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April 14, 2026

FY2027 Proposed Budget Work Session

Paul Soldinger, Chief Financial Officer

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FY2027 Proposed Budget Considerations

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FY2027 Budget Remaining Timeline

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- Proposed Budget Work Session – 4/14/2026
  - FY27 Proposed Budget Book is online for public
  - Council discusses proposed budget and provides direction for Tentative budget the following month
- Tentative Budget Adoption – 5/5/2026 Regular Meeting (Public Hearing)
  - Tentative Budget sets the **maximum** amount the Town may budget for FY2027
- Final Budget Adoption – 6/2/2026 Regular Meeting (Public Hearing)
  - Council considers adoption of final budget for FY2027 Town operations

Projected Fund Balances – Fiscal Year 2027

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Beginning of Year Projected Fund Balances

General Fund: About $15.0M

Streets Fund: About $6.1M

Cap Projects Fund: About $9.0M

Facilities Reserve Fund: About $8.2M including $6.7M for Future Lake Liner Project

All Other Funds*: About $8.5M

*Other funds include Economic Dev, Tourism, Downtown, Impact Fees, Internal Service Funds

***The Town projects to have about $47 million of combined fund balances to start FY2027*

FY2027 Projected Revenues by Fund

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Revenues by Fund

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget ($ Change)
General Fund	$28,074,550	$30,798,033	$28,362,530	$26,051,539	$26,800,894	$749,355
Streets Fund	$4,261,218	$4,743,883	$5,193,587	$4,732,976	$4,516,381	-$216,595
Downtown Strategy Fund	$161,955	$175,491	$172,994	$138,063	$142,091	$4,028
Economic Development Fund	$588,144	$607,835	$591,160	$507,696	$525,042	$17,346
Tourism Fund	$122,010	$127,524	$150,719	$153,000	$153,126	$126
Special Revenue Fund	$4,632,397	$144,892	$709,881	$4,690,000	$1,755,660	-$2,934,340
Public Art Fund	$19,699	$7,904	$56,631	$100,820	$101,289	$469
Court Enhancement Fund	$28,696	$28,255	$42,664	$41,789	$60,641	$18,852
Environmental Fund	$21,942	$32,185	$11,245	-	-	-
GO Bond Debt Serv	$4,711	$8,535	$2,061	$500	$566	$66
Eagle Mtn CFD Debt Serv	$710	$1,062	$190	-	-	-
MPC Debt Serv	$402	$628	$533	$200	$251	$51
Cottonwoods Maint Dist	$9,332	$10,729	$11,359	$12,006	$12,770	$764
Capital Projects Fund	$1,997,163	$2,395,076	$2,078,624	$3,548,957	$2,668,068	-$880,889
Facilities Reserve Fund	$140,114	$264,030	$360,779	$140,000	$144,302	$4,302
Fire/EMS Dev Fee	$30,676	$31,756	$18,004	$21,330	$168,618	$147,288
Streets Dev Fee	$206,286	$214,589	$152,156	$281,368	$380,179	$98,811
Park/Rec Dev Fee	$222,998	$199,094	$181,499	$237,728	$475,112	$237,384
Technology Repl Fund	$70,389	$70,653	$71,514	$65,511	$65,511	-
Vehicle/Equip Repl Fund	$451,244	$496,223	$480,148	$417,389	$507,102	$89,713
Total Revenues	**$41,044,636**	**$40,358,377**	**$38,648,279**	**$41,140,872**	**$38,477,603**	**-$2,663,269**

League is projecting a drop in FY27 HURF revenues

Prior year had higher budget for IDSDC grant application

Less grant funded capital projects

New Impact Fee Schedule

Total Projected Revenues - $38.5M

Expenditure Limitation for FY2027

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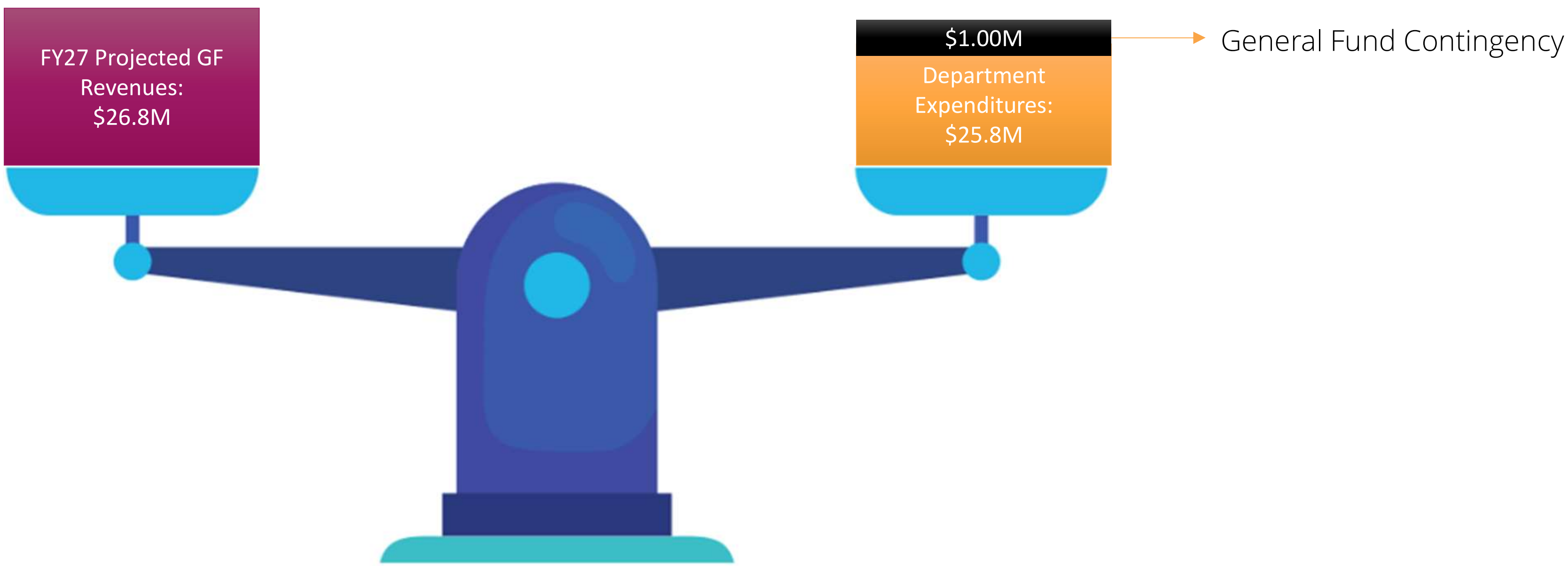
FY27 Expenditure Limit		**$38,178,069**
FY27 Proposed Budget	$49,205,064	
Less Grants	(1,760,660)	
Less HURF	(1,810,740)	
Less Investment Income	(840,962)	
Less Other Exclusions	(2,175,700)	
Less Using Prior Years' Carryforward	(4,438,934)	
FY27 Expenditures Subject to Limit		**$38,178,068**
		$1

FY27 - $6.6M exclusions

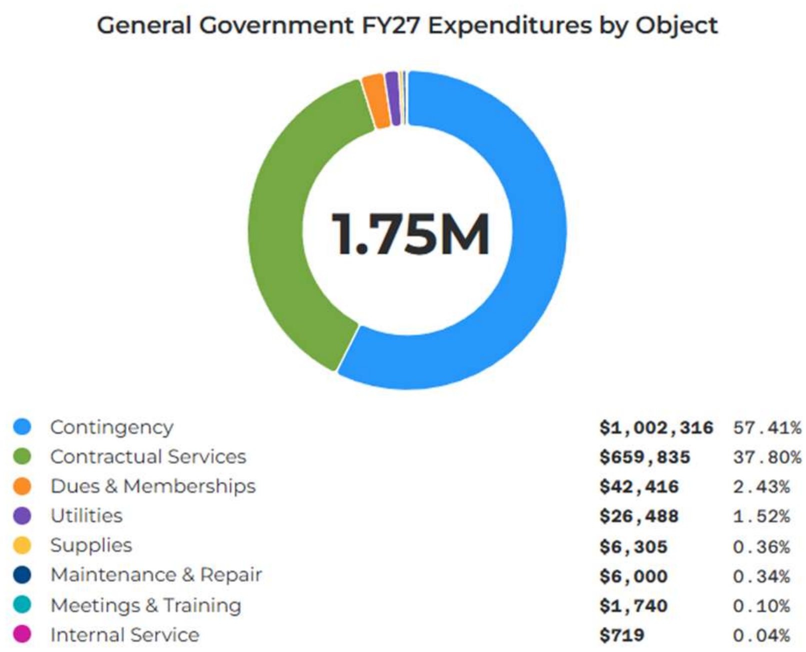
Budgeted to be $1 under the FY2027 expenditure limitation

Expenditure Considerations – General Fund

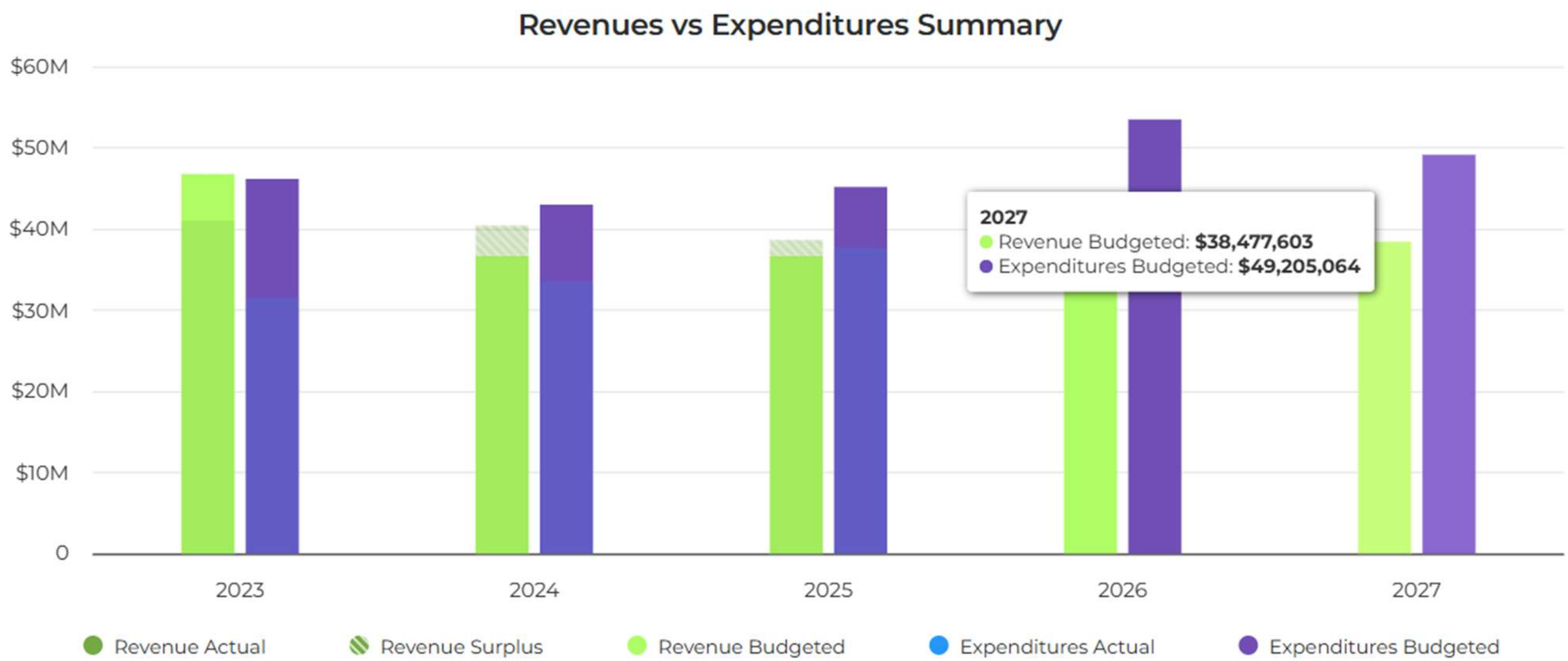


General Fund Contingency Overview

- Contingency
  - Included in General Government (General Fund)
  - Provides budget authority for unforeseen expenditures only if projected revenues are received
  - $1.00M General Fund contingency included in FY2027 Proposed Budget



FY27 Proposed Budget – All Funds



Note: Expenditures Budgeted for FY 2027 include proposed supplements in the following slides.

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Recommended Supplements

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Ongoing Supplements

Ongoing Requests	Request Title	Department	Funding Source	FY27 Requests	Manager Recommendation	Offsets
General Fund:						
BA-100-03	ChatGPT Organization Subscription	Administration	General Fund	4,500	$4,500	$0
BA-100-06	Staffing for Inflatables at Events	Comm Services	General Fund	8,300	8,300	0
			Total General Fund:	**$12,800**	**$12,800**	**$0**
Economic Development Funds:						
BA-310-01	Fountain Hills Promotional Material	Econ Dev	Econ Dev Fund	$10,000	$10,000	$0
BA-300-01	Downtown Fund - Avenue of the Fountains Street Banners Replacement	Econ Dev	Downtown Fund	15,000	15,000	0
BA-300-02	Downtown Fund - Downtown Videos	Econ Dev	Downtown Fund	10,000	10,000	0
			Total Economic Development Funds:	**$35,000**	**$35,000**	**$0**
			Total All Funds:	**$47,800**	**$47,800**	**$0**

One-Time Supplements

One-Time Requests	Request Title	Department	Funding Source	FY27 Requests	Manager Recommendation	Offsets
Downtown Strategy Fund:						
300-01	Verde River Banners	Econ Dev	Downtown Fund	$10,000	$10,000	$0
300-02	Performance Pad for Avenue Linear Park Water Features	Public Works	Downtown Fund	50,000	40,000	0
			Total Downtown Strategy Fund:	**$60,000**	**$50,000**	**$0**
Court Enhancement Fund:						
420-02	Judge Office- Refresh	Muni Court	Court Enh Fund	$20,000	$10,000	$0
			Total Court Enhancement Fund:	**$20,000**	**$10,000**	**$0**
Vehicle Replacement Fund:						
810-01	#156 Vehicle Replacement	Public Works	Vehicle Repl Fund	$55,000	$55,000	$0
810-02	#158 Vehicle Replacement	Public Works	Vehicle Repl Fund	60,000	60,000	0
810-03	#159 Vehicle Replacement	Comm Services	Vehicle Repl Fund	50,000	50,000	0
			Total Vehicle Replacement Fund:	**$165,000**	**$165,000**	**$0**
			Total All Funds:	**$245,000**	**$225,000**	**$0**

Personnel Supplements

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Personnel Requests	Request Title	Department	Funding Source	FY27 Requests	Manager Recommendation	Offsets
General Fund:						
BAP-100-01	Groundskeeper I - Part Time	Comm Services	General Fund	$31,142	$31,142	$0
BAP-100-02	New - Deputy Town Clerk	Admin (Clerk)	General Fund	124,133	124,133	0
BAP-100-04	Firefighters - 1 in FY27 (2 Additional in Future)	Fire Department	General Fund	127,868	127,868	0
			Total General Fund:	**$283,143**	**$283,143**	**$0**

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General Fund

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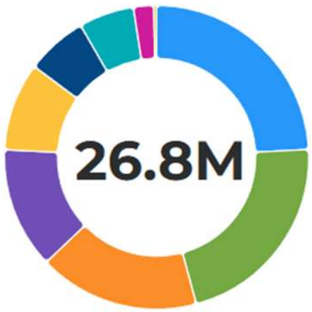
General Fund – All Departments

FY27 Expenditures by Department



Fire & Emergency Med	$6,477,777	24.17%
Law Enforcement	$5,795,856	21.63%
Community Services	$4,580,916	17.09%
Administration	$3,459,977	12.91%
Public Works	$2,516,325	9.39%
General Government	$1,745,819	6.51%
Development Services	$1,568,863	5.85%
Municipal Court	$574,919	2.15%
Mayor & Council	$80,442	0.30%

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General Fund – Administration Department

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Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Payroll Expenses	$1,763,230	$1,899,657	$1,999,913	$2,111,420	$2,298,677	8.9%
Dues & Memberships	$22,189	$5,904	$6,863	$10,173	$9,973	-2.0%
Meetings & Training	$18,162	$20,632	$26,740	$49,128	$59,314	20.7%
Maintenance & Repair	$285,190	$282,166	$347,466	$379,192	$364,550	-3.9%
Utilities	$14,875	$17,638	$983	$2,540	$1,920	-24.4%
Contractual Services	$576,145	$474,962	$549,745	$597,895	$610,142	2.0%
Supplies	$12,208	$14,874	$19,376	$29,465	$40,695	38.1%
Equipment/Improvemen	$16,108	$11,724	$60,460	$58,300	$60,750	4.2%
Internal Service	$15,426	$13,280	$13,616	$14,505	$13,956	-3.8%
Capital Expenditures	-	-	$13,023	-	-	0.0%
Total Expenditures	**$2,723,534**	**$2,740,837**	**$3,038,185**	**$3,252,618**	**$3,459,977**	**6.4%**

General Fund – Administration Department (By Division)

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Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Town Manager	$538,117	$351,831	$359,522	$396,325	$393,094	-0.8%
Information Tech	$413,499	$452,702	$549,882	$597,852	$610,433	2.1%
Town Clerk	$187,188	$188,328	$254,266	$259,321	$397,504	53.3%
Administrative Services	$263,609	$386,830	$461,787	$503,653	$525,075	4.3%
Finance	$667,825	$698,968	$744,624	$792,743	$813,359	2.6%
Public Information	$229,253	$221,524	$203,363	$231,972	$232,323	0.2%
Legal Services	$295,058	$300,853	$315,835	$314,836	$323,868	2.9%
Purchasing	$128,985	$139,802	$148,907	$155,916	$164,321	5.4%
Total Expenditures	**$2,723,534**	**$2,740,837**	**$3,038,185**	**$3,252,618**	**$3,459,977**	**6.4%**

8 of 9 Divisions are in General Fund (Economic Development Division paid separately out of 3 other funds)

General Fund – General Government Dept

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Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Dues & Memberships	$44,279	$46,299	$46,999	$41,710	$42,416	1.7%
Meetings & Training	-	$54	-	$1,740	$1,740	0.0%
Maintenance & Repair	$1,747	$2,601	$2,337	$6,000	$6,000	0.0%
Utilities	$20,523	$20,842	$21,065	$26,488	$26,488	0.0%
Contractual Services	$538,743	$537,067	$510,650	$696,458	$659,835	-5.3%
Supplies	$8,562	$7,154	$7,053	$6,305	$6,305	0.0%
Equipment/Improvemen	$3,024	-	-	-	-	0.0%
Internal Service	-$2,735	$1,296	-$5,551	-	$719	-
Contingency	-	-	-	$1,121,243	$1,002,316	-10.6%
Total Expenditures	**$614,144**	**$615,312**	**$582,553**	**$1,899,944**	**$1,745,819**	**-8.1%**

Community Contracts budget reduced to reflect new CASS contract

General Fund – Municipal Court Dept

FOUNTAIN HILLS

Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Payroll Expenses	$393,147	$448,622	$493,793	$503,275	$523,476	4.0%
General Fund	$393,147	$448,622	$493,793	$503,275	$523,476	4.0%
Dues & Memberships	$2,716	$764	$685	$677	$677	0.0%
General Fund	$2,716	$764	$685	$677	$677	0.0%
Meetings & Training	$1,232	$2,815	$2,578	$8,405	$8,405	0.0%
General Fund	$1,232	$2,815	$2,578	$8,405	$8,405	0.0%
Maintenance & Repair	$2,610	$15,339	$19,302	$10,010	$10,010	0.0%
General Fund	$2,521	$10,339	$6,113	$10,010	$10,010	0.0%
Court Enhancement Fund	$89	$5,000	$13,189	-	-	0.0%
Contractual Services	$11,390	$16,956	$20,681	$43,481	$49,481	13.8%
General Fund	$11,390	$16,956	$18,587	$18,481	$24,481	32.5%
Court Enhancement Fund	-	-	$2,095	$25,000	$25,000	0.0%
Supplies	$5,660	$5,701	$6,448	$3,939	$3,939	0.0%
General Fund	$5,660	$5,701	$6,448	$3,939	$3,939	0.0%
Equipment/Improvemen	$21,651	$3,143	$36,825	$2,760	$12,760	362.3%
General Fund	$5,812	$3,143	$2,022	$260	$260	0.0%
Court Enhancement Fund	$15,840	-	$34,803	$2,500	$12,500	400.0%
Internal Service	$4,292	$3,476	$3,572	$3,922	$3,671	-6.4%
General Fund	$4,292	$3,476	$3,572	$3,922	$3,671	-6.4%
Contingency	-	-	-	$50,000	$50,000	0.0%
Court Enhancement Fund	-	-	-	$50,000	$50,000	0.0%
Total Expenditures	**$442,699**	**$496,817**	**$583,884**	**$626,469**	**$662,419**	**5.7%**

General (& Streets) Fund(s) – Public Works Dept

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Expenditures by Fund

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
General Fund	$1,336,419	$1,572,310	$1,678,837	$2,488,886	$2,516,325	1.1%
Wages	$559,983	$645,196	$692,128	$707,805	$720,994	1.9%
Employment Taxes	$19,549	$22,542	$24,599	$33,851	$26,630	-21.3%
Benefits	$124,333	$145,548	$153,163	$158,829	$170,392	7.3%
Dues & Memberships	$1,791	$1,035	$5,718	$12,975	$12,975	0.0%
Meetings & Training	$2,117	$1,981	$3,276	$7,190	$7,190	0.0%
Maintenance & Repair	$181,319	$218,420	$352,529	$803,972	$803,972	0.0%
Utilities	$240,587	$263,779	$250,298	$193,457	$198,056	2.4%
Contractual Services	$139,865	$213,926	$144,572	$497,081	$497,081	0.0%
Supplies	$18,740	$13,318	$17,135	$37,748	$37,748	0.0%
Equipment/Improvemen	$17,101	$9,862	$13,646	$5,350	$5,350	0.0%
Damages/Vandalism	-	-	-	$10,900	$10,900	0.0%
Internal Service	$17,842	$17,319	$21,774	$19,728	$25,037	26.9%
Capital Expenditures	$13,193	$19,384	-	-	-	0.0%
Streets Fund	$5,054,003	$6,311,022	$7,286,475	$7,244,627	$8,269,842	14.2%
Wages	$426,836	$495,149	$552,174	$601,922	$593,846	-1.3%
Employment Taxes	$30,124	$35,286	$39,472	$50,358	$52,082	3.4%
Benefits	$113,184	$128,224	$138,352	$164,209	$165,561	0.8%
Dues & Memberships	$1,810	$3,127	$1,315	$8,000	$8,000	0.0%
Meetings & Training	$410	$385	$600	$2,000	$2,000	0.0%
Maintenance & Repair	$3,465,658	$4,714,716	$5,631,540	$5,320,910	$6,320,910	18.8%
Utilities	$158,079	$144,904	$145,660	$146,352	$146,923	0.4%
Contractual Services	$689,650	$559,452	$591,518	$704,190	$713,923	1.4%
Supplies	$16,953	$14,999	$12,568	$22,620	$22,620	0.0%
Equipment/Improvemen	$24,060	$15,042	$5,627	$16,500	$16,500	0.0%
Damages/Vandalism	$38,690	$16,778	$31,575	$40,000	$40,000	0.0%
Internal Service	$62,872	$67,266	$69,699	$67,566	$87,477	29.5%
Contingency	-	-	-	$100,000	$100,000	0.0%
Capital Expenditures	$25,676	$115,695	$66,373	-	-	0.0%
				$9,733,513	**$10,786,167**	**10.8%**

Public Works General Fund Budget is $2.5 million

Public Works Streets Fund Budget is $8.3 million

$6 million (of the $6.3 million total) is specifically budgeted for FY27 Pavement Management Program (Increase of $1 million compared to FY26)

General Fund – Development Services Dept

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Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Payroll Expenses	$993,849	$1,067,983	$1,218,681	$1,241,103	$1,292,499	4.1%
Dues & Memberships	$3,199	$2,545	$6,654	$5,999	$6,334	5.6%
Meetings & Training	$3,660	$1,766	$4,174	$19,230	$19,230	0.0%
Maintenance & Repair	$40,375	$50,187	$46,895	$51,912	$54,912	5.8%
Utilities	$9,100	$7,557	$9,050	$9,132	$9,132	0.0%
Contractual Services	$147,851	$120,853	$30,853	$70,574	$70,574	0.0%
Supplies	$2,926	$3,278	$3,722	$11,260	$11,260	0.0%
Equipment/Improvemen	$774	$2,631	$725	$2,800	$2,800	0.0%
Internal Service	$19,966	$18,521	$24,111	$20,503	$32,122	56.7%
Contingency	-	-	-	$100,000	$70,000	-30.0%
Capital Expenditures	-	-	$47,907	-	-	0.0%
Total Expenditures	**$1,221,700**	**$1,275,320**	**$1,392,773**	**$1,532,513**	**$1,568,863**	**2.4%**

General Fund – Community Services Dept

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Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Payroll Expenses	$1,667,818	$1,828,329	$2,005,552	$2,246,822	$2,389,203	6.3%
Dues & Memberships	$5,436	$6,895	$4,678	$6,020	$5,970	-0.8%
Meetings & Training	$18,028	$13,757	$17,887	$28,987	$23,987	-17.2%
Maintenance & Repair	$308,724	$335,040	$516,688	$469,772	$434,027	-7.6%
Utilities	$337,342	$366,999	$368,916	$391,355	$397,985	1.7%
Contractual Services	$541,187	$607,874	$681,446	$912,690	$965,553	5.8%
Supplies	$188,222	$203,109	$223,646	$276,516	$272,961	-1.3%
Equipment/Improvemen	$106,851	$51,911	$46,793	$21,050	$12,250	-41.8%
Damages/Vandalism	$3,532	$727	$8,130	$2,100	$2,750	31.0%
Internal Service	$72,463	$76,384	$77,554	$77,467	$84,007	8.4%
Contingency	-	-	-	$35,000	$35,000	0.0%
Capital Expenditures	$77,910	$28,371	$14,558	-	-	0.0%
Total Expenditures	**$3,327,514**	**$3,519,396**	**$3,965,848**	**$4,467,779**	**$4,623,693**	**3.5%**

General Fund – Fire Department

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Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Payroll Expenses	-	$2,068,046	$4,169,537	$4,709,487	$5,158,528	9.5%
Dues & Memberships	$500	$920	$4,222	$8,700	$8,700	0.0%
Meetings & Training	$1,940	$7,248	$7,724	$20,200	$25,200	24.8%
Maintenance & Repair	$40,045	$136,433	$163,701	$123,110	$123,110	0.0%
Utilities	$48,635	$85,813	$113,726	$105,979	$132,889	25.4%
Contractual Services	$705,152	$2,172,999	$279,266	$345,040	$345,040	0.0%
Supplies	$11,149	$66,315	$78,110	$72,855	$74,355	2.1%
Equipment/Improvemen	$21,561	$351,885	$79,066	$210,500	$216,600	2.9%
Internal Service	$205,262	$214,115	$204,114	$220,713	$273,355	23.9%
Contingency	-	-	-	$150,000	$120,000	-20.0%
Capital Expenditures	$56,945	$141,681	$85,510	-	-	0.0%
Total Expenditures	**$1,091,189**	**$5,245,457**	**$5,184,975**	**$5,966,584**	**$6,477,777**	**8.6%**

General Fund – Law Enforcement

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Expenditures by Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Maintenance & Repair	-	-	-	$1,296	$1,296	0.0%
Software License/Maint	-	-	-	$1,296	$1,296	0.0%
Contractual Services	$4,574,193	$6,225,785	$6,187,857	$5,859,669	$5,794,520	-1.1%
Printing Expense	-	-	$726	$700	$700	0.0%
Law Patrol	$4,503,202	$6,165,791	$6,132,712	$5,759,469	$5,691,320	-1.2%
Jail Fees	$45,148	$38,326	$32,806	$67,500	$67,500	0.0%
Animal Control	$25,843	$21,668	$21,613	$32,000	$35,000	9.4%
Supplies	-	-	-	$40	$40	0.0%
Office Supplies	-	-	-	$40	$40	0.0%
Total Expenditures	**$4,574,193**	**$6,225,785**	**$6,187,857**	**$5,861,005**	**$5,795,856**	**-1.1%**

→ MCSO Patrol Contract – slight decrease for FY27

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Other Major Funds

FOUNTAIN HILLS

Streets Fund

FOUNTAIN HILLS

Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Revenues						
Taxes	$1,419,744	$1,417,926	$1,392,501	$1,242,326	$1,279,231	3.0%
Intergovernmental Revenue	$2,606,929	$2,720,831	$3,190,714	$3,168,457	$3,090,945	-2.4%
Charges For Services	$4,139	$120	$60	$100,000	$10,000	-90.0%
Other	$32,602	$46,459	$15,241	$31,000	$31,000	0.0%
Investment Earnings	$197,804	$558,547	$595,071	$191,193	$105,205	-45.0%
Total Revenues	**$4,261,218**	**$4,743,883**	**$5,193,587**	**$4,732,976**	**$4,516,381**	**-4.6%**
Expenditures						
Payroll Expenses	$570,144	$658,659	$729,998	$816,489	$811,489	-0.6%
Dues & Memberships	$1,810	$3,127	$1,315	$8,000	$8,000	0.0%
Meetings & Training	$410	$385	$600	$2,000	$2,000	0.0%
Maintenance & Repair	$3,465,658	$4,714,716	$5,631,540	$5,320,910	$6,320,910	18.8%
Utilities	$158,079	$144,904	$145,660	$146,352	$146,923	0.4%
Contractual Services	$689,650	$559,452	$591,518	$704,190	$713,923	1.4%
Supplies	$16,953	$14,999	$12,568	$22,620	$22,620	0.0%
Equipment/Improvemen	$24,060	$15,042	$5,627	$16,500	$16,500	0.0%
Damages/Vandalism	$38,690	$16,778	$31,575	$40,000	$40,000	0.0%
Internal Service	$62,872	$67,266	$69,699	$67,566	$87,477	29.5%
Contingency	-	-	-	$100,000	$100,000	0.0%
Capital Expenditures	$25,676	$115,695	$66,373	-	-	0.0%
Total Expenditures	**$5,054,003**	**$6,311,022**	**$7,286,475**	**$7,244,627**	**$8,269,842**	**14.2%**

The League is projecting an $80K drop in HURF and level VLT revenues for the Town

$6 million for FY27 Pavement Management Program (Increase of $1 million)

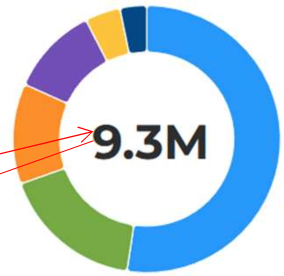
FOUNTAIN HILLS

Capital Projects Fund

Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Revenues						
Taxes	$1,724,626	$1,598,522	$1,485,919	$1,188,207	$1,361,152	14.6%
Intergovernmental Revenue	$140,284	$376,783	$20,055	$2,190,750	$1,131,250	-48.4%
Other	-	$12,000	$74,381	-	-	0.0%
Investment Earnings	$132,253	$407,771	$498,270	$170,000	$175,666	3.3%
Total Revenues	**$1,997,163**	**$2,395,076**	**$2,078,624**	**$3,548,957**	**$2,668,068**	**-24.8%**
Expenditures						
Contractual Services	$1,215	$506	$176	$2,800	$1,000	-64.3%
Equipment/Improvemen	$50,418	-	-	-	-	0.0%
Contingency	-	-	-	$650,000	$696,000	7.1%
Capital Expenditures	$4,338,774	$3,224,647	$5,058,507	$12,060,000	$9,303,000	-22.9%
Total Expenditures	**$4,390,407**	**$3,225,153**	**$5,058,683**	**$12,712,800**	**$10,000,000**	**-21.3%**

FY27 Total Funding Requested by Source



Capital Project Fund (600)	$4,871,750	52.37%
Parks Development Fee Fund (740)	$1,600,000	17.20%
Grants	$1,131,250	12.16%
Facilities Reserve Fund (610)	$1,000,000	10.75%
Facilities Reserve Fund	$400,000	4.30%
Streets Development Fee Fund (730)	$300,000	3.22%

$9.3 million of planned Capital Projects will be paid by the various funds ("buckets") as noted in the pie chart – those funds have been earmarked in the budget

Green Light Projects in Community Services

Capital Projects	FY27
Fountain Park Lake Liner (Design)	$ 1,000,000
Sierra Madre Park (**Contingent on Council Approval of Rezone**)	600,000
Fountain Park Bollard Light Replacement	300,000
Desert Vista Pump House (Multi-Year – Year 2 of 2)	300,000
Four Peaks Electrical Building (Multi-Year – Year 2 of 2)	200,000
Fountain Park Ramadas (Multi-Year – Year 2 of 2)	200,000
Fountain Park Turf Reduction, Grade and Drainage Work	75,000
Golden Eagle Park – Pump House and Storage Design (Construction by FY2030)	75,000
Community Center – Turf Improvement and Fitness Area (Multi-Year – Year 1 of 2)	50,000
Total FY27 Community Services CIP	**$2,800,000**

Alternative Funded Projects	FY27
Skyview Park (Development Fees)(Final Construction)	$1,400,000
Total FY27 Community Services CIP – Alternative Funded Projects	**$1,400,000**

Green Light Projects in Public Works

Capital Projects	FY27
Downtown Streetscapes Improvements (Multi-Year – Year 2 of 5)(Verde River Construction)	$2,003,000
Sidewalk Infill and Design (Ongoing Program)	325,000
Pedestrian Marked Crosswalks (Ongoing Program)	150,000
Town Hall Campus Buildings – Roof Rehabilitation	500,000
Dam Sediment Removal and Improvements (Ongoing Program)	100,000
Guardrail Replacement Town-Wide (Ongoing Program)	50,000
Total FY27 Public Works CIP	**$3,128,000**

Alternative Funded Projects	FY27
Shea Blvd Widening – Palisades to FH Blvd (Carryover Budget to Complete Construction)	$1,000,000
Golden Eagle Impoundment Area Improvements – Phase II (Final Construction of Dam)	325,000
Library/Museum/Community Center Air Handler Upgrades (Facilities Reserve Fund)	400,000
Ashbrook Wash Slope Stabilization (Multi-Year – Year 1 of 3)(Contingent on Grant)	250,000
Total FY27 Public Works CIP – Alternative Funded Projects	**$1,975,000**

Facilities Reserve Fund

Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Revenues						
Other	$4,000	-	-	-	-	0.0%
Investment Earnings	$136,114	$264,030	$360,779	$140,000	$144,302	3.1%
Total Revenues	**$140,114**	**$264,030**	**$360,779**	**$140,000**	**$144,302**	**3.1%**
Expenditures						
Maintenance & Repair	$620,018	$409,914	$269,017	-	-	0.0%
Contractual Services	$2,164	$5,092	$13,987	-	-	0.0%
Equipment/Improvemen	$159,797	$25,556	$73,017	-	-	0.0%
Contingency	-	-	-	$1,000,000	$600,000	-40.0%
Capital Expenditures	-	$22,857	$174,302	-	-	0.0%
Total Expenditures	**$781,979**	**$463,419**	**$530,324**	**$1,000,000**	**$600,000**	**-40.0%**

Reduced operating budget by $400k to account for Air Handler project earmarked to be paid for by Facilities Reserve Fund – Lake Liner Design is also earmarked to be spent from this Fund through the CIP Plan

FOUNTAIN HILLS

Special Revenue Fund

FOUNTAIN HILLS

Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Revenues						
Intergovernmental Revenue	$4,537,354	$129,589	$696,550	$4,690,000	$1,750,000	-62.7%
Other	-	-	$8,150	-	$5,660	-
Investment Earnings	$95,043	$15,303	$5,180	-	-	0.0%
Total Revenues	**$4,632,397**	**$144,892**	**$709,881**	**$4,690,000**	**$1,755,660**	**-62.6%**
Expenditures						
Meetings & Training	-	-	$13,500	-	-	0.0%
Maintenance & Repair	$1,525	$1,647	$1,785	-	$1,560	-
Contractual Services	$4,595,500	$257,829	$201,890	$190,000	$254,100	33.7%
Supplies	-	-	$810	-	-	0.0%
Equipment/Improvemen	-	$5,660	$13,860	-	-	0.0%
Contingency	-	-	-	$4,500,000	$1,500,000	-66.7%
Capital Expenditures	-	$11,000	$532,773	-	-	0.0%
Total Expenditures	**$4,597,025**	**$276,137**	**$764,618**	**$4,690,000**	**$1,755,660**	**-62.6%**

FY2026 was $3 million higher to account for possible IDSDC Federal Grant – Reduced for FY2027 to account for possible grants

Economic Development Fund(s)*

Expenditures by Fund

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Downtown Strategy Fund	$54,623	$109,910	$156,114	$165,200	$240,200	45.4%
Maintenance & Repair	$1,553	$1,176	$13,238	$6,800	$21,800	220.6%
Contractual Services	$53,070	$108,734	$142,849	$158,400	$178,400	12.6%
Supplies	-	-	$27	-	-	0.0%
Capital Expenditures	-	-	-	-	$40,000	-
Economic Development Fund	$306,816	$216,703	$260,196	$471,378	$503,234	6.8%
Wages	$122,433	$139,100	$146,030	$246,687	$256,060	3.8%
Employment Taxes	$2,139	$2,414	$2,580	$4,408	$4,548	3.2%
Benefits	$22,675	$24,974	$11,997	$47,913	$50,483	5.4%
Dues & Memberships	$1,665	$1,785	$4,223	$1,299	$3,614	178.2%
Meetings & Training	$2,610	$3,937	$4,585	$6,320	$6,320	0.0%
Maintenance & Repair	$13,193	$14,589	$15,335	$20,325	$20,268	-0.3%
Utilities	-	-	$325	-	-	0.0%
Contractual Services	$22,663	$27,492	$66,742	$143,269	$150,260	4.9%
Supplies	$20,978	$1,449	$7,067	$400	$10,400	2,500.0%
Equipment/Improvemen	-	-	$230	-	-	0.0%
Internal Service	$1,122	$962	$1,081	$757	$1,281	69.2%
Transfers Out	$97,340	-	-	-	-	0.0%
Tourism Fund	$247,824	$330,387	$389,372	$333,425	$245,756	-26.3%
Wages	$56,894	$66,114	$56,645	-	-	0.0%
Employment Taxes	$1,052	$1,183	$1,099	-	-	0.0%
Benefits	$12,611	$14,965	$6,669	-	-	0.0%
Dues & Memberships	$7,805	$820	$1,135	$555	$1,693	205.0%
Meetings & Training	$665	$888	$1,516	$3,500	$3,000	-14.3%
Maintenance & Repair	$63,152	$24,365	$41,336	$49,780	$35,780	-28.1%
Utilities	-	-	-	$2,050	-	-
Contractual Services	$96,328	$211,068	$271,880	$268,409	$189,970	-29.2%
Supplies	$8,113	$10,233	$8,147	$6,880	$13,280	93.0%
Equipment/Improvemen	$43	-	-	$1,000	$1,000	0.0%
Internal Service	$1,162	$751	$945	$1,251	$1,033	-17.4%
Total Expenditures	**$609,263**	**$657,000**	**$805,682**	**$970,003**	**$989,190**	**2.0%**

FOUNTAIN HILLS

**3 Funds are managed by Economic Development Division:*

1. *Economic Development Fund*
2. *Downtown Strategy Fund*
3. *Tourism Fund*

Downtown Performance Pad – Recommended Supplement

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All Non-Major Funds

FOUNTAIN HILLS

All Nonmajor Funds

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Expenditures by Fund

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Proposed Budget	FY 2026 Adopted Budget vs. FY 2027 Proposed Budget (% Change)
Public Art Fund	$23,756	$31,464	$33,194	$40,214	$42,777	6.4%
Court Enhancement Fund	$15,929	$5,000	$50,087	$77,500	$87,500	12.9%
GO Bond Debt Serv	-	-	-	$350	$350	0.0%
Eagle Mtn CFD Debt Serv	$88	$198	$443	$200	-	-
MPC Debt Serv	$10	$10	$10	$510	$510	0.0%
Cottonwoods Maint Dist	$7,351	$7,561	$8,463	$15,605	$16,341	4.7%
Fire/EMS Dev Fee	-	-	-	$1,964	$4,000	103.7%
Streets Dev Fee	-	-	-	$31,146	$4,000	-87.2%
Park/Rec Dev Fee	$275,000	-	-	$30,840	$4,000	-87.0%
Technology Repl Fund	$28,936	$45,000	$44,807	$50,000	$50,000	0.0%
Vehicle/Equip Repl Fund	$39,602	$93,222	-	$479,100	$580,000	21.1%
Total Expenditures	**$390,673**	**$182,455**	**$137,002**	**$727,429**	**$789,478**	**8.5%**

Brush Truck carryover budget of $390K + 3 vehicle replacement Recommended Supplements

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Council Direction and Feedback?

FOUNTAIN HILLS