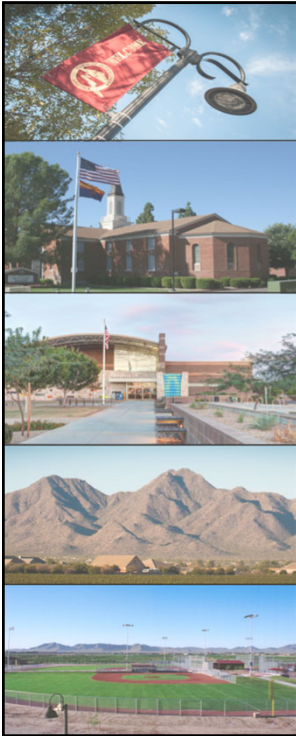


# FY 2019-20 BUDGET OVERVIEW

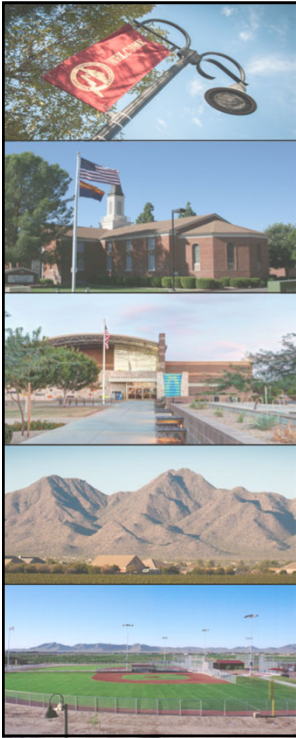
Budget Committee Meeting  
April 4, 2019



## Purpose of Presentation

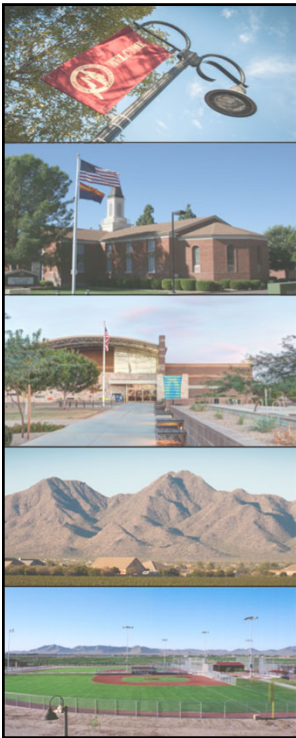
### FY 2019-20 Budget Overview

- Economic Overview
- Growth Projections/FTE Summary
- Policy Issues
- Total Budget
- Operating Budget
- All Other Major Activities
- Infrastructure Overview/Contingencies
- Budget Adoption Calendar



# *ECONOMIC OVERVIEW*

3

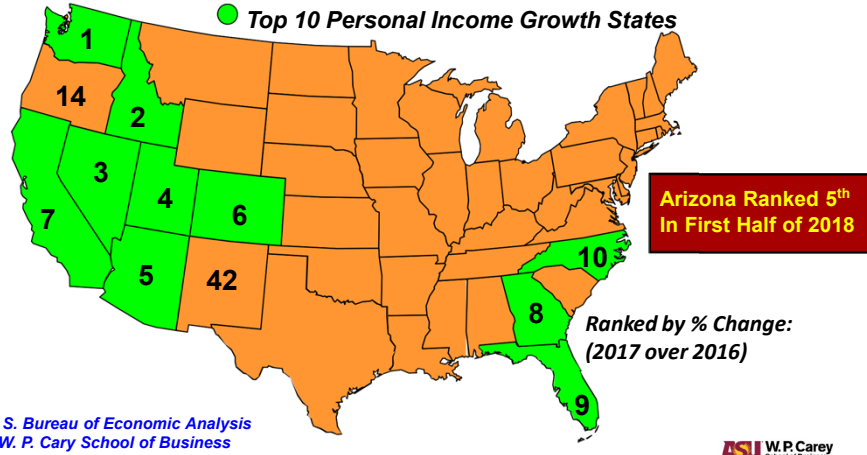


# **The Economy is Doing Well...**

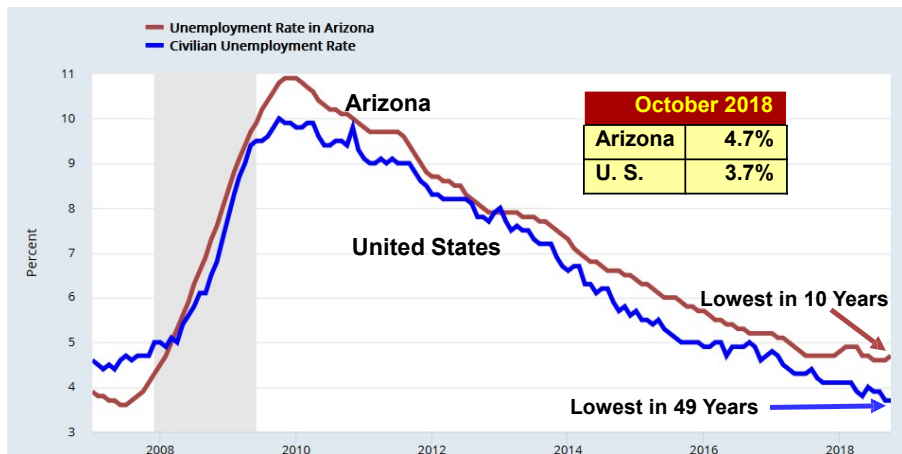
1. Global
2. U.S.
3. Arizona
4. Maricopa County
5. Queen Creek

4

# Arizona 5<sup>th</sup> in Personal Income Gains Among States in 2017



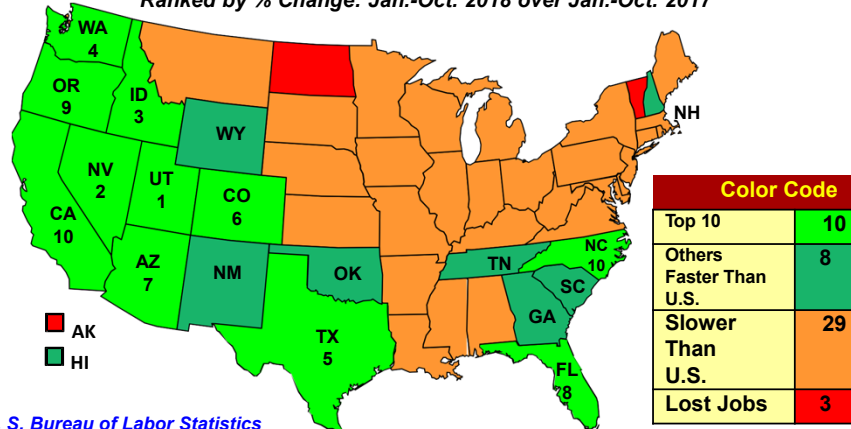
# ARIZONA AND U.S. UNEMPLOYMENT RATES CONTINUE TO DECLINE FROM 2010 CYCLE PEAK



U.S. Bureau of Labor Statistics, St. Louis Federal Reserve Bank

# Arizona Ranks 7th in Non-Farm Job Creation Year-To-Date 2018

Ranked by % Change: Jan.-Oct. 2018 over Jan.-Oct. 2017



U. S. Bureau of Labor Statistics & W. P. Cary School of Business

ASU W.P. Carey School of Business Arizona State University

# Arizona's Leading Growth Industries

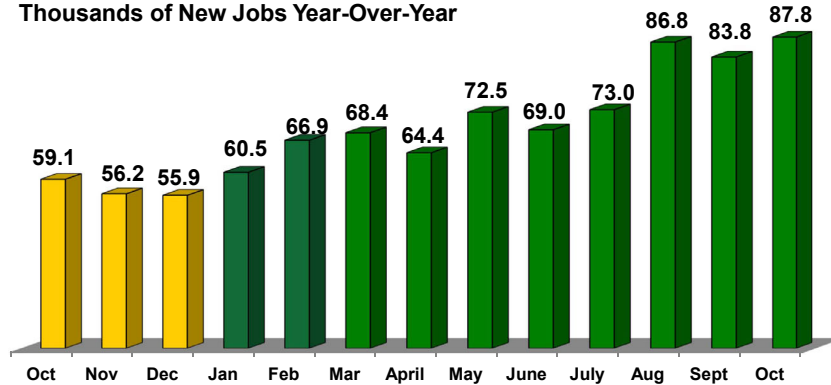
U.S. Rank & Percent Change: Year-To-Date 2018

Arizona Industry	U.S. Rank	% Change
Nonfarm Employment	7	2.7
Construction	1	9.8
Educational (Private)	1	5.2
Manufacturing	2	5.2
State Government	3	5.1
Prof., Technical, Scientific	5	5.0
Food Services	5	4.5
Information Services	6	1.5
Finance & Insurance	7	2.4

Job Growth USA, W. P. Carey School of Business; Year-To-Date through October 2018

## Accelerating Arizona Job Growth Sets Foundation for Gains in 2019

Thousands of New Jobs Year-Over-Year



U. S. Bureau of Labor Statistics



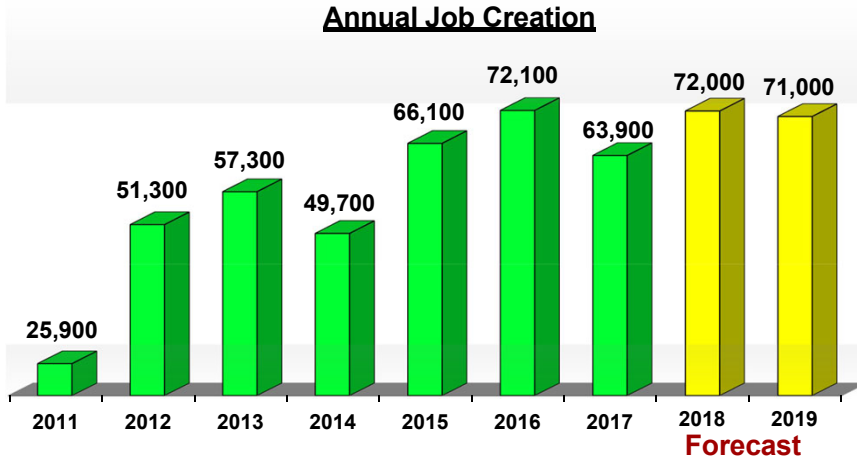
## Arizona Economic Outlook *Greatest Risk is National Economy*

Arizona Indicators	2017	2018	2019
New Jobs (thousands)	63.9	72.0	71.0
Employment (% change)	2.4	2.6	2.5
Unemployment Rate (December)	4.7	4.5	3.9
Population (% change)	1.6	1.6	1.5
Single Family Permits (thousands)	28,072	32,285	35,510

W. P. Carey School of Business based on data available November 2018



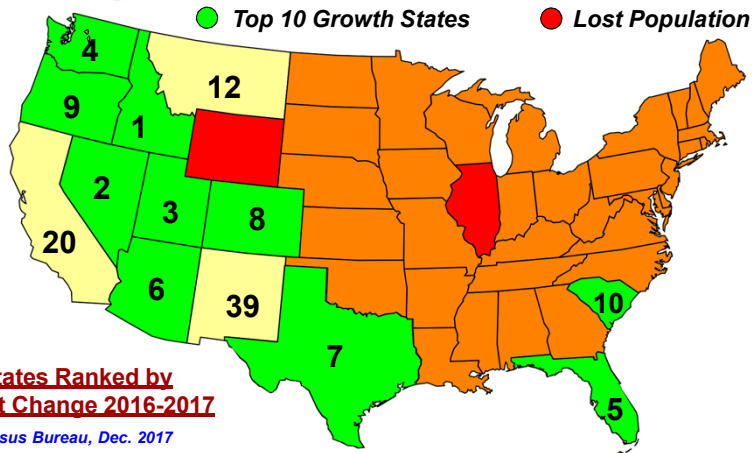
# ARIZONA TO ADD 71,000 JOBS IN 2019



U. S. Bureau of Labor Statistics & W. P. Carey School of Business



# Arizona Ranked 6<sup>th</sup> Fastest in Population Growth in 2017



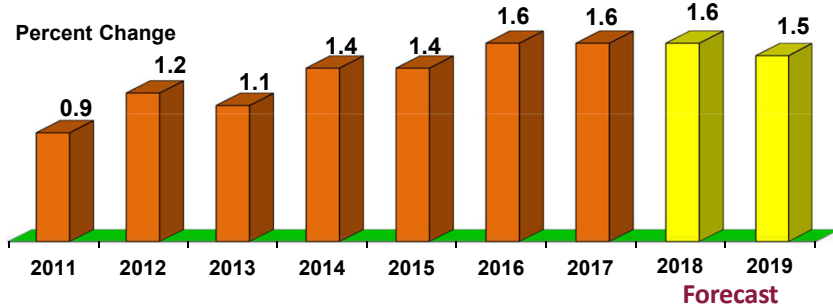
U. S. States Ranked by Percent Change 2016-2017

U. S. Census Bureau, Dec. 2017

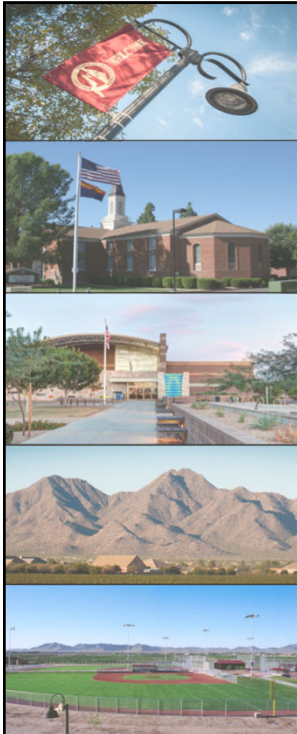


# Arizona 2019 Population Growth Will Yield 106,000 New Residents

**Population Growth Notes**  
• Arizona 1977 – 2007 Annual Average growth was 3.2%, four times the U.S. rate  
• 2019 will be the third consecutive year of growth exceeding 100,000 new residents

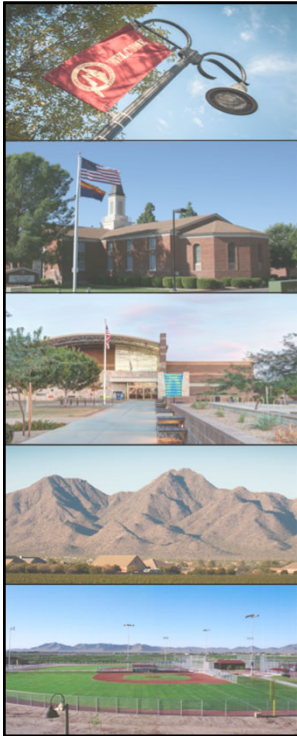


U.S. Census Bureau &  
W. P. Carey School of Business, November, 2018



# GROWTH PROJECTIONS

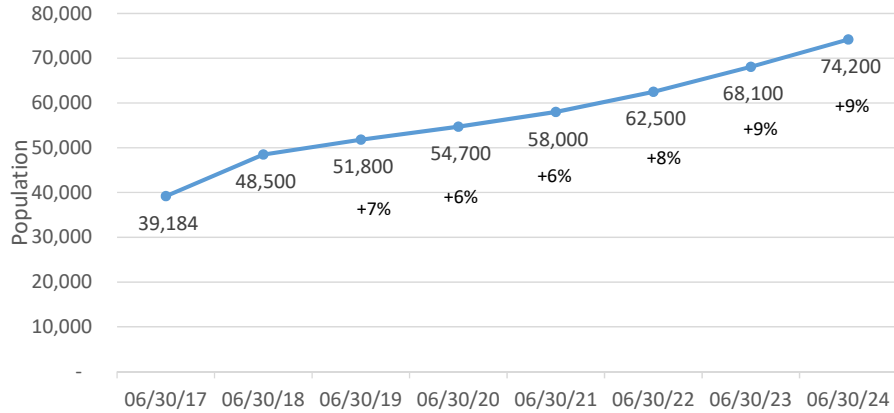




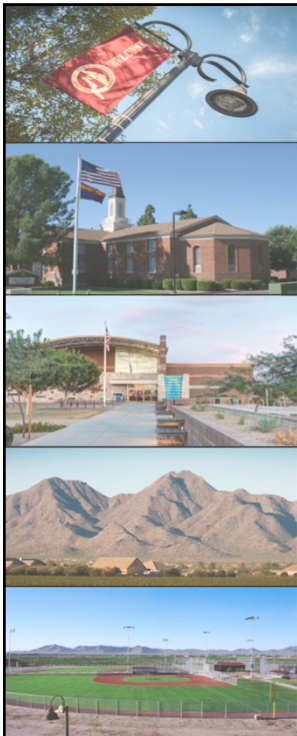
# 5-YEAR POPULATION PROJECTION

**43% Population Increase in 5 Years (+22K)**

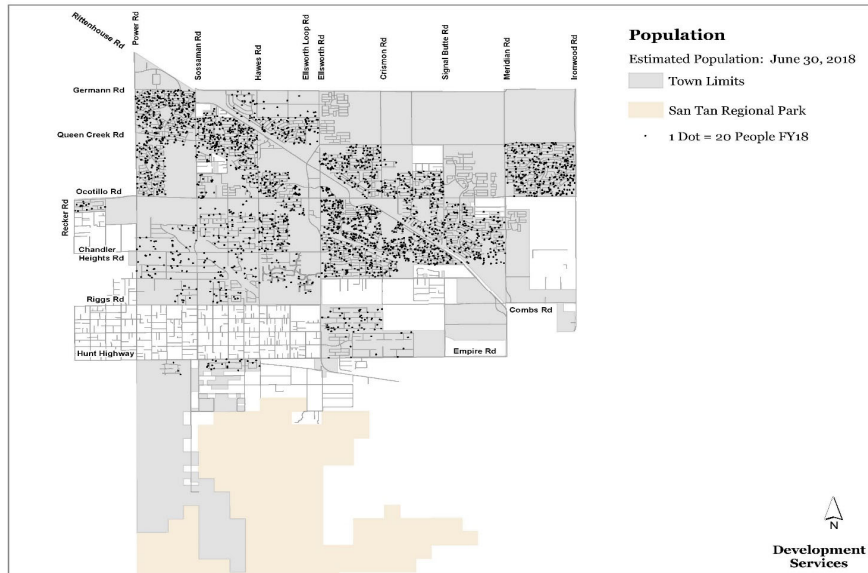
Build Out Population: 110K



6/30/17 Adjusted to match Census estimates for State Shared Revenues  
 6/30/18 Includes Recent Ironwood Annexation, +5K

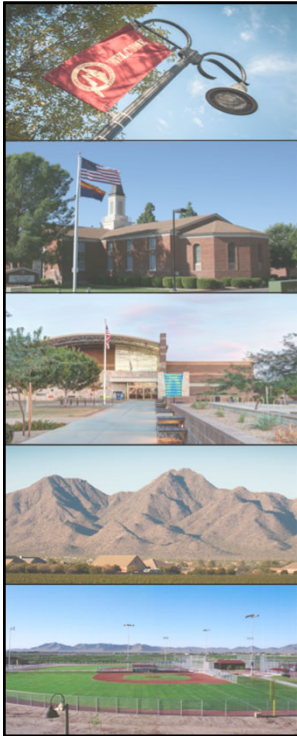


# POPULATION DENSITY 6/30/18: 48.5K

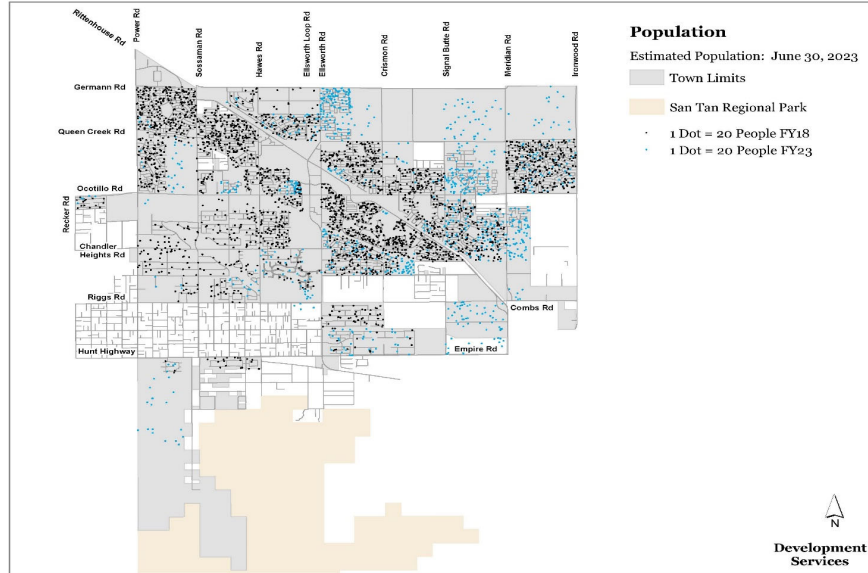


Development Services

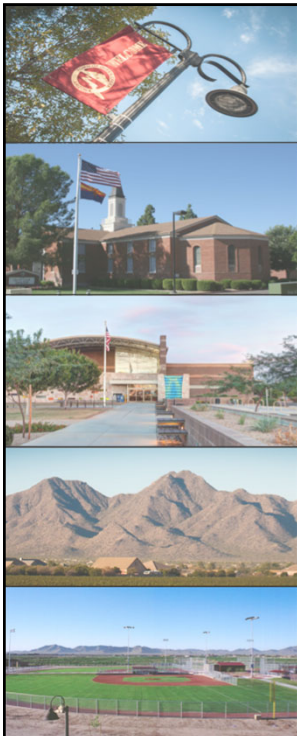




# POPULATION DENSITY 6/30/2023: 68.1K



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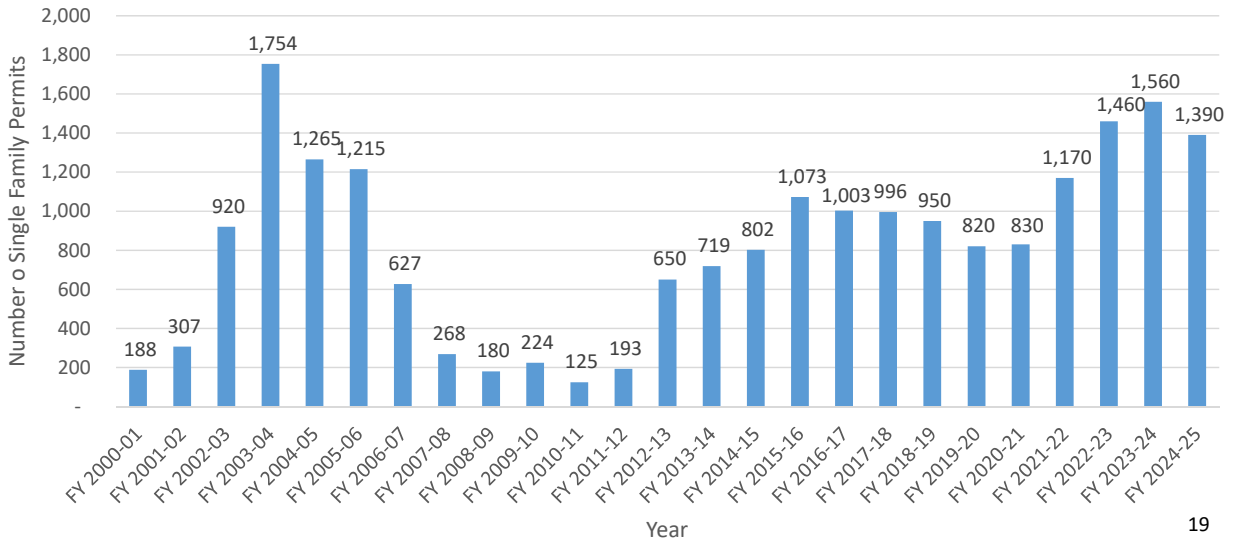


# RESIDENTIAL ACTIVITY

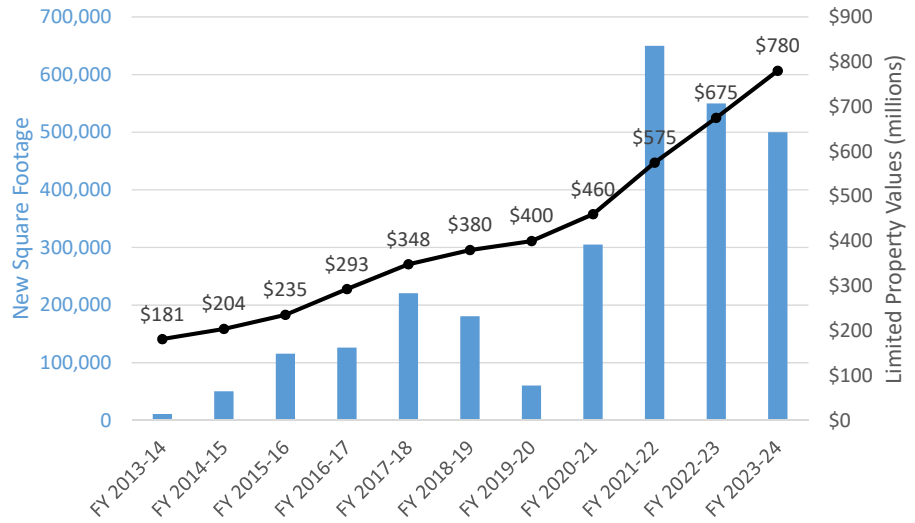
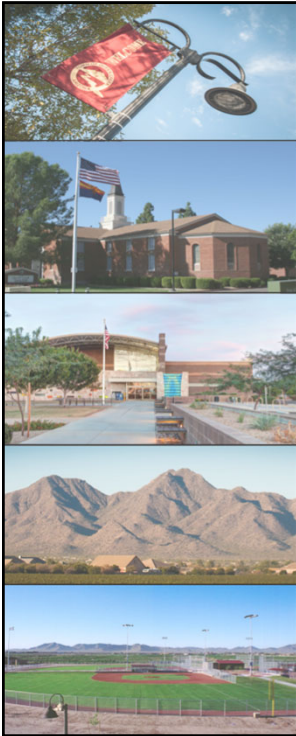
- Current “Inventory” Depleting as Subdivisions are Closing Out
- New Inventory Developing
  - FY 19-20
    - Ovation at Meridian (780 Lots)
    - Spur Cross (518 Lots)
  - FY 20-21
    - Harvest at Queen Creek (1,252 Lots)
    - Barney Farms (1,700 Lots)

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# NEW HOUSING STARTS



# NON-RESIDENTIAL ACTIVITY

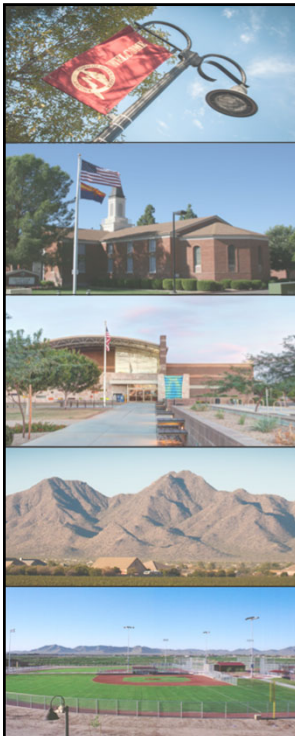


Projections Based on Available Commercial Property Adjacent to New Residential Development

# FTE HISTORICAL SUMMARY

Department	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Revised	FY 2019/20 Projected
Mayor & Town Council	7.00	7.00	7.00	7.00	7.00	7.00
Town Manager, Clerk, Legislative & Legal Services	7.00	7.00	8.00	8.00	8.00	8.00
Finance	7.98	11.98	17.98	22.18	30.48	30.48
Workforce & Technology	10.00	11.00	12.00	12.00	14.00	14.00
Communications, Marketing & Recreation Services	13.42	13.71	16.71	16.71	22.06	22.06
Economic Development	13.00	12.00	12.00	12.00	12.00	12.00
Development Services	25.95	26.48	25.48	25.50	25.50	26.50
Public Works	47.40	50.36	50.86	56.93	68.43	72.43
Solid Waste	3.80	4.00	4.00	4.00	4.00	4.00
Utilities	44.00	44.00	39.00	41.00	48.00	50.00
Fire & Medical	<u>36.00</u>	<u>36.00</u>	<u>51.00</u>	<u>51.00</u>	<u>63.00</u>	<u>65.00</u>
<b>Total Full Time Equivalents</b>	<b>215.55</b>	<b>223.53</b>	<b>243.03</b>	<b>256.32</b>	<b>303.47</b>	<b>311.47</b>
<b># Change from Prior Year</b>	<b>12.5</b>	<b>7.98</b>	<b>19.5</b>	<b>13.29</b>	<b>47.15</b>	<b>8</b>
<b>% Change from Prior Year</b>	<b>6%</b>	<b>4%</b>	<b>9%</b>	<b>5%</b>	<b>18%</b>	<b>3%</b>
<b>Population Growth</b>	<b>7%</b>	<b>6%</b>	<b>11%</b>	<b>21%</b>	<b>7%</b>	<b>6%</b>

21



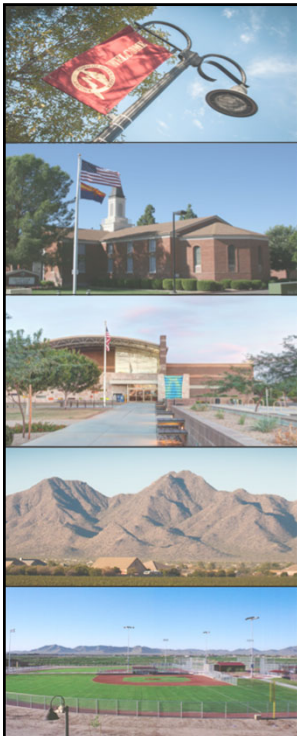
## *POLICY ISSUES*

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# KEY POLICIES IN PLACE

- Address Unfunded Pension Liabilities
  - Fire (Fully Funded)
    - Paid off in FY 2014/15 (\$1.5M)
    - Annual Savings: \$140K
  - MCSO (Fully Funded)
    - Reserve Amount Created at 6/30/18: \$19.3M
    - Annual Cost Reduction: \$1.7M
  - ASRS (Partially Funded)
    - Reserve at 6/30/18: \$7M
      - \$5M Utilities, \$2M Operating Budget
    - Full Funding: \$21M
      - \$5M Utilities, \$16M Operating Budget

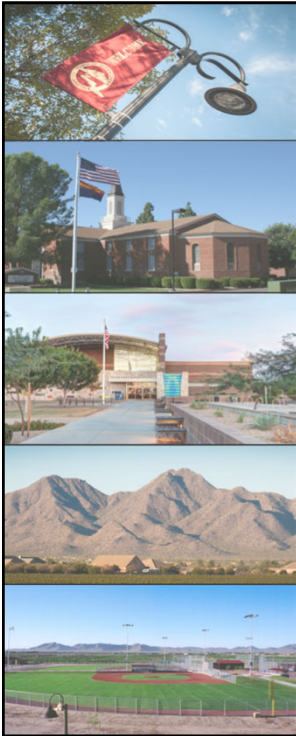


# KEY POLICIES IN PLACE

(CONTINUED)

- Annual Transportation Funding from Operating Budget: \$6.5M
- Annual Utility Funding for Public Safety/EMS: \$2.8M
- Annual Infrastructure Repair/Replacement Funding
  - IT Systems: \$325K
  - HPEC: \$100K
- Employee Compensation Indexed Annually to CPI/ECI



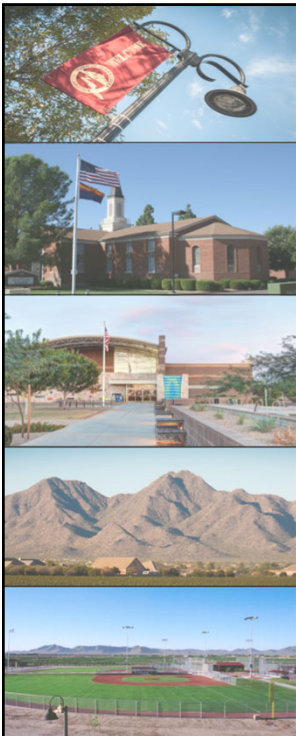


## NEW POLICIES FOR FY 2019-20

Include Known and Possible New Debt Issuances for:

- Known Debt Issue
  - Refinancing of Groundwater Extinguishment Credits: \$50M
- Possible New Debt Issues
  - Signal Butte & Meridian Roads: \$25M
  - Water Rights' Purchase Placeholder: \$50M

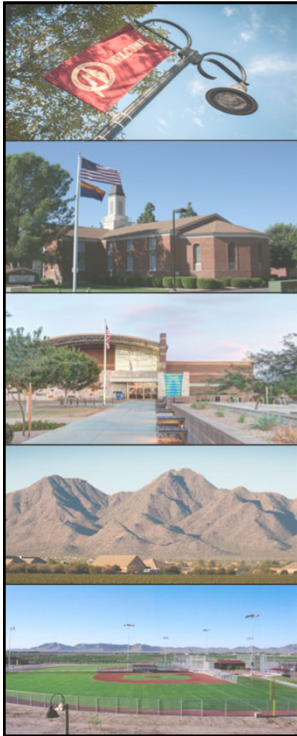
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## NEW POLICIES FOR FY 2019-20 (CONTINUED)

- Establish Building Systems Repair and Replacement Annual Funding: \$250K in Operating Budget
- Water Fund Purchase of Effluent from Wastewater Fund
  - Enhances Water Resources Portfolio
  - \$280/AF
  - \$0.7M Expense to Water/Revenue to Wastewater

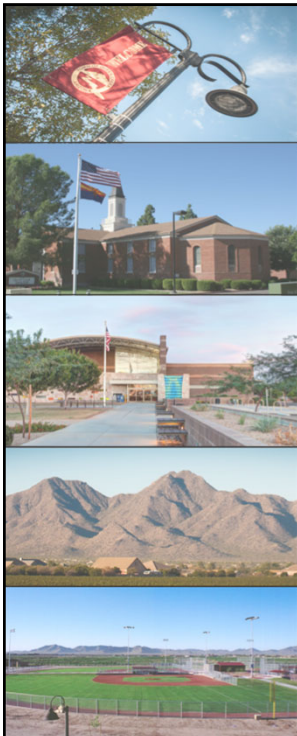
26



## NEW POLICIES FOR FY 2019-20 (CONCLUDED)

- CAGRD Assessment
  - Allocated Credits More Aggressively
  - Savings to Property Owners of \$1.4M as Compared to 2017
- Increase Water and Wastewater Reserves
  - Operating
  - Repair and Replacement
- 10% Wastewater Rate Reduction

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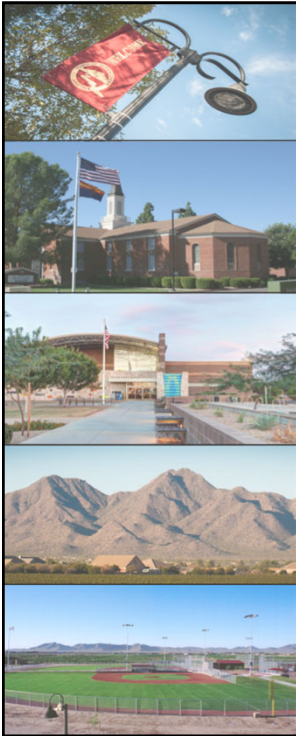


## OUTSTANDING POLICY ISSUES

### 1. Set Primary Property Tax Amount

- **Option A:** Same Revenue as Current Year (\$7.0M)
  - \$1.3M Less than the Maximum (Includes Ironwood Crossing)
- **Option B:** Same Revenue as Current Year Plus New Construction (\$7.8M)
  - \$531K Less than the Maximum
- **Option C:** Maximum Revenue (\$8.3M)
  - \$1.3M Increase Over Current Year
  - \$906K Increase From New Construction (includes Ironwood Crossing)
  - \$474K Increase From Existing Properties

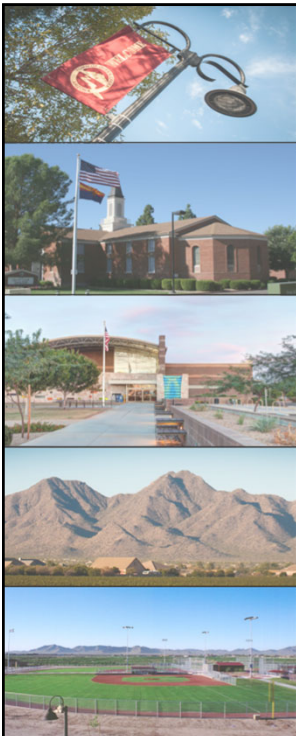
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# OUTSTANDING POLICY ISSUES (CONCLUDED)

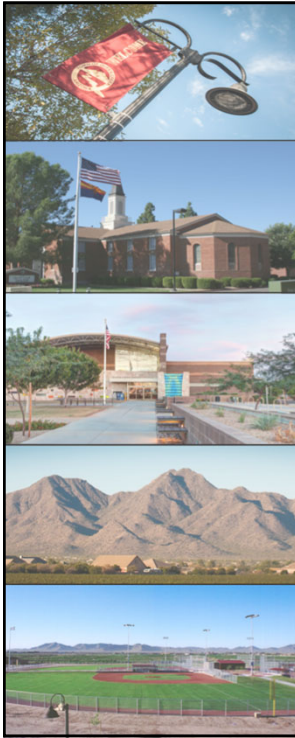
## 2. Update Impact and Capacity Fee Amounts

- April 3 Council Meeting Discussion



# *TOTAL RECOMMENDED BUDGET*





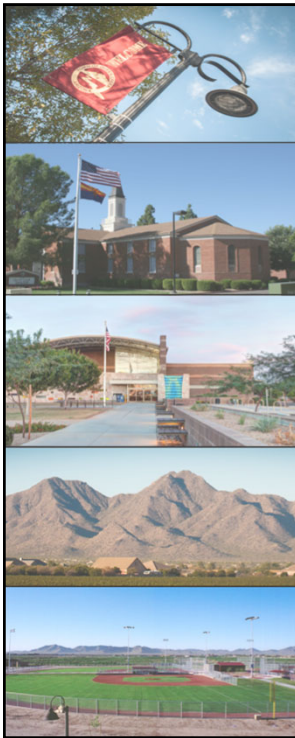
# TOWN MANAGER'S RECOMMENDED BUDGET

(IN MILLIONS)

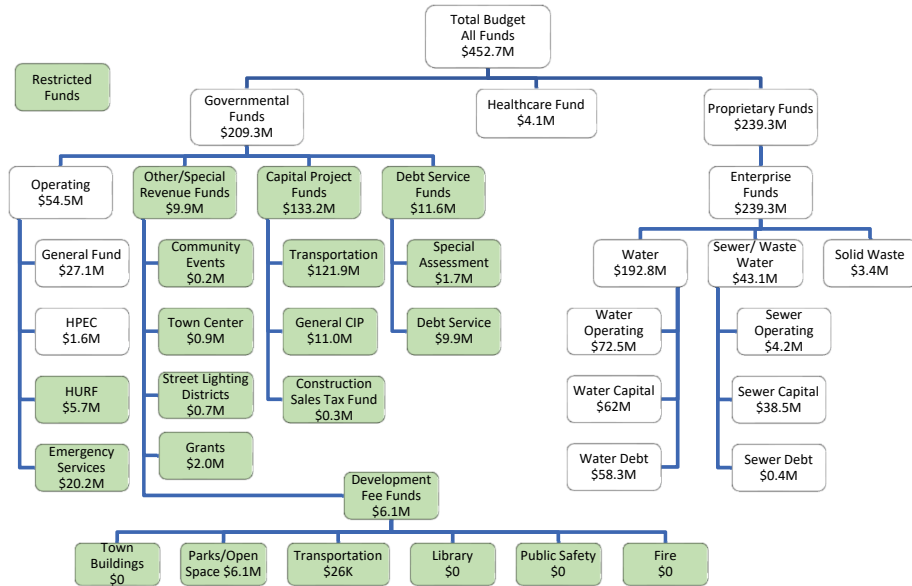
	FY 18/19 Revised	FY 19/20 Recommended	\$ Change	% Change
<b>Total Expenses</b>	<b>\$350.9</b>	<b>\$452.7</b>	<b>\$101.8</b>	<b>29%</b>

	FY 18/19 Revised	FY 19/20 Recommended	\$ Change	% Change
<b>Revenues</b>	<b>\$221.3</b>	<b>\$331.5*</b>	<b>\$110.2</b>	<b>50%</b>
<b>Use of Fund Balance</b>	<b>\$129.6</b>	<b>\$121.2</b>		
<b>Total Sources</b>	<b>\$350.9</b>	<b>\$452.7</b>		

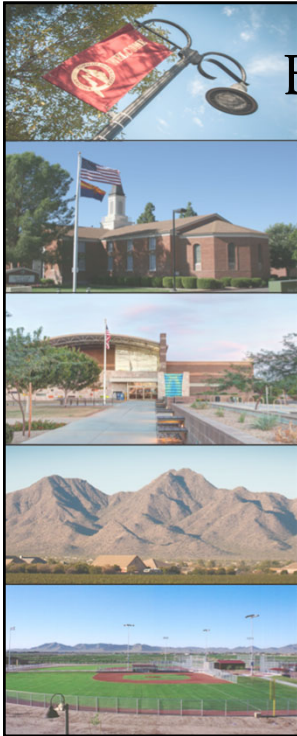
\*Bond Proceeds of \$125M are included in FY 19/20 Revenues (\$50M in Refunding, \$50M for new water rights, and \$25M for Debt related to Signal Butte and Meridian).



## BUDGET/FUND STRUCTURE : \$452.7M

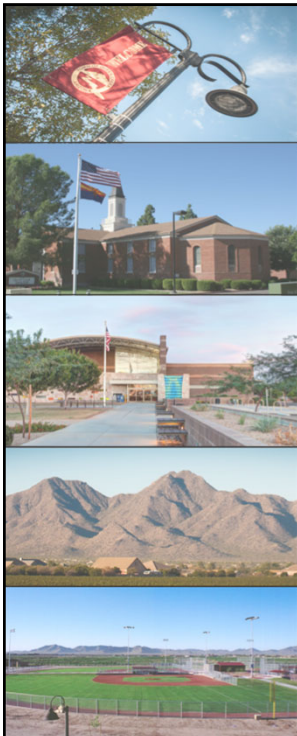


\* does not include transfers - will not tie to total uses provided later in presentation

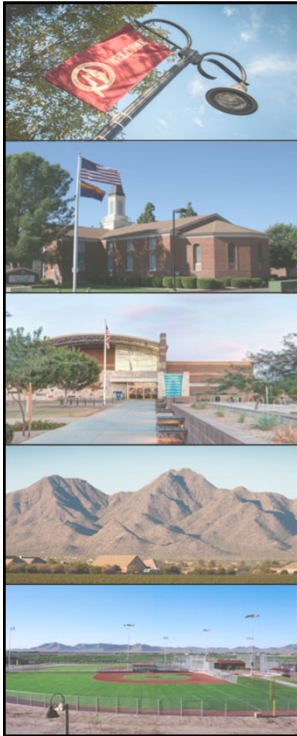


# BUDGET SUMMARY AND COMPARISON

	FY 2018/19 Revised	FY 2019/20 Recommended	\$ Change from Revised
Operating Budget	\$51.1	\$54.5	\$3.4
Enterprise/Utilities	\$25.1	\$30.1	\$5.0
Water Rights	\$70.0	\$50.0	(\$20.0)
Transportation Infrastructure	\$77.8	\$122.2	\$44.4
Water Infrastructure	\$53.4	\$62.0	\$8.6
Wastewater Infrastructure	\$29.5	\$38.6	\$9.1
All Other Infrastructure	<u>\$18.0</u>	<u>\$17.1</u>	<u>(\$0.9)</u>
Subtotal - Infrastructure	\$178.7	\$239.9	\$61.2
Debt	\$18.6	\$70.4	\$51.8
All Other Funds	<u>\$7.4</u>	<u>\$7.8</u>	<u>\$0.4</u>
Total Budget	\$350.9	\$452.7	\$101.8



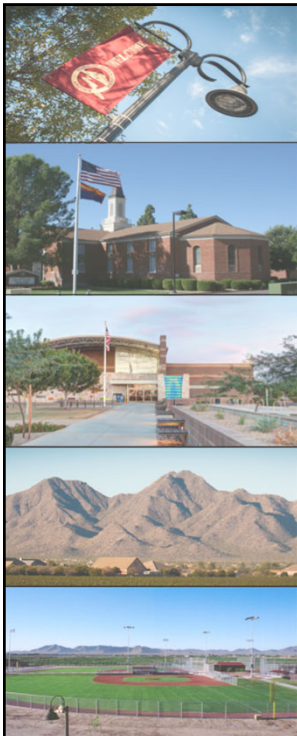
# *OPERATING BUDGET*



## FY 2019-20 BUDGET REVENUE SUMMARY

- Increasing by \$6.7M (+11%)
- Ironwood Crossing Impact: +\$1.1M
- “Across the Board” Increases
- Assessed Value Increased \$70.8M (+20%)

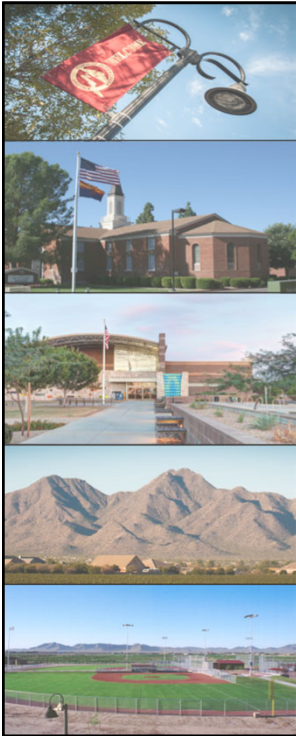
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## FY 2019-20 BUDGET EXPENSE SUMMARY

- Created \$1.25M New Debt Placeholder for Signal Butte and Meridian Road Construction (\$25M)
- Created \$250K Annual Building Repair and Replacement Funding
- Notable New Expenses  
 \$900K Fire Pumper Truck, \$500K SRP Streetlight Purchase, \$475K Replacement AV Equipment, \$300K Fire Equipment, \$240K MCSO Admin Fee

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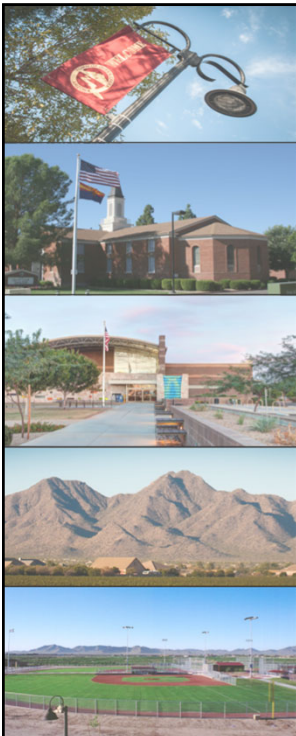


# FY 2019-20 BUDGET EXPENSE SUMMARY

(CONCLUDED)

- Personnel (Staffing & Compensation):  
+\$1.3M
  - Staffing: 6 New Positions Recommended
    - Engineering (1), Fleet (2), Streets(1), Fire (2, non-sworn)
  - Compensation
    1. Market Increase: 2.1%
      - Per Council-Approved 2014 Class and Comp Study
      - Combination of year-end CPI and Regional Employment Cost Index (ECI)
    2. Performance Increase (up to 3%)
      - Awarded on Employee Anniversary Date

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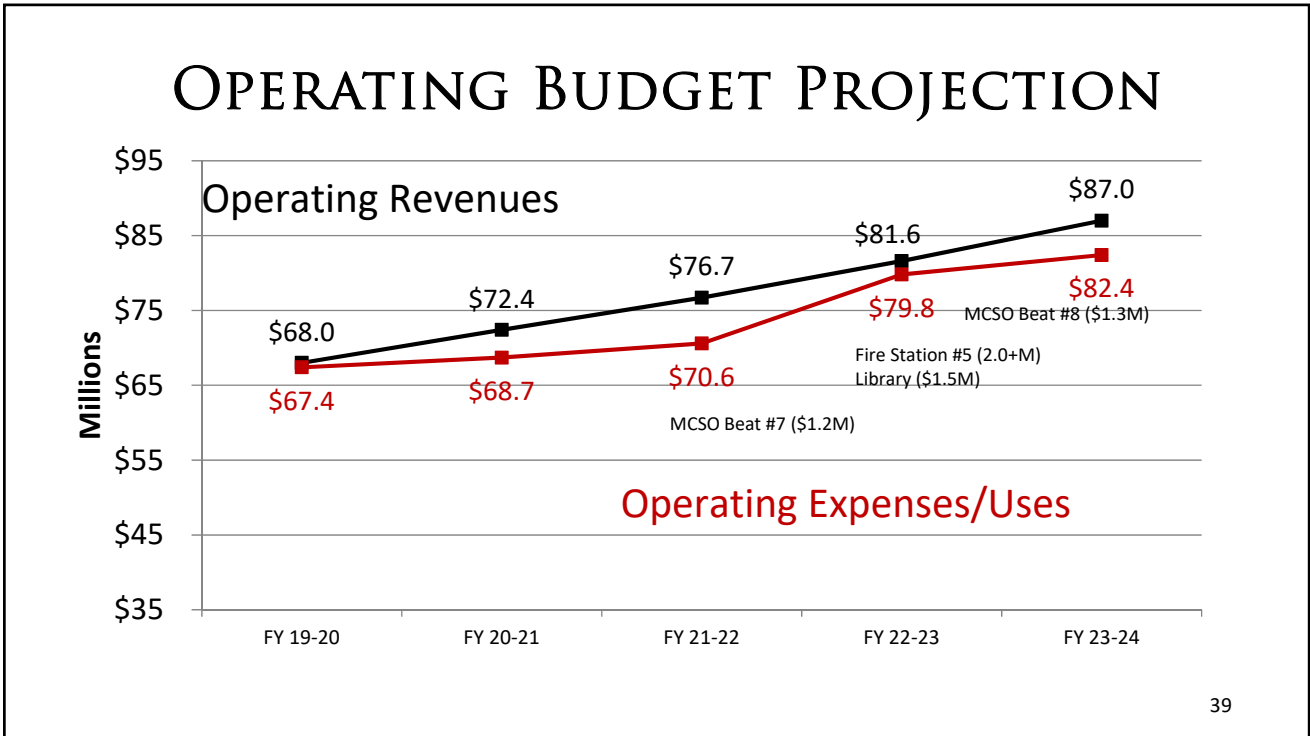


# 5-YEAR FINANCIAL OBJECTIVES

1. Add Two MCSO Beats (\$2.5M Annually After Full Implementation)
2. Open 5<sup>th</sup> Fire Station (\$2.0M Annually)
3. Add Library Operating Costs (\$1.5M Annually)
4. Fully Fund ASRS Reserves at \$16M
5. Dedicate Construction Sales Tax for CIP PAYGO (\$6.0M Annually)

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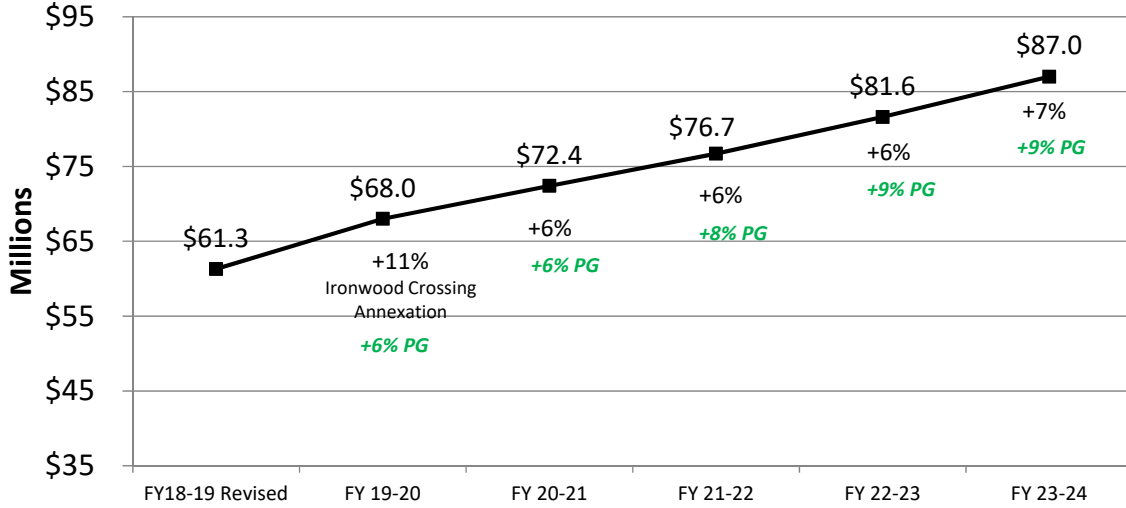




# OPERATING BUDGET REVENUE PROJECTIONS

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## 5-YEAR OPERATING BUDGET PROJECTION: REVENUES



PG= Population Growth %

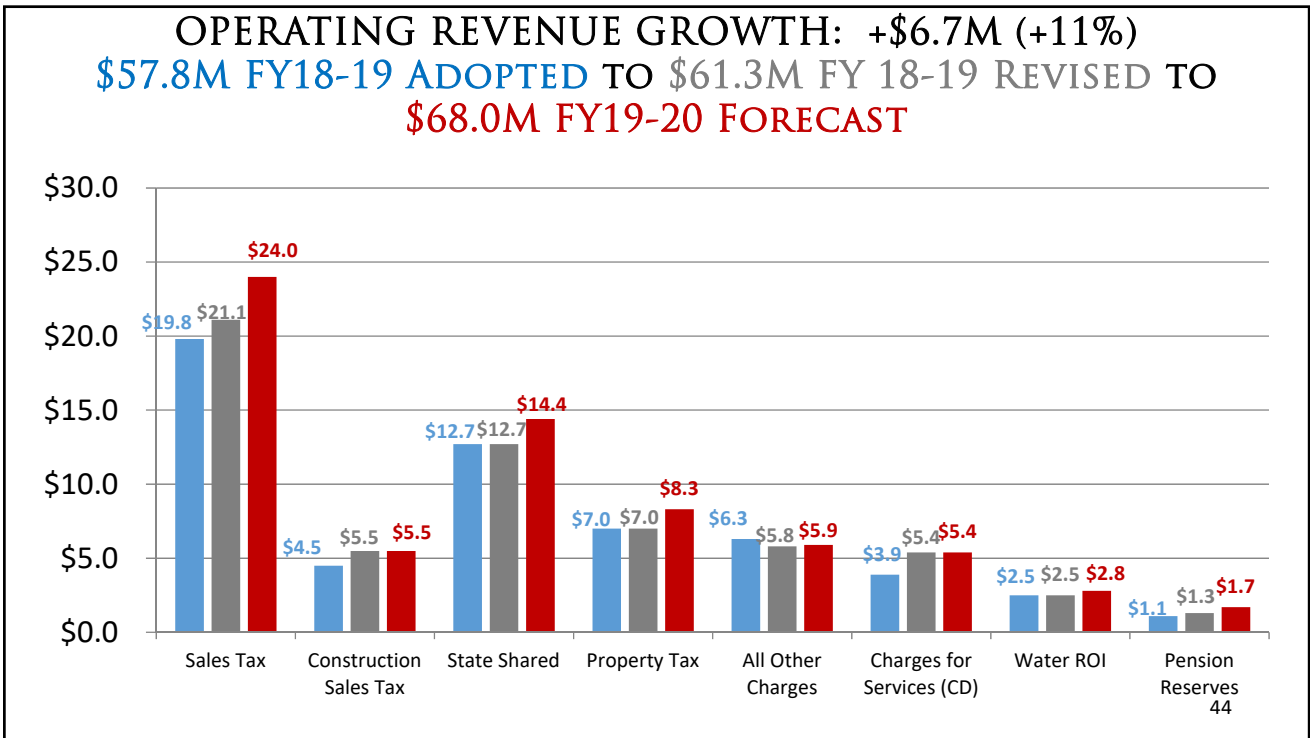
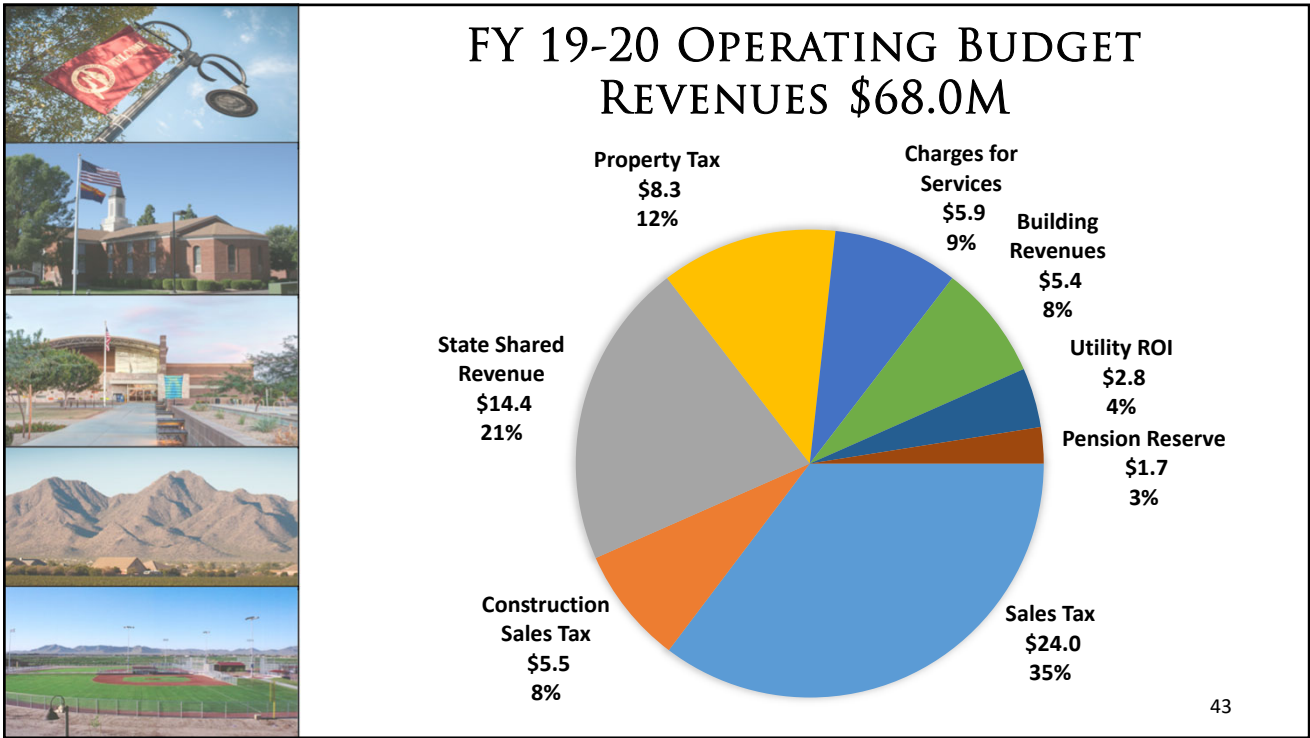
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## REVENUE SUMMARY

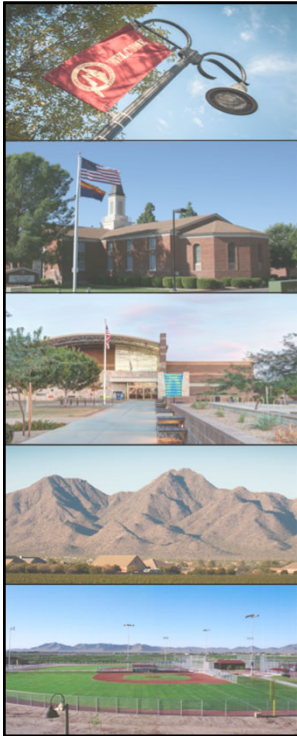
	FY 18-19 Revised Budget	FY 19-20 Preliminary	\$ Change	% Change
Sales Tax	\$21.1	\$24.0	\$2.9	+14%
Construction Sales Tax	\$5.5	\$5.5	\$ -	-%
State Shared Revenue	\$12.7	\$14.4	\$1.7	+13%
Property Tax*	\$7.0	\$8.3	\$1.3	+19%
Charges for Services	\$5.8	\$5.9	\$0.1	2%
Building Revenues	\$5.4	\$5.4	\$ -	-%
Utility ROI for Public Safety	\$2.5	\$2.8	\$0.3	12%
Use of Pension Reserves (MCSO)	\$1.3	\$1.7	\$0.4	31%
<b>Total Revenue</b>	<b>\$61.3</b>	<b>\$68.0</b>	<b>\$6.7</b>	<b>11%</b>

\*13% for New Construction Increases; 6% for Appreciation on Existing Properties

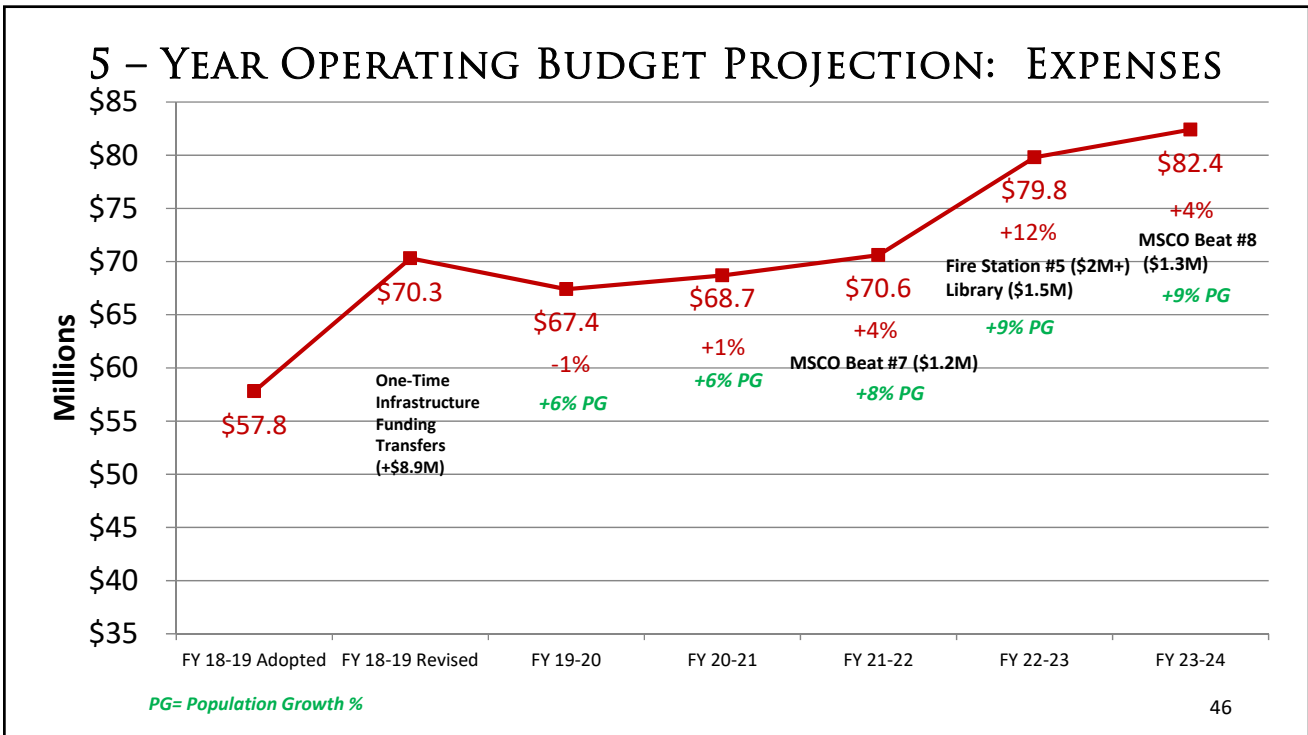
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# OPERATING BUDGET EXPENSE PROJECTIONS



## EXPENSE SUMMARY

	FY 18-19 Revised Budget	FY 19-20 Preliminary	\$ Change	% Change
Personnel	\$24.1	\$25.0	\$0.9	+4%
Operating	\$13.6	\$14.8	\$1.2	+9%
Sheriff Services (MCSO)	\$7.7	\$8.3	\$0.6	+8%
Capital Outlay (2)	\$2.4	\$3.3	\$0.9	+38%
Debt (1)	\$4.5	\$6.9	\$2.4	+53%
Contingency	<u>\$0.6</u>	<u>\$1.3</u>	<u>\$0.7</u>	<u>+117%</u>
Subtotal Expense	\$52.9	\$59.6	\$6.7	+13%
Reserves Funding	\$2.4	\$1.1	(\$1.3)	-54%
CIP Funding	<u>\$15.0</u>	<u>\$6.7</u>	<u>(\$8.3)</u>	<u>-55%</u>
<b>Total Expenses / Uses</b>	<b>\$70.3</b>	<b>\$67.4</b>	<b>(\$2.9)</b>	<b>-4%</b>

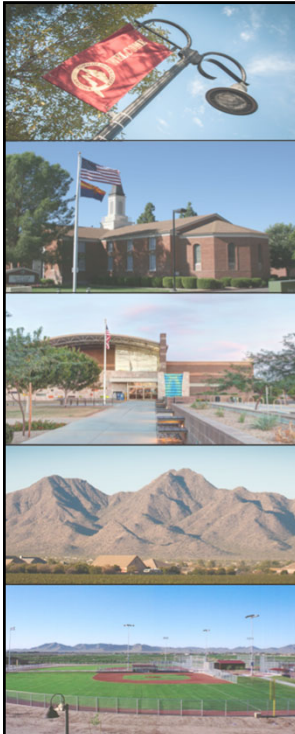
1) Increase to debt related to Signal Butte & Meridian Roads anticipated debt issue \$1.3M, Fulton Development Agreement Inter-fund loan \$0.6M, Amortization scheduled increase to 2018 Transportation Debt \$0.6M; (2) Replacement Fire Truck

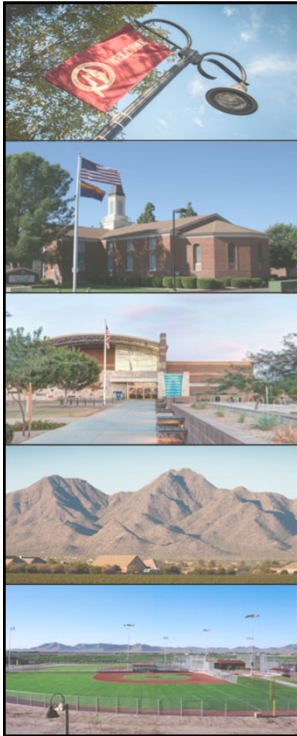
47

## IMPORTANT OPERATING EXPENSE INCREASES: \$6.7M

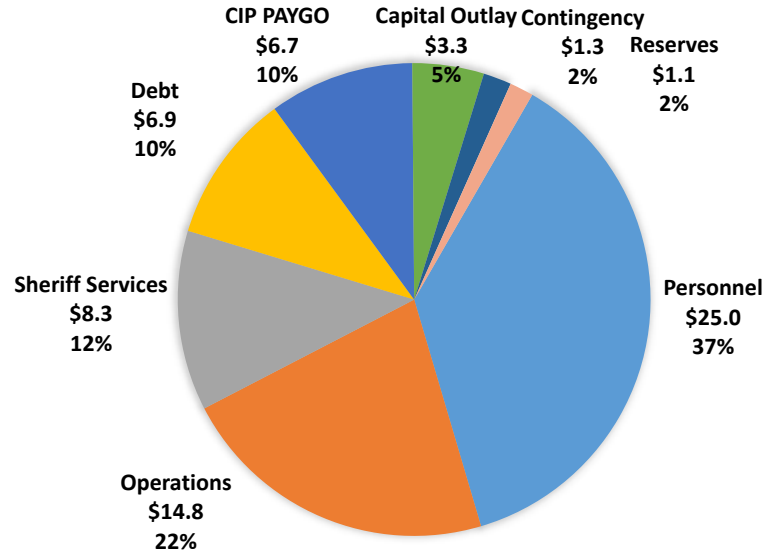
Item	
Debt Service – Signal Butte and Meridian	\$1.3M
Personnel Changes (New Staffing, Market, Merit)	\$1.3M
Replacement Fire Truck	\$0.9M
Debt Service – Interfund Loan for Fulton Development Agreement	\$0.6M
Debt Service – 2018 Transportation Issue	\$0.6M
SRP Streetlight Purchase	\$0.5M
AV Equipment Replacement	\$0.5M
Fire Personal Protective Equipment Sets	\$0.3M
Building Systems Repair/Replacement Funding	\$0.3M
MCSO Admin Charge	\$0.2M
<b>Total</b>	<b><u>\$6.7M</u></b>

48

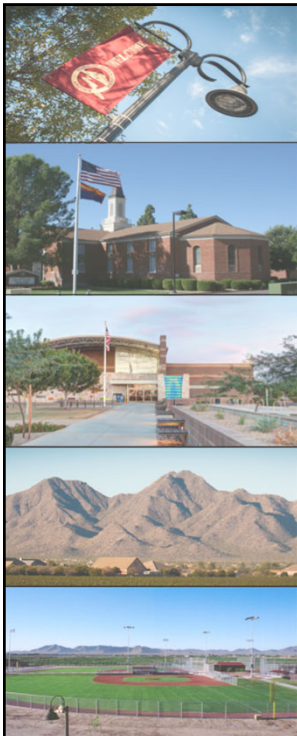




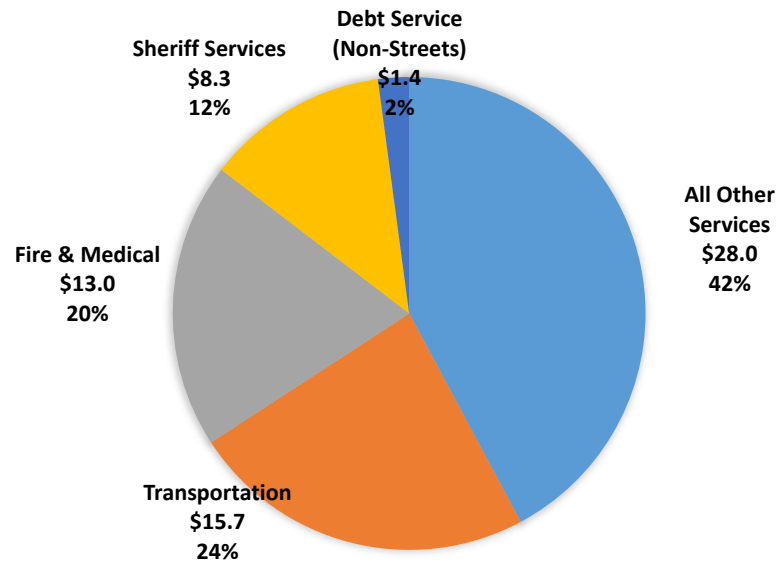
## FY 19-20 OPERATING EXPENSES \$67.4M BY CATEGORY



49

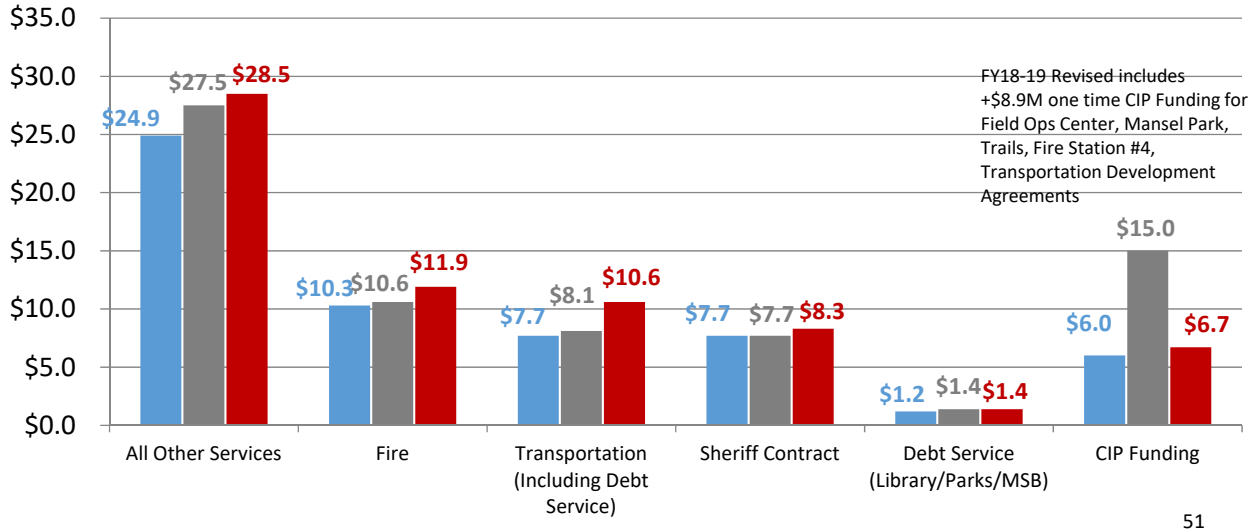


## FY 19-20 OPERATING EXPENSES \$67.4M BY PROGRAM



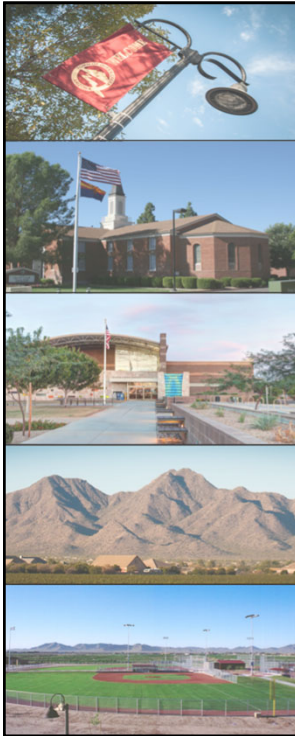
50

**OPERATING EXPENSES: -\$2.9M (-4%)**  
**\$57.8M FY18-19 ADOPTED TO \$70.3 FY18-19 REVISED TO**  
**\$67.4 FY 19-20 FORECAST**



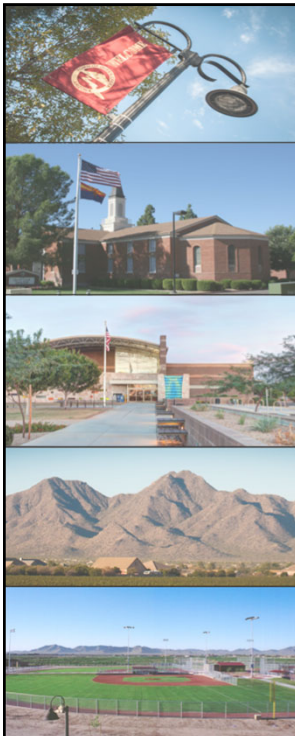
## FY 2019-20 ENDING RESERVES

Total Fund Balance		\$40.0
Restrictions:		
25% Revenue Reserve Requirement	\$17.6	
MSCO Unfunded Pension Liability Reserve	\$18.6	
ASRS Unfunded Pension Liability Reserve	\$ 3.8	
Total Restrictions		<u>\$40.0</u>



## ALL OTHER MAJOR ACTIVITIES

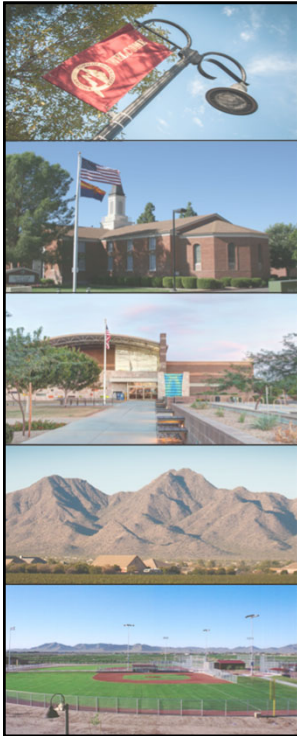
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## WATER FUND (SELF-FUNDED)

- No Rate Increase
- \$50M for Potential Water Rights Purchase
- \$0.7M Purchase of Effluent Recharged Water from Wastewater Fund
- Increased Staffing Levels due to New Development (7% Growth) and Operational/System Security
  - 2.0 FTEs (4%): M&O Tech, CIP Inspector
- Operational Increases based on growing system
  - \$1.0M Electricity
  - \$0.5M Well Site Repair/Maintenance/Chemicals
  - \$0.6M Vac Truck Replacement

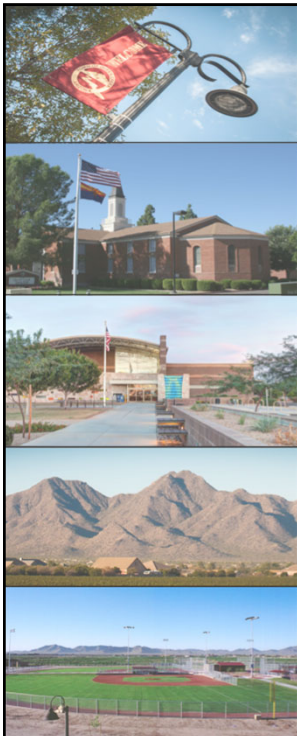
54



## WASTEWATER FUND (SELF-FUNDED)

- 10% Rate Decrease
- \$0.7M New Recharge Revenue from the Water Fund

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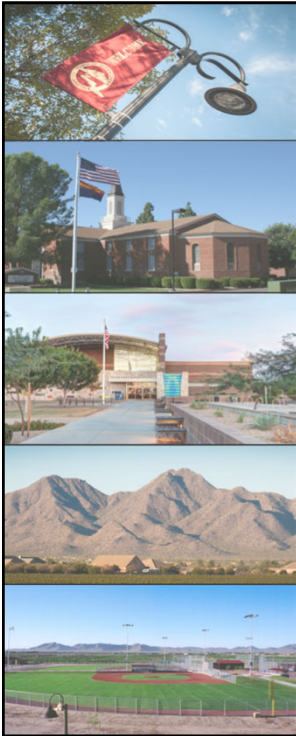


## SOLID WASTE/RECYCLING FUND (SELF-FUNDED)

- No Rate Increase
- Service Provider Costs increasing 12%
  - Assumed a 5% Increase in Contracted Rate (maximum allowed)
  - 7% Increase For New Accounts

56

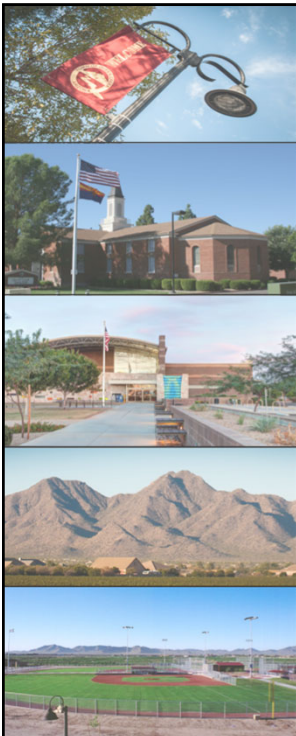




# TOWN CENTER FUND

- Dedicated 0.25% Sales Tax: \$1M
- Implement Town Center Master Plan
  - Drainage Improvements
  - Transportation and Utilities Infrastructure (Budgeted Separately in Those Funds)
- Maintenance of Buildings for Chamber of Commerce and Gangplank
- Façade Improvements

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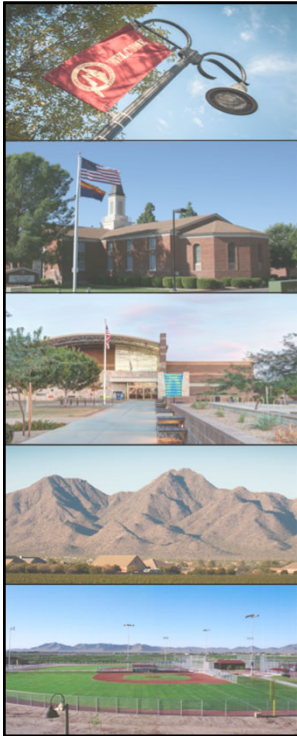


# HEALTHCARE FUND

- Self-Funded
- Anticipated Revenues: \$4.4M
  - 4% Premium Increase to Town Share, +\$135K
  - No Change to Employee Premiums
- Anticipated Annual Healthcare Claims/Costs of \$4.1M, +11% (252 Employees/644 Members)
- Objective to build reserves to offset future premium increases

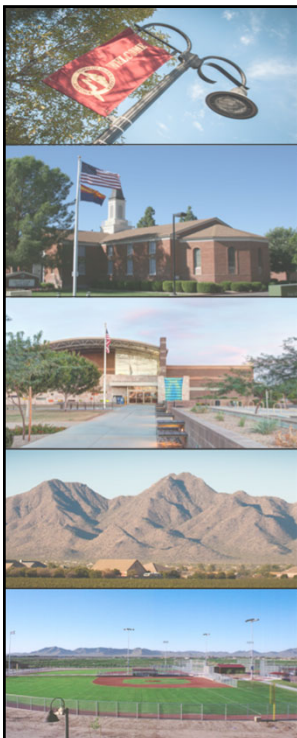
58





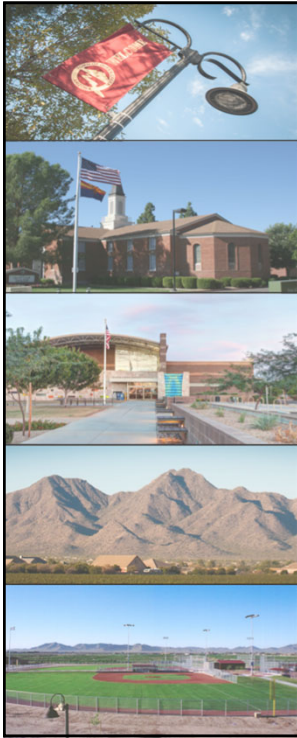
# NON-PROFIT FUNDING

- Funding Selection Process
  - Town Staff Committee Created in 2019
  - Committee Developed Recommendations
    - Qualitative Approach Used
    - Guidelines Established
    - Developed Funding Recommendations



# NON-PROFIT FUNDING GUIDELINES

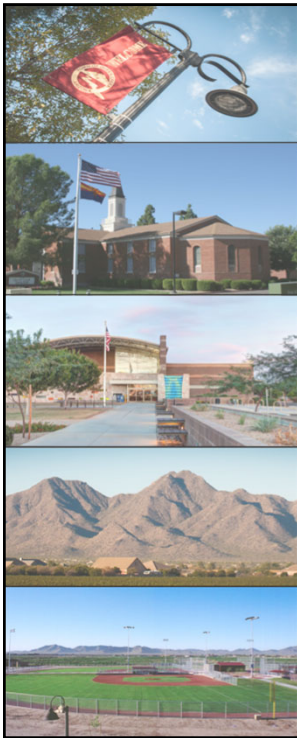
- Award Determined By
  - Agency/Program Benefit to QC Residents
  - Documentation of Use of Prior Funding (for repeat applicants)
- Exclusions from Recommended Funding
  - In-kind Requests for Town Staff Time
  - Monetary Requests for Agency Personnel Costs
  - Monetary Requests for Property Purchases



# NON-PROFIT FUNDING AMOUNTS

- FY 2019/20 Funding Level Maximum is \$51,380
  - Funding Policy Established in February 2014 Setting Maximum Funding at 0.2% of General Fund Expenditures
- Eight Agencies Requesting \$58,201
- Recommended Funding of \$27,944

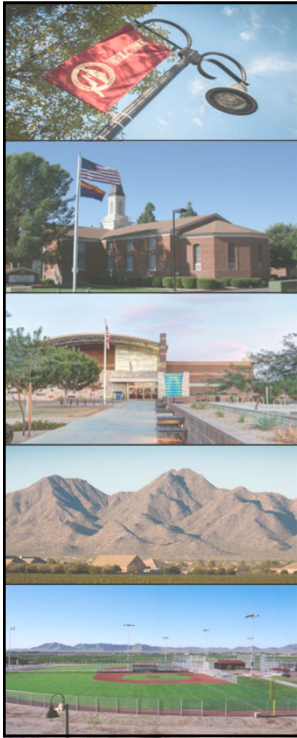
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# NON-PROFIT FUNDING AMOUNTS (CONCLUDED)

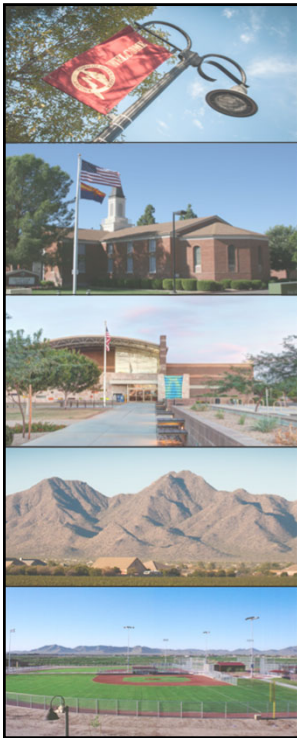
Entity	Program Name	FY 2019/20 Requested	FY 2019/20 Recommended
<b>Monetary Support</b>			
American Legion	Legion Programs	\$ 6,000	\$ 1,400
American Legion Auxiliary	Girls State Funding Request	\$ 2,000	\$ 1,200
Pan de Vida	7th Annual Health & Community Fiesta	\$ 7,500	\$ 5,000
Pan de Vida	Family Fun Run	\$ 1,000	\$ -
American Cancer Society	Relay for Life	\$ 1,500	\$ 2,000
About Care	Empowering Independent Living	\$ 10,000	\$ 5,000
CAAFA	Violence Awareness and Prevention	\$ 4,000	\$ 1,450
Dignity Health Foundation	Healthier Living	\$ 4,832	\$ -
<b>Total Monetary Support</b>		<b>\$ 36,832</b>	<b>\$ 16,050</b>
<b>In-Kind Support</b>			
Queen Creek 4-H	Monthly Meeting Space	\$ 4,374	\$ 1,944
Queen Creek 4-H	HPEC Facility Rental	\$ 6,950	\$ 6,950
American Legion	Office Space Occupancy	\$ 3,000	\$ 3,000
Pan de Vida	7th Annual Health & Community Fiesta	\$ 3,455	\$ -
Pan de Vida	Family Fun Run	\$ 1,000	\$ -
American Cancer Society	Relay for Life	\$ 2,500	\$ -
About Care	Empowering Independent Living	\$ 90	\$ -
<b>Total In-Kind Support</b>		<b>\$ 21,369</b>	<b>\$ 11,894</b>
<b>Total Town Support - Monetary and In-Kind</b>		<b>\$ 58,201</b>	<b>\$ 27,944</b>

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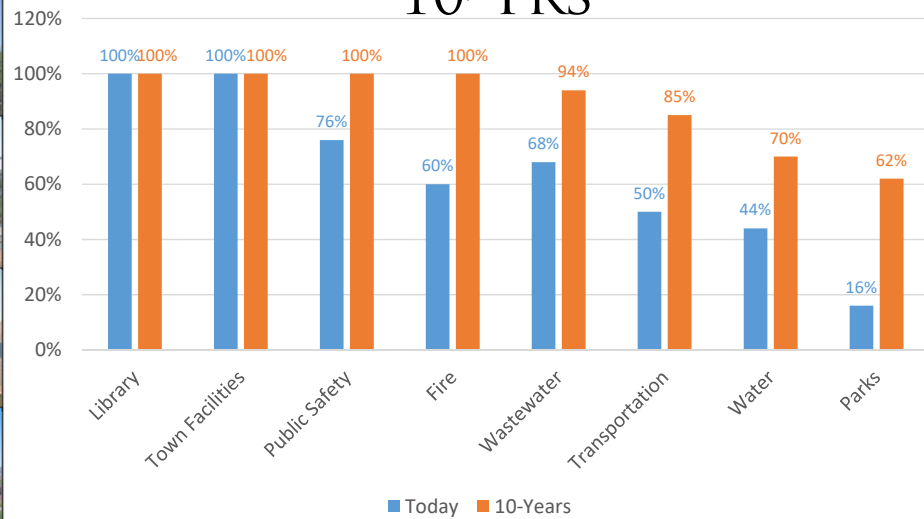


# INFRASTRUCTURE OVERVIEW/ CONTINGENCIES

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## TOWN INFRASTRUCTURE % COMPLETE TODAY VS FUTURE 10-YRS

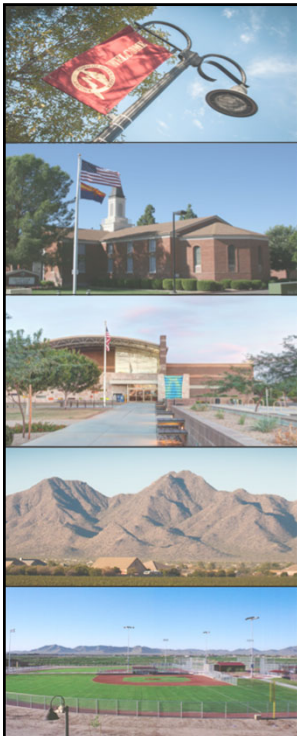


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## INFRASTRUCTURE SUMMARY

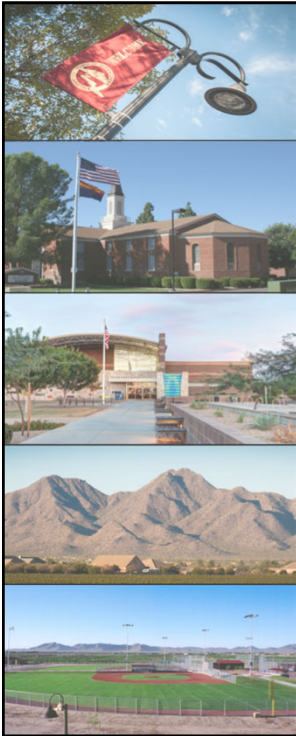
	Projects Under Contract	Budget for Previously Approved Projects	New Budget	Total Budget
Transportation Infrastructure	\$18.6	\$44.1	\$59.5	\$122.2
Water Infrastructure	\$10.0	\$33.6	\$18.3	\$62.0
Wastewater Infrastructure	\$10.3	\$10.1	\$18.2	\$38.6
Parks and Trails	\$0.1	\$4.7	\$1.3	\$6.1
Fire/Public Safety	\$0.3	\$5.6	\$4.0	\$9.9
Corp Yard	\$0.5	\$0.6	\$ -	\$1.1
<b>Total Budget</b>	<b>\$39.8</b>	<b>\$98.7</b>	<b>\$101.3</b>	<b>\$239.8</b>



## STREET INFRASTRUCTURE

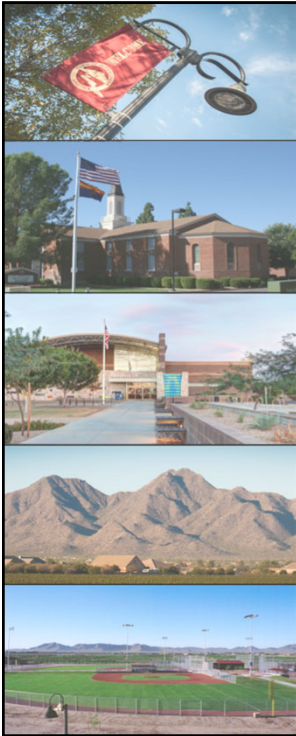
- Continued Funding of the \$195M 10-Year Transportation Plan
  - \$122.2M FY 19-20 Budget (+57% over FY 18-19), 38 Projects
    - \$85.6M, 22 Projects Underway
    - \$29.7M, 16 Projects in Design/Planning





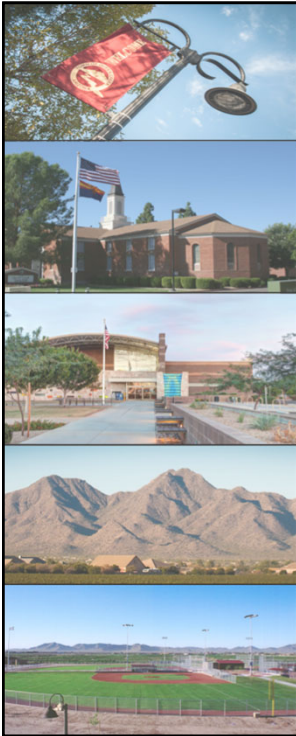
# WATER INFRASTRUCTURE

- Continued Funding of the \$111M 10-Year Improvement Plan
  - \$62M FY 19-20 Budget (+16% over FY 18-19), 81 Projects
    - \$43.9M, 45 Projects Underway
    - \$16.9M, 36 Projects in Design/Planning



# WASTEWATER INFRASTRUCTURE

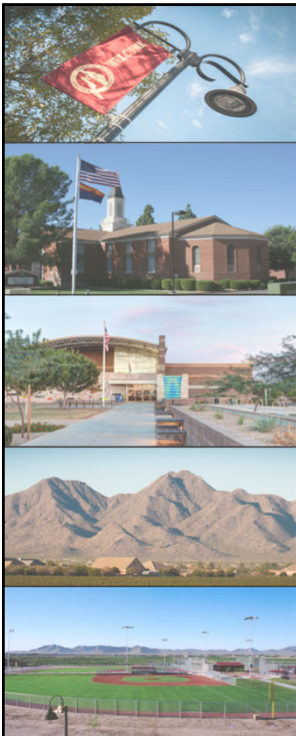
- Continued Funding of the \$67.6M 10-Year Improvement Plan
  - \$38.6M FY 19-20 Budget (+31% over FY 18-19), 39 Projects
    - \$24.9M, 24 Projects Underway
    - \$13.5M, 15 Projects in Design/Planning



## PARKS AND TRAILS INFRASTRUCTURE

- Trails (Sonoqui and QC Wash) \$3.1M
  - \$1.8M (Carry forward from FY 18-19)
  - \$1.3M (New Sonoqui Segment for FY 19-20)
- Parks \$3M
  - \$2M Complete Design of East Park Site/Drainage (Carry forward from FY 18-19)
  - \$1M Landfill Park (Carry forward from FY 18-19)

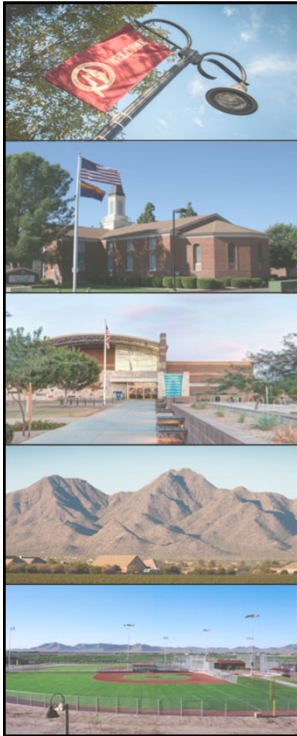
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## GENERAL INFRASTRUCTURE

- FY 19-20 Budget of \$11.0M
  - Public Safety Infrastructure \$9.9M
    - Fire Resource/Skills Center \$4.0M
    - Fire Station # 4 and Related Equipment \$5.9M (Carryforward from FY 18-19)
  - Other Facilities \$1.1M
    - Public Works Field Operations Facility \$1.1M (Carryforward from FY 18-19)

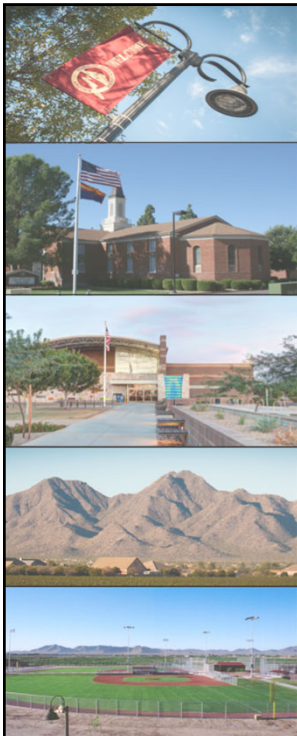
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# INFRASTRUCTURE CARRY FORWARD/CONTINGENCIES

Purpose	Description	Amount
1. Projects Under Contract	Carryforward of approved contracts into FY 19-20	\$39.8M
2. Project Budgets Approved – Not yet under Contract	Expenditure authority for projects approved in FY 18-19 but not under contract by end of fiscal year	\$98.7M
3. Unanticipated Expenses	Expenditure authority for private development partnerships, emergency needs	\$5.0M
<b>Total FY 19-20 Contingency</b>		<b><u>\$143.5M</u></b>

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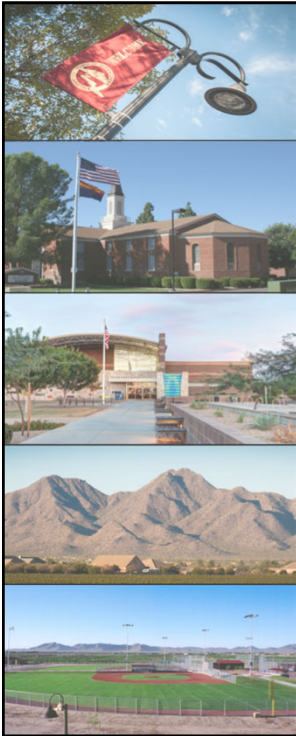


# ITEMS BEYOND FY 2019-20...

1. Re-Balance 10-Year Transportation Plan
  - Original Projects' Increase: \$16M to \$20M
    - Inflation: \$14M to \$18M
    - Other Changes: \$2M
  - Signal Butte and Meridian Increase: \$25M
    - Cost Allocation
      - Pinal County: \$6.5M
      - City of Mesa: \$12M
      - QC: \$6.5M
  - SR24/Ellsworth Interchange
    - Possible cost share with Mesa, Pinal County, Maricopa County, and QC (\$2.5M)

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## ITEMS BEYOND FY 2019-20...

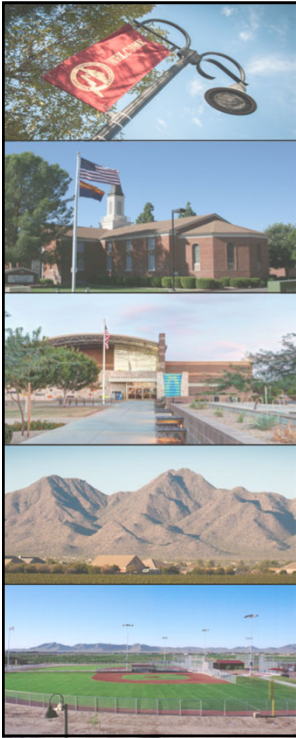
2. Law Enforcement / MCSO Increases
3. Fund Parks Master Plan
4. Methodology to Set Queen Creek Fire District Contract Amount
5. Establish Vehicle Replacement Sinking Fund

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## BUDGET CALENDAR

Date	Action Item
April 4 April 10 (If Needed)	Budget Committee Meetings
May 1	Council Votes on Tentative Budget
May 15	Truth in Taxation Hearing (Property Tax) Final Budget Hearing - Budget Adoption
June 5	Property Tax Levy Adoption <ul style="list-style-type: none"> <li>• Primary Property Tax</li> <li>• SLID Levy Adoption</li> </ul>

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# DISCUSSION AND QUESTIONS