,869	1,065,347
Legal Services	400,000	65,000	465,000	465,000
Town Clerk	324,544	380	324,924	284,295
Finance	1,900,609	255,449	2,156,058	2,336,798
Workforce & Technology	2,934,347	334,358	3,268,705	3,127,351
Communications, Marketing & Recreation	1,854,339	43,860	1,898,199	1,948,791
Economic Development	840,210	12,665	852,775	828,889
Development Services	3,067,899	403,262	3,471,161	3,102,206
Public Works	5,047,010	729,176	5,776,186	5,573,326
Centralized Services	2,668,114	(711,450)	1,956,664	2,911,543
<b>Total General Fund</b>	<b>\$ 20,531,283</b>	<b>\$ 1,132,699</b>	<b>\$ 21,663,982</b>	<b>\$ 22,074,631</b>
<b>SPECIAL REVENUE FUNDS</b>				
<b>HURF</b>				
Public Works	\$ 4,841,050	\$ 1,162,605	\$ 6,003,655	\$ 5,484,051
Municipal Town Center Fund				
Economic Development	1,212,700	318,028	1,530,728	939,200
Streetlight Improvement District				
General Operations	625,000		625,000	700,000
Grants & Contingency Fund				
General Operations	2,000,000	-	2,000,000	2,000,000
Construction Sales Tax Fund				
Capital	450,000	-	450,000	772,758
Parks Development Fund				
Comm, Marketing & Recreation	15,324,990	3,301,506	18,626,496	7,600,000
Carryforward Allowance			(3,000,000)	
Town Buildings & Vehicles Fund				
General Operations	-	15,000	15,000	-
Transportation Development Fund				
Public Works	-	63,579	63,579	26,161
Library Development Fund				
Comm, Marketing & Recreation	15,000	15,000	30,000	-
Public Safety Development Fund				
Emergency Management Services	50,000	46,450	96,450	-
Fire Development Fund				
Emergency Management Services	473,319	46,450	519,769	-
Emergency Services Fund				
Emergency Management Services	14,663,303	666,180	15,329,483	17,877,120
Community Events Fund				
Comm, Marketing & Recreation	162,650	-	162,650	164,650
HPEC Fund				
Economic Development	1,428,893	(8,890)	1,420,003	1,968,467
LTAf				
Public Works	-	-	-	-
<b>Total Special Revenue Funds</b>	<b>\$ 41,246,905</b>	<b>\$ 5,625,908</b>	<b>\$ 43,872,813</b>	<b>\$ 37,532,407</b>
<b>DEBT SERVICE FUNDS</b>				
Special Assessment Fund				
General Operations	\$ 1,702,407	\$ -	\$ 1,702,407	\$ 1,765,910
Debt Service Fund				
General Operations	9,217,087	(4,877,337)	4,339,750	7,802,886
<b>Total Debt Service Funds</b>	<b>\$ 10,919,494</b>	<b>\$ (4,877,337)</b>	<b>\$ 6,042,157</b>	<b>\$ 9,568,796</b>



# Auditor General Budget Schedules

<b>TOWN OF QUEEN CREEK Expenditures/Expenses by Fund Fiscal Year 2019</b>				
<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2018</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019</b>
<b>CAPITAL PROJECTS FUNDS</b>				
<b>Drainage &amp; Transportation</b>				
Public Works	\$ 56,480,816	\$ (7,877,413)	\$ 48,603,403	\$ 84,251,710
Carryforward Allowance			(32,151,412)	
<b>General CIP -</b>				
General Operations	700,000	6,233,696	6,933,696	7,156,657
Carryforward Allowance				
<b>Total Capital Projects Funds</b>	<b>\$ 57,180,816</b>	<b>\$ (1,643,717)</b>	<b>\$ 23,385,687</b>	<b>\$ 91,408,367</b>
<b>ENTERPRISE FUNDS</b>				
<b>Sewer/Wastewater Funds</b>				
Sewer Operating	\$ 3,626,192	\$ 22,895	\$ 3,649,087	\$ 4,310,014
Sewer Capacity	-	-	-	-
Sewer Capital	19,356,071	(1,680,644)	17,675,427	26,523,143
Sewer Debt	3,168,856	-	3,168,856	3,173,902
Carryforward Allowance			(10,142,000)	
<b>Subtotal Sewer/Wastewater</b>	<b>\$ 26,151,119</b>	<b>\$ (1,657,749)</b>	<b>\$ 14,351,370</b>	<b>\$ 34,007,059</b>
<b>Water Funds</b>				
Water Operating	\$ 11,100,245	\$ 128,840	\$ 11,229,085	\$ 16,866,892
Water Capacity	-	10,323	10,323	-
Water Capital	34,677,925	1,281,033	35,958,958	28,107,557
Water Debt	5,727,362	-	5,727,362	5,627,224
Carryforward Allowance			(12,900,000)	
<b>Subtotal Water</b>	<b>\$ 51,505,532</b>	<b>\$ 1,420,196</b>	<b>\$ 40,025,728</b>	<b>\$ 50,601,673</b>
<b>Solid Waste Fund</b>				
Public Works	2,642,876	-	2,642,876	2,948,531
<b>Total Enterprise Funds</b>	<b>\$ 80,299,527</b>	<b>\$ (237,553)</b>	<b>\$ 57,019,974</b>	<b>\$ 87,557,263</b>
<b>INTERNAL SERVICE FUNDS</b>				
<b>Healthcare / Self-Insurance Fund</b>				
Healthcare	\$ 2,915,430	\$ -	\$ 2,915,430	\$ 3,754,683
<b>Subtotal Healthcare</b>	<b>\$ 2,915,430</b>	<b>\$ -</b>	<b>\$ 2,915,430</b>	<b>\$ 3,754,683</b>
<b>Total Internal Service Funds</b>	<b>\$ 2,915,430</b>	<b>\$ -</b>	<b>\$ 2,915,430</b>	<b>\$ 3,754,683</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 213,093,455</b>	<b>\$ -</b>	<b>\$ 154,900,043</b>	<b>\$ 251,896,147</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.



# Auditor General Budget Schedules

## TOWN OF QUEEN CREEK Expenditures/Expenses by Department Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED	EXPENDITURE/	ACTUAL	ADOPTED
	BUDGETED	EXPENSE	EXPENDITURES/	BUDGETED
	EXPENDITURES/	ADJUSTMENTS	EXPENSES*	EXPENSES
	EXPENSES	APPROVED		
	2018	2018	2018	2019
<b>Town Council</b>				
General Fund	\$ 434,432	\$ (4,991)	\$ 429,441	\$ 431,085
<b>Town Council Total</b>	<b>\$ 434,432</b>	<b>\$ (4,991)</b>	<b>\$ 429,441</b>	<b>\$ 431,085</b>
<b>Town Manager</b>				
General Fund	\$ 1,059,779	\$ 5,090	\$ 1,064,869	\$ 1,065,347
<b>Town Manager Total</b>	<b>\$ 1,059,779</b>	<b>\$ 5,090</b>	<b>\$ 1,064,869</b>	<b>\$ 1,065,347</b>
<b>Legal Services</b>				
General Fund	\$ 400,000	\$ 65,000	\$ 465,000	\$ 465,000
<b>Legal Services Total</b>	<b>\$ 400,000</b>	<b>\$ 65,000</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>
<b>Town Clerk</b>				
General Fund	\$ 324,544	\$ 380	\$ 324,924	\$ 284,295
<b>Town Clerk Total</b>	<b>\$ 324,544</b>	<b>\$ 380</b>	<b>\$ 324,924</b>	<b>\$ 284,295</b>
<b>Finance</b>				
General Fund	\$ 1,900,609	\$ 255,449	\$ 2,156,058	\$ 2,336,798
<b>Finance Total</b>	<b>\$ 1,900,609</b>	<b>\$ 255,449</b>	<b>\$ 2,156,058</b>	<b>\$ 2,336,798</b>
<b>Communications, Marketing &amp; Recreation</b>				
General Fund	\$ 1,854,339	\$ 43,860	\$ 1,898,199	\$ 1,948,791
Parks Development Fund	15,324,990	3,301,506	15,626,496	7,600,000
Library Development Fund	15,000	15,000	30,000	
Community Events Fund	162,650		162,650	164,650
<b>Communications, Marketing &amp; Recreation Total</b>	<b>\$ 17,356,979</b>	<b>\$ 3,360,366</b>	<b>\$ 17,717,345</b>	<b>\$ 9,713,441</b>
<b>Development Services</b>				
General Fund	\$ 3,067,899	\$ 403,262	\$ 3,471,161	\$ 3,102,206
<b>Development Services Total</b>	<b>\$ 3,067,899</b>	<b>\$ 403,262</b>	<b>\$ 3,471,161</b>	<b>\$ 3,102,206</b>
<b>Public Works</b>				
General Fund	\$ 5,047,010	\$ 729,176	\$ 5,776,186	\$ 5,573,326
HURF	4,841,050	1,162,605	6,003,655	5,484,051
Solid Waste Fund	2,642,876		2,642,876	2,948,531
LTAF				
Transportation Development Fund		63,579	63,579	26,161
Drainage & Transportation Fund	56,480,816	(7,877,413)	16,451,991	84,251,710
<b>Public Works Total</b>	<b>\$ 69,011,752</b>	<b>\$ (5,922,053)</b>	<b>\$ 30,938,287</b>	<b>\$ 98,283,779</b>
<b>Workforce &amp; Technology</b>				
General Fund	\$ 2,934,347	\$ 334,358	\$ 3,268,705	\$ 3,127,351
<b>Workforce &amp; Technology Total</b>	<b>\$ 2,934,347</b>	<b>\$ 334,358</b>	<b>\$ 3,268,705</b>	<b>\$ 3,127,351</b>
<b>Economic Development</b>				
General Fund	\$ 840,210	\$ 12,565	\$ 852,775	\$ 828,889
Municipal Town Center Fund	1,212,700	318,028	1,530,728	939,200
Horseshoe Park Fund	1,428,893	(8,890)	1,420,003	1,968,467
<b>Economic Development Total</b>	<b>\$ 3,481,803</b>	<b>\$ 321,703</b>	<b>\$ 3,803,506</b>	<b>\$ 3,736,556</b>
<b>Emergency Management Services (EMS)</b>				
Emergency Services Fund	\$ 14,663,303	\$ 666,180	\$ 15,329,483	\$ 17,877,120
Public Safety Development Fund	50,000	46,450	96,450	
Fire Development Fund	473,319	46,450	519,769	
<b>EMS Total</b>	<b>\$ 15,186,622</b>	<b>\$ 759,080</b>	<b>\$ 15,945,702</b>	<b>\$ 17,877,120</b>



# Auditor General Budget Schedules

## TOWN OF QUEEN CREEK Expenditures/Expenses by Department Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	ADOPTED BUDGETED EXPENDITURES/ EXPENSES
	2018	2018	2018	2019
<b>Utilities Department</b>				
Sewer Utility Fund	\$ 3,626,192	\$ 22,895	\$ 3,649,087	\$ 4,310,014
Sewer Capacity Fund				
Sewer Capital Fund	19,356,071	(1,680,644)	7,533,427	26,523,143
Sewer Debt Fund	3,168,856		3,168,856	3,173,902
Water Operating Fund	11,100,245	128,840	11,229,085	16,866,892
Water Capacity Fund		10,323	10,323	
Water Capital Fund	34,677,925	1,281,033	23,058,958	28,107,557
Water Debt Fund	5,727,362		5,727,362	5,627,224
<b>Utilities Department Total</b>	<b>\$ 77,656,651</b>	<b>\$ (237,553)</b>	<b>\$ 54,377,098</b>	<b>\$ 84,608,732</b>
<b>Centralized Services/General Operations</b>				
General Fund	\$ 2,668,114	\$ (711,450)	\$ 1,956,664	\$ 2,911,543
General CIP	700,000	6,233,696	6,933,696	7,156,657
Construction Sales Tax	450,000		450,000	772,758
Town Buildings & Vehicle Development		15,000	15,000	
Grants & Contingency Fund	2,000,000		2,000,000	2,000,000
Streetlight Improvement Districts	625,000		625,000	700,000
Special Assessments Fund	1,702,407		1,702,407	1,765,910
Debt Service Fund	9,217,087	(4,877,337)	4,339,750	7,802,886
Healthcare / Self-Insurance	2,915,430		2,915,430	3,754,683
<b>Centralized Services/General Operations Total</b>	<b>\$ 20,278,038</b>	<b>\$ 659,909</b>	<b>\$ 20,937,947</b>	<b>\$ 26,864,437</b>
<b>Total All Departments</b>	<b>\$ 213,093,455</b>	<b>\$ -</b>	<b>\$ 154,900,043</b>	<b>\$ 251,896,147</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.





# Auditor General Budget Schedules

**TOWN OF QUEEN CREEK**  
Full-Time Employees and Personnel Compensation  
Fiscal Year 2019

<b>FUND</b>	<b>Full-Time Equivalent (FTE) 2019</b>	<b>Employee Salaries and Hourly Costs 2019</b>	<b>Retirement Costs 2019</b>	<b>Healthcare Costs 2019</b>	<b>Other Benefit Costs 2019</b>	<b>Total Estimated Personnel Compensation 2019</b>
<b>GENERAL FUND</b>						
Town Council	7.00	\$ 222,729	-	67,598	22,858	= \$ 313,185
Town Manager	6.00	786,308	88,519	62,051	57,769	= 994,647
Town Clerk	2.00	186,965	22,048	17,028	15,974	= 242,015
Finance	16.46	1,508,431	172,187	158,795	129,865	= 1,969,278
Communications, Marketing & Rec	13.08	913,675	96,486	71,988	91,147	= 1,173,296
Development Services	25.60	2,087,372	240,647	284,811	222,733	= 2,835,563
Public Works	47.86	2,881,144	327,467	513,494	328,328	= 4,050,433
Workforce & Technology	11.40	1,080,645	125,349	111,768	94,649	= 1,412,411
Economic Development	4.10	416,734	48,270	36,870	34,450	= 536,324
Non-Departmental		-	-	-	-	= -
<b>Total General Fund</b>	<b>133.50</b>	<b>\$ 10,084,003</b>	<b>\$ 1,120,973</b>	<b>\$ 1,324,403</b>	<b>\$ 997,773</b>	<b>= \$ 13,527,152</b>
<b>SPECIAL REVENUE FUNDS</b>						
Emergency Services	64.00	\$ 5,887,020	858,991	797,335	737,658	= \$ 8,281,004
HPEC	7.00	495,723	53,520	65,410	61,694	= 676,347
HURF	17.00	1,024,246	108,042	206,062	125,928	= 1,464,278
<b>Total Special Revenue Funds</b>	<b>88.00</b>	<b>\$ 7,406,989</b>	<b>\$ 1,020,553</b>	<b>\$ 1,068,807</b>	<b>\$ 925,280</b>	<b>= \$ 10,421,629</b>
<b>Capital Funds</b>						
Drainage & Transportation	6.90	\$ 579,233	72,698	52,636	64,708	= \$ 769,275
<b>ENTERPRISE FUNDS</b>						
Sewer Utility Fund	5.71	\$ 398,215	44,125	74,502	51,577	= \$ 568,419
Water Fund	55.96	4,418,793	367,773	473,997	400,246	= 5,660,809
Solid Waste Fund	5.05	330,741	38,646	64,846	33,045	= 467,278
<b>Total Enterprise Funds</b>	<b>66.72</b>	<b>\$ 5,147,749</b>	<b>\$ 450,544</b>	<b>\$ 613,345</b>	<b>\$ 484,868</b>	<b>= \$ 6,696,506</b>
<b>TOTAL ALL FUNDS</b>	<b>295.12</b>	<b>\$ 23,217,974</b>	<b>\$ 2,664,768</b>	<b>\$ 3,059,191</b>	<b>\$ 2,472,629</b>	<b>= \$ 31,414,562</b>