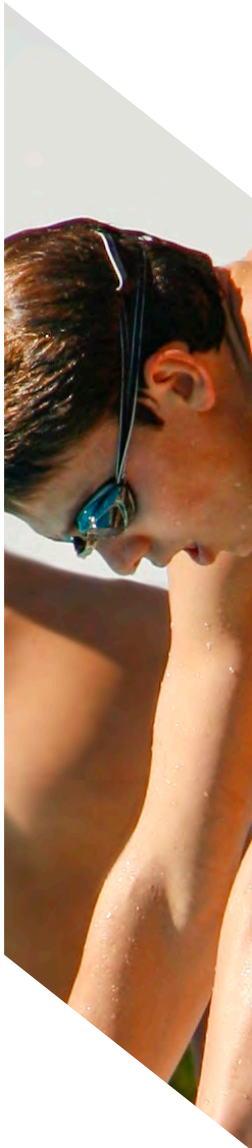


Town of Oro Valley

# ANNUAL BUDGET FY 2019-20





**ORO VALLEY**, *it's in our nature*

## **ANNUAL BUDGET** **2019 – 2020**

### **Community Vision**

Oro Valley strives to be a well-managed community that provides all residents with opportunities for quality living. Oro Valley will keep its friendly, small-town, neighborly character, while increasing services, employment and recreation. The Town's lifestyle continues to be defined by a strong sense of community, a high regard for public safety and an extraordinary natural environment and scenic views.

### **Mission**

Govern efficiently, inclusively and responsively to promote community health, safety and a sustainable quality of life for residents, business and visitors.

### **Organizational Values**

We are strongly committed to:

- Honesty, Integrity, Trustworthiness
- Openness, Accountability, Transparent Government
- Respect for Diversity
- Creativity, Teamwork and Continuous Improvement
- Excellent Service

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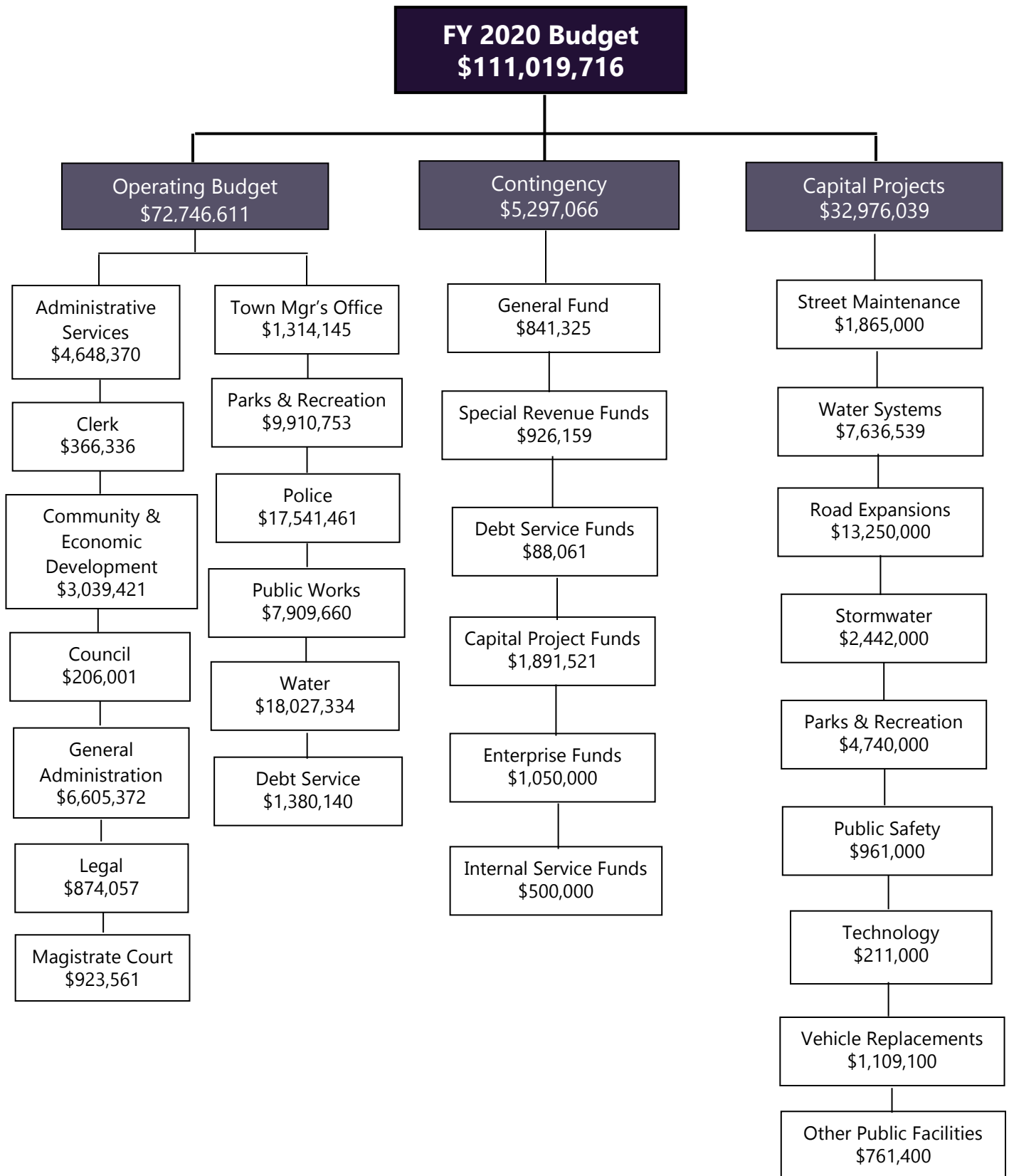
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# Financial Organizational Chart



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Oro Valley  
Arizona**

For the Fiscal Year Beginning

**July 1, 2018**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Town of Oro Valley, Arizona for its annual budget for the fiscal year beginning July 1, 2018.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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## **INTRODUCTION**

Budget Message  
"Know Your Town's Budget"  
Community Profile  
History of Oro Valley  
Budget Document Guide  
Mayor and Council  
Organizational Chart  
General Plan  
Strategic Plan  
Fund Structure  
Financial & Budgetary Policies  
Budget Process



# Budget Message

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Mary Jacobs, Town Manager

It is my privilege to present the Town of Oro Valley balanced budget for fiscal year 2019/2020. This budget totals \$111.0 million, representing a notable decrease of \$31.9 million, or 22%, from the adopted FY 18/19 budget of \$142.9 million, which is further explained below.

This balanced budget represents the allocation of resources to achieve the goals outlined in the Town Council's adopted FY 19/20 – FY 20/21 Strategic Leadership Plan, a plan built upon the vision and framework of the voter-ratified *Your Voice, Our Future* General Plan. The budget reflects investments in the following focus areas:

- Economic Vitality
- Recreation and Culture
- Public Safety
- Roads, Water and Town Assets
- Land Use
- Efficient and Effective Government
- Town Finances

## **OPERATIONAL BUDGET**

The Town of Oro Valley has a strong history of responsible budgets, strong reserve funds, conservative projections and continuous improvement. The FY 19/20 budget builds upon that foundation, incorporating additional budgeting best practices and efficiencies. It now separately accounts for its various healthy contingency reserve funds in another section of the document, enhancing overall resident understanding of the municipal operating budget and what dollars departments plan to spend during the year to provide services. The Town's reserves typically add up to about \$30 - \$40 million, and include the General Fund's 25% reserve fund, all development impact fee reserve funds, the Water Utility reserve fund, and the reserves in the Capital Fund, among others.

A budget is a spending plan. Like a household, a family's monthly or annual budget—or spending plan—does not typically include the value of one's retirement savings or regular savings unless there is a plan to spend a portion of it. Similarly, the FY 19/20 budget reflects only the planned operating portion of the budget and those portions of spendable reserves within the funds set aside for expenditure should the need arise during the fiscal year. All other reserve balances are instead documented in the Fund Summaries section and State Auditor General budget schedules section of the budget. In addition, reserve balances are always included in the audited Comprehensive Annual Financial Report (CAFR), a holistic depiction of the financial health of the Town. Should there be a significant emergency in the Town where dipping into those reserves were necessary, state law authorizes the Town Council to use reserve funds to address the emergency and to spend above the Town budget cap. Historically, the Town has not had to dip into its contingency reserves to the extent where they have fallen below the adopted contingency reserve policy threshold.

For more of an apples-to-apples comparison, the operational portion of the FY 19/20 budget totals \$72.7 million, compared to the same budget for FY 18/19 of \$70.3 million, a \$2.4 million, or 3.4% increase year-over-year.

### **LOCAL ECONOMIC CONDITIONS**

The local economy is expected to show slower growth in the coming year as most commercial projects underway in FY 18/19 complete construction, while robust growth at the state-wide level is positively impacting the Town's main state-shared revenue sources in the General Fund. Overall, the Town's local sales tax revenues projected for FY 19/20 (\$21.2 million) are fairly flat compared to the FY 18/19 adopted amounts (\$21.1 million). Increases in projected local sales tax collections from the restaurant/bar, retail and lodging categories are offset by projected decreases in the utility tax and construction tax categories, resulting in an overall growth in local sales tax revenues of just 0.1%.

Overall, state-shared revenues in the General Fund from income tax, state sales tax and vehicle license tax are projected to increase by 7%, or just over \$800,000, compared to the FY 18/19 budget. In the Highway Fund, highway user fund (HURF) gas tax revenues are projected to increase by 9.5%, or just over \$300,000, compared to the FY 18/19 budget.

A total of 296 single family residential (SFR) building permits were issued in FY 18/19, falling just short of the budgeted amount of 306. Based upon current and projected activity, the FY 19/20 budget includes the assumption that 300 SFR permits will be issued. In addition, commercial permit activity is projected to decrease significantly, with few new non-residential projects included in the budget.

### **TOWN OPERATIONS**

With regard to the golf courses and Community Center, the budget reflects the continued operation of all 45 holes of golf currently operated by the Town, as well as status quo operations at the Community Center until such time as the Town Council has an opportunity to make a decision regarding its future. Similar to last fiscal year, the budget also continues to include a projected \$6 million in bond financing capacity for future capital investments for the golf and Community Center facility, with a potential maximum expenditure of \$3 million in the FY19/20 budget, investments that will only be made following direction by the Town Council.

In addition, the adopted budget also reflects shifting a portion of Highway Fund expenditures to the General Fund. This reflects best practices and streamlines and enhances financial reporting in several ways. First, it eliminates the need for a transfer of funding from the General Fund to the Highway Fund to subsidize operations for FY 19/20. Instead, the costs typically funded with the annual subsidy transfer are simply accounted for within the General Fund, through the Public Works budget. In addition, it enhances ease of auditing compliance associated with ensuring that HURF gas tax revenues are spent solely for authorized transportation, street and roadway improvement purposes as required by state law.

The General Fund contingency reserve balance for FY 19/20 is estimated at \$12.8 million, or 30.5% of the expenditure budget of \$41.9 million, an increase of \$825,000 from the FY 18/19 budget.

## Strategic Investments

In March 2019, the Town Council adopted its FY 19/20 – FY 20/21 Strategic Leadership Plan following several significant, extended discussions about community priorities. The FY 19/20 budget includes investments in projects and work initiatives to achieve the goals and objectives set by Council. The following are some highlights:

***Economic Vitality*** – Last year, I reorganized several functions and brought in additional specialized talent in economic development in order to help the Town focus on ways in which it can more effectively attract and retain businesses in the community. After a thorough analysis, a comprehensive report was developed with key strategies and tactics recommended to move Oro Valley forward economically. Several of the top priorities were included in the Town Council's Strategic Leadership Plan, and resources devoted to those goals are included in the FY 19/20 budget. The budget includes \$70,000 to conduct an external retail assessment to assist the Town and retail centers in identifying retailers and restaurateurs that would be a good fit for Oro Valley.

In addition, the budget includes a \$50,000 contribution to the Oro Valley Innovation Lab, formerly the BIOSA Incubator/Accelerator, in order to provide the last financial push needed for the non-profit to start construction of a facility intended to attract start-up businesses in the biosciences. The budget also supports an enhanced focus on identifying and supporting business prospects by allocating \$10,000 for the Town's continued membership in Sun Corridor, Inc., the regional economic development organization. Funding in the amount of \$30,000 is also included in the budget for the development of industry-specific collateral materials and other marketing tools. Finally, the General Administration budget includes \$3,000 for the Town to host an annual business summit focused on enhancing the Town's retail and restaurant market.

***Recreation and Culture*** – Included in the Strategic Leadership Plan is completion of a comprehensive parks and recreation needs assessment, which will subsequently be utilized in the development of a new parks and recreation master plan. The FY 19/20 total budget allocated toward this effort is \$100,000, which represents outsourcing some components as well as utilization of staff in-house to complete the project. It is anticipated that the project will require some additional funding in FY 20/21 to get to final completion.

In addition, after successfully focusing on the addition of and improvement to sports fields over the past several years, the Parks Management division budget includes just over \$100,000 to focus on enhancing the overall condition of the Town's parks and recreational amenities. Residents can look forward to seeing grass improved, drinking fountains replaced, exercise stations at Riverfront Park renovated/upgraded, solar lights installed at the James D. Kriegh dog park, the Aquatic Center perimeter wall repainted, and new fitness equipment and weights at the Community Center. By reviewing the results of the first FlashVote survey on resident use of Town recreation facilities and amenities, staff also prioritized the installation of a shade structure on the lawn at Steam Pump Ranch, the addition of a classical music concert program at Riverfront Park through the Town's partnership with SAACA, and inclusion of over \$65,000 for special events, such as the 4<sup>th</sup> of July celebration, Move Across 2 Ranges and Celebrate OV.

***Public Safety*** – In July 2019, the Police Department will move into its expanded substation and new evidence facility on Magee Road. This important building will provide needed space for Police operations and allow the department to meet the demands of evidence storage. The budget includes over \$60,000 in new expenditures necessary to operate the expanded facility, from electricity and telecommunications to equipment and custodial support. The budget also includes \$165,000 in capital expenditures to allow for



the effective repurposing of the former evidence and other vacated space for departmental operations. In addition, the Strategic Leadership Plan prioritizes the addition of Interdiction for the Protection of Children training, as well as continued training in the area of active shooter preparedness. The Police Department's training budget was increased by \$15,000 in order to add these crucial programs.

Maintaining public safety service levels is important to the Council and community, and the Town has added three new police officer positions and an additional Sergeant position for the upcoming fiscal year, at a total cost of \$750,000.

**Roads, Water and Town Assets** – After a thorough analysis, the Water Utility Enterprise Fund reflects incorporation of a recommended and Council-adopted base rate increase to continue the incremental progress toward better cost recovery of the utility's fixed costs. As a result, the average residential ratepayer will see an increase of \$1.81 per month, a 4.6% increase, nearly identical to last year. Even with this rate increase, Oro Valley remains the most affordable municipal water provider in the Tucson region. The Water Utility budget also includes capacity to continue several major deferred capital projects utilizing bond funding issued in FY 18/19.

During FY 18/19, a comprehensive facility assessment was conducted by Public Works to assess the condition of Town facilities and establish, for the first time in the Town's history, a detailed database of facility maintenance and repair needs for all Town buildings. The adopted budget includes over \$240,000 for such items as public restroom facility improvements in the Town Hall Administration building, roof replacements, replacing HVAC units and swamp coolers, addressing building electrical issues, cleaning HVAC ducts, resurfacing the restroom flooring at the Aquatic Center and addressing facility needs at the Community Center. The plan is to fund these types of facility repair and maintenance needs on an annual basis through the Town's Capital Improvement Program (CIP). I plan to also include projected capital maintenance and replacement needs in an integrated CIP program in the future to enhance long-term Town planning and forecasting, something also prioritized by the Town Council in their plan.

The Council has specified in its Strategic Leadership Plan maintenance of the Town's high Overall Condition Index (OCI) of 76 for all paved streets. To that end, in the Highway User Revenue Fund the budget includes \$1,450,000 for the Pavement Preservation Program.

**Land Use** – The Council's Strategic Leadership Plan calls for the reevaluation of Town land use codes over the two fiscal years of the plan. A significant work effort for Town staff, the budget includes a modest \$17,800 in outside professional services to assist staff in this effort next fiscal year.

**Effective and Efficient Government** – This overarching focus area touches all Town departments. One key goal is the strengthening of community engagement and citizen outreach. The FY 19/20 budget includes a \$48,000 investment in redesigning the Town's website. The budget also includes \$12,000 for an online civic engagement tool that will broaden the Town's ability to provide opportunities for resident input beyond traditional public meetings or current social media. The Town's service contract with Flashvote is continued in the FY 19/20 budget at a cost of \$5,000. In the new fiscal year, resources are again budgeted to continue the highly effective OV Peak Performance process improvement initiative, and support ongoing staff training programs. Finally, the FY 19/20 budget includes \$3,000 for a Town community outreach effort designed to educate residents on the importance of participating in Census 2020.

***Town Finances*** – The Town Council added this focus area to its Strategic Leadership Plan with an overarching goal of ensuring the Town’s financial future remains stable. As one of the strategic objectives, a significant investment included in the adopted budget is a \$500,000 payment toward the Town’s \$22 million Public Safety Retirement System (PSPRS) unfunded liability repayment. In the 2018 State Legislative Session, Governor Ducey signed a bill passed by the Legislature requiring all cities and towns to adopt a policy specifying how the community will fund its PSPRS liability over 20 years. A recommended policy was developed and referred to the newly established Budget and Finance Commission for input, and then was subsequently considered and adopted by the Town Council. The Town is able to make a notable contribution starting FY 19/20 due largely to the expiration of the sales tax sharing agreement with the Oro Valley Marketplace in FY 18/19, resulting in an estimated \$750,000 annual savings based on current collections at the retail center. The remainder of these savings was utilized to fund costs for the four new police officer positions as discussed previously.

### **Compensation, Benefits and Personnel**

In 2013, the Town adopted an updated classification and compensation plan after engaging the services of an external consultant to assist in analyzing all positions. That plan recommended an annual review of comparable positions in order to appropriately adjust ranges and stay competitive overall. Over the past six years, no detailed analysis was conducted and therefore, no range adjustments were made.

Since 2013, Arizona voters approved Proposition 206, which has increased the state’s minimum wage from \$8.05/hour at the time of ratification to \$11/hour in 2019, with the final increase to \$12/hour going into effect on January 1, 2020, plus required cost of living increases annually. Businesses and governments across the state have seen the impacts of this initiative in their own wage scales, and the Town of Oro Valley has experienced challenges with recruiting both professional level and some entry level positions. The Human Resources Director conducted a salary and benefit analysis recently among comparable jurisdictions across the state and the data show that Town pay ranges are below those in comparable communities and positions by an average of 9% overall. It is not financially feasible to adjust ranges by the full amount in one year. Ensuring the Town remains competitive as an employer will require a multi-year approach. Therefore, the adopted budget includes funding for a 4% adjustment to all Town salary ranges not covered by a negotiated agreement. Actual salary adjustments will only be given to employees whose current salary falls below the new range minimum, a cost of approximately \$50,000. Town staff will continue to evaluate the plan and economic conditions in the coming fiscal year to determine next steps for FY 20/21, and will also include an evaluation of the positions covered by a bargaining agreement in FY 19/20.

In addition, the salary and benefit analysis also revealed that the Town’s current annual merit increases are slightly above the average compared to our comparable communities. Over the past seven years, following three years of no raises for employees, the Town has offered merit increases of 3.5% for a successful annual evaluation and 4% for an outstanding annual evaluation. The FY 19/20 adopted budget reduces those increases 25%, to 2.5% for a successful evaluation and 3% for an outstanding evaluation. The current Memorandum of Understanding with the public safety group is in place through next fiscal year and therefore is not included in this change.

A few changes in employee benefits have also been included in the adopted budget. First, a 5% overall increase has been factored in for the cost of medical benefits for both the Town and employee premiums next year. This results in an increase of almost \$180,000 to the Benefit Self-Insurance Fund to ensure adequate resources are available to pay for future medical claims costs. In addition, the Town is gradually moving toward having employees pay more toward their share of the costs of medical and dental coverage. In FY 16/17, the medical benefit plan shifted from the Town paying 100% of employee-only coverage to an 85%/15% cost share where the employee pays 15% and the Town now pays 85% of employee-only medical coverage. For FY 19/20, the benefit

plan for dependent coverage will begin a three-year transition from the Town paying no less than 80% for dependent coverage to the Town paying no less than 75% for dependent coverage for the Town's PPO medical and dental plan. This shift was also negotiated in the public safety Memorandum of Understanding for FY 19/20. The Town will also be changing dental providers from MetLife to Delta Dental. MetLife proposed a 36% premium increase in their renewal bid, while Delta Dental came in lower at a 30% increase with a fixed rate guarantee for two years, resulting in an overall cost increase of \$45,000 to the Town.

Other part-time, cost neutral positions added include a part-time court clerk in the Magistrate Court funded with a dedicated court fee revenue source and a part-time, 30-hour facility attendant position at the Community Center, which will be offset by the reduction of commensurate part-time, 19-hour staffing, a change that will provide more staffing stability at the front desk area.

### **Information Technology**

Last fiscal year, telecommunications expenses and other IT-related costs were consolidated into the Information Technology budget. The consolidation resulted in a cost savings of \$20,000 in more effective deployment and management of devices and software, as well as the elimination of duplicative costs and consolidation of accounts. Those cost savings are important, as the demand for technology solutions and efficiency improvements remains high. The Town is committed to maintaining the technology tools needed by employees to do their jobs through a robust computer replacement program. The adopted budget includes \$229,000 for computer and server lifecycle replacements. Funding in the amount of \$60,500 is also included to implement two new modules in the Town's financial system aimed at streamlining and improving the efficiency of processing vendor payments and administering employee expense reports via paperless solutions and automated workflow for approvals.

### **Regional Partnerships**

The budget includes funding for continued partnerships with the local and regional agencies and organizations that provide crucial services to the Town and community. Visit Tucson continues to serve as Oro Valley's designated convention and visitor's bureau, and has been instrumental in marketing the Town beyond the region. The budget includes the continuation of \$300,000 for next year's contract. The budget also includes the continuation of \$40,000 in funding for its partnership with the Greater Oro Valley Chamber of Commerce. Funding of \$30,000 has been included for the Southern Arizona Arts and Cultural Alliance (SAACA), reduced by \$10,000 from Fiscal FY 18/19. Finally, the budget includes the continued \$75,000 in funding support for the Oro Valley Children's Museum.

## **CAPITAL INVESTMENTS –NEW FACILITIES, RENOVATIONS AND REPLACEMENTS**

### **Capital Fund**

The expansion of the Capital Fund last fiscal year has provided for a predictable source of revenue for next year and the years following. With over \$250 million in Town assets, continuing investments in existing infrastructure is crucial, and this fiscal year is no different. The budget includes the addition of a large playground and related infrastructure and amenities at Naranja Park. The total estimated two-year cost is \$1.7 million, of which \$775,000 will be paid by parks and recreation development impact fees. As a former industrial site, the largely undeveloped park requires infrastructure investments to support the new play area in order to address significant drainage issues, as well as provide for lighting and parking.

As mentioned above, the Capital Fund has also been enhanced in FY 19/20 to address maintenance issues that have now been documented in a ten-year capital maintenance and replacement plan after a four-month assessment of Town facilities.

The following is a summary highlighting the major Capital Fund projects for FY 19/20:

|  |             |  |
|--|-------------|--|
| Naranja Park Playground                                | \$825,000*  | New large play structure, ramadas and lighting   |
| Naranja Park Infrastructure                            | \$525,000   | Earthwork, drainage, parking, entry drive and roadway  |
| Police Station Renovation                              | \$165,000   | Renovate vacated space for office and operations   |
| PW/CED Counter Safety                                  | \$295,000   | Redesign/improve front counter for building/employee safety  |
| Information Technology                                 | \$211,000   | Server replacement, finish new recreation software install   |
| JD Kriegh Park Improvements                            | \$200,000   | Finish project started in FY 18/19, restroom improvements, ramada  |
| Golf Course Renovation<br>(Community Center Bond Fund) | \$3,000,000 | Bonding capacity for future Council decision on Community Center/golf courses – total \$6 million over two years |

\*An additional \$375,000 is included in FY 20/21 to complete the project with parks and recreation impact fee funds.

## Roads and Streets

The budget includes funding for several roadway projects, in addition to the \$1,450,000 in the HURF Fund for pavement preservation. Funding in the amount of \$12 million is included in the budget for continued construction of the widening of La Cholla Boulevard. Of this funding, \$10.3 million will come from the Regional Transportation Authority (RTA), and \$1.7 million will come from roadway impact fee funds. Another \$1 million in roadway impact fee funds are included to complete the construction of the roundabout at La Cañada and Moore Road, and HURF funds are budgeted to complete pavement improvements on Pusch View Lane (\$260,000) and to complete the Tangerine Road access to the Safeway shopping center (rolled over from FY 18/19 for \$250,000).



**Fleet**

The budget continues to include funding for routine fleet replacements at just over \$865,000. These replacements include ten vehicles for the Police Department, two vehicles for Building Inspection, one truck for Parks and Recreation, three Transit vans, and two trucks for the Water Utility. Four additional vehicles are also included in the FY 19/20 budget for the new police officer positions as referenced previously.

**Water Utility**

The Water Utility includes a total of 25 capital projects totaling \$7.6 million, details of which can be found in the CIP section of the budget.

**Stormwater Utility**

The Stormwater Utility budget again includes capacity to receive grant funds of \$2.1 million should the Town be successful in its application for FEMA funds to improve the Catalina Ridge wash. In addition, the capital portion of this fund includes \$242,000 to make improvements to a dip crossing on west Lambert Lane, and the purchase of a new skip loader vehicle for \$100,000.

**Ten-Year Capital Improvement Program (CIP)**

Town Council financial policies require the development of a ten-year Capital Improvement Program. Reviewed and modified every year based upon needs and projected funding, the full 10-year plan projects a need for \$126.7 million in funding through FY 28/29. Total funding allocated to CIP projects in the FY 19/20 budget is \$33.0 million. Some highlights of the ten-year plan include: a total of \$13.2 million for recreation facility investments; \$900,000 in improvements at Steam Pump Ranch; \$1.8 million in information technology improvements; \$1.7 million in Police facility enhancements; \$900,000 in sidewalk safety improvements; and \$2 million toward deferred maintenance. More detail regarding CIP projects and funding is included in the CIP section of the budget.

**CONCLUSION**

I would like to thank the Mayor and Town Council for their vision and leadership in establishing their priorities for this community through the adoption of the FY 19/20 – 20/21 Strategic Leadership Plan. I would also like to recognize and acknowledge the strong level of collaboration among staff from all Town departments in the development of the budget. Finally, I would like to especially recognize my budget team for their extraordinary work in preparing the budget: Chief Financial Officer Stacey Lemos, Senior Budget Analyst Wendy Gomez, Assistant Town Manager Chris Cornelison, and Chief Information Officer Chuck Boyer.

Respectfully submitted,



Mary Jacobs  
Town Manager

# KNOW YOUR TOWN'S BUDGET

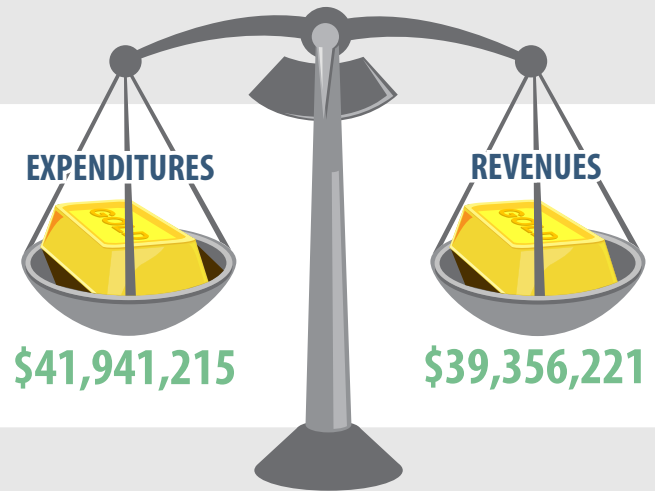


## TOWN OF ORO VALLEY | FY 2019-20 BUDGET

The Fiscal Year 2019/20 budget is in the amount of \$111.0 million; a \$31.9 million, or 22.3% decrease from the adopted FY 2018/19 budget totaling \$142.9 million. This decrease is due to the Town's cash reserve balances, which in previous fiscal years were budgeted in full. Beginning FY 2019/20, the amount of budgeted contingency reflects only those portions of spendable reserves within the funds, should the need arise during the fiscal year.

### GENERAL FUND HIGHLIGHTS

- General Fund budget totals **\$42.0 million** (excluding budgeted contingency reserves of \$841,000).
- Full, estimated year-end contingency reserve balance in the General Fund for FY 2019/20 is **\$12.8 million**; 30.5% of the expenditure budget.
- General Fund is balanced, with a **\$2.6 million** planned use of reserves for one-time expenditures.



### KEY REVENUE PROVISIONS

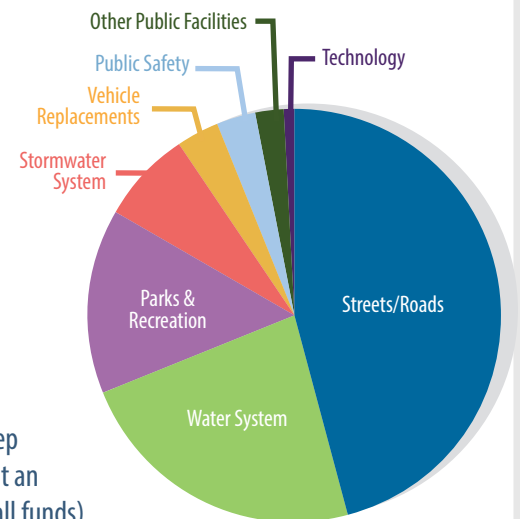
(Reflects all funds, except for first bulletpoint)

- Total FY 2019/20 General Fund revenues are **\$448,000**, or 1.2%, higher than FY 2018/19 budgeted General Fund revenues.
- Local sales tax revenues are roughly flat to FY 2018/19 budget amounts, at **\$21.8 million**.
- Charges for services revenues are **\$241,000**, or 2.1% higher than FY 2018/19 budget amounts.
- Grant revenues are **\$1.6 million**, or 10.3% lower than FY 2018/19 budget amounts, which corresponds to reimbursements for a roadway widening project on La Cholla Boulevard.
- State-shared revenues, including Highway User Revenue Funds, are **\$1.1 million**, or 7.6% higher than FY 2018/19 budget amounts.

### KEY EXPENDITURE PROVISIONS

FY 2019/20 Capital Improvement Program (CIP) projects in the amount of **\$32,976,039** include:

|                         |              |
|-------------------------|--------------|
| Streets/Roads           | \$15,115,000 |
| Water System            | \$7,636,539  |
| Parks & Recreation      | \$4,740,000  |
| Stormwater System       | \$2,442,000  |
| Vehicle Replacements    | \$1,109,100  |
| Public Safety           | \$961,000    |
| Other Public Facilities | \$761,400    |
| Technology              | \$211,000    |



- Includes funding for merit and step increases for eligible employees at an estimated cost of **\$500,000** (all funds).
- Department operations and maintenance budget in the General Fund is 7.4%, or **\$700,000** higher than adopted FY 2018/19, due to implementation of a comprehensive facility repair and maintenance program, a reorganization of the Public Works Administration Division to the General Fund, numerous economic vitality initiatives, and cost increases in areas including software maintenance and licensing, gasoline, utilities and insurance.

# The Town Budget: What's in it for residents?

The Town of Oro Valley now uses FlashVote, an online survey tool that makes it even easier for residents to provide input on important decisions regarding issues like the Town's budget. Along with guidance provided by the Town Council's adopted Strategic Leadership Plan, resident input is incorporated into the Town's budget with the following priorities for FY 2019/20:

## Culture and Recreation

Significant investment towards cultural and recreational amenities is included in the FY 2019/20 budget. A comprehensive parks and recreation needs assessment will be conducted, to be utilized in the development of a new parks and recreation master plan. Infrastructure improvements will be made and a new playground installed at Naranja Park for a combined, two-year cost estimate of \$1.7 million. Continued landscaping, the installation of a shade structure and other historic preservation improvements will take place at Steam Pump Ranch. Improvements at James D. Kriegh (JDK) Park will include a restroom replacement and an additional shade ramada. In addition, more than \$100,000 is included in the Parks Management Division to enhance the overall condition of the Town's parks and recreational amenities. The Town will also continue its special events funding and partnerships with agencies that provide a variety of cultural programs and events for residents.

## Public safety

Oro Valley is consistently ranked one of the safest cities in Arizona with a strong regard for public safety. The FY 2019/20 budget includes the funding of three new officers and a new sergeant to ensure residents' standards and expectations continue to be met. The Oro Valley Police Department (OVPD) implements several community-based programs to enhance public safety, including School Resource Officers, Dispose-A-Med, Adopt-A-Business, Self-Defense Awareness and Fight Education (SAFE) Program, Coffee with a Cop and Citizen Volunteer Assistants Program (CVAP). These, and many more community-based programs and services, receive funding from the Town because they play a valuable role in keeping our residents actively engaged in public safety.

## Streets

The Town of Oro Valley is well known for having quality infrastructure. The budget includes \$1,450,000 for the Pavement Preservation Program in the Highway Fund, which maintains the current condition of our roads. Oro Valley has the best roads in the region, and the amount of maintenance expected to be delivered remains at a level which will not allow the infrastructure to deteriorate. Major road improvement projects in the FY 2019/20 budget include \$12.0 million for a widening and improvement project on La Cholla Boulevard, as well as \$1.0 million for a roundabout at the intersection of La Cañada Drive and Moore Road.

## Reliable, quality water

The Oro Valley Water Utility takes very seriously its responsibility to ensure the protection of public health and safety through the production and efficient delivery of water that meets and/or exceeds water quality standards. Great care is taken to manage this valuable resource, through use of reclaimed water, distribution of Central Arizona Project (CAP) water and advanced meter reading infrastructure. More than \$7.6 million in capital improvements are budgeted for the Water Utility in FY 2019/20 that will serve to increase the Town's allocation of CAP water and ensure a safe, adequate and reliable water supply for the future.

## Economic Vitality

The Town will continue its regional partnerships with the Greater Oro Valley Chamber of Commerce, Visit Tucson and the Southern Arizona Arts & Cultural Alliance. These partnerships are vital to the strength of our business community, tourism industry and cultural offerings. Business attraction and retention efforts include a continued membership with Sun Corridor, funding for an external retail assessment to assist in identifying retail and restaurants with a good fit for Oro Valley, development of industry-specific collateral materials and other marketing tools, and the hosting of an annual business summit for the Town's retail and restaurant market. The budget also includes a \$50,000 contribution to the non-profit Oro Valley Innovation Lab to start construction of a facility intended to attract start-up businesses in the biosciences. All of these efforts help to ensure the continued growth and diversification of the Town's workforce and economic base for a thriving economy.



## WHAT KINDS OF TAXES DO ORO VALLEY RESIDENTS PAY?

The Town of Oro Valley does NOT levy a property tax; however, Oro Valley property owners pay more than \$27 million every year in primary property taxes to Pima County.

Town residents pay approximately **\$562 per year, per household** in taxes to Oro Valley.

- 4% utility tax (\$3.0 million/year)
- 2.5% retail tax and 2.5% restaurant/bar tax (\$7.5 million/year)
- Total = \$10.5 million divided by 18,691 households = \$562 per household/year.

## HOW IS THE BUDGET BALANCED AND HOW ARE FUND BALANCES USED?

The FY 2019/20 Adopted Budget of \$111.0 million is comprised of 20 separate funds, each with their own balanced budgets. Each fund contains its own "savings" account, otherwise known as its fund balance. When budgeted revenues are more than budgeted expenditures, the Town adds to its fund balance. When budgeted revenues are less than budgeted expenditures, the Town draws from its fund balance. For FY 2019/20, the Town plans to draw down, or spend, approximately \$11.3 million from its overall beginning fund balance total of \$49.1 million, leaving \$37.8 million on hand in the overall fund balance at year-end. These are planned uses of funds that have been building up over a period of time, and they are being used primarily to cash-fund capital projects in order to avoid going into debt to complete these projects. It is important to note that in FY 2019-20, the Town is planning to utilize fund balance of about \$2.6 million in the General Fund for one-time expenditures.

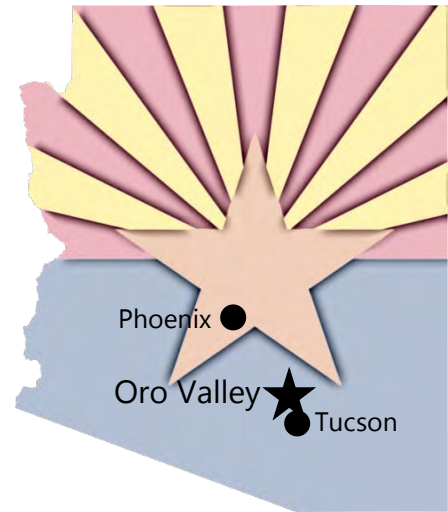
# Community Profile

## Oro Valley, Arizona

Oro Valley is located in northern Pima County approximately three miles north of the Tucson city limits. Nestled between the Catalina and Tortolita mountain ranges, the town sits at an elevation of 2,620 feet and covers more than 36 square miles.

### ACCOLADES

- Safest City in Arizona – Safewise, 2019
- Arizona’s Best Small City – WalletHub, 2017
- One of the safest places to live in Arizona – National Council on Home Safety and Security, 2017
- One of America’s 10 Safest Suburbs – Movoto Real Estate, 2014
- Best Place in Arizona to Raise Kids – Bloomberg Businessweek, 2013
- 10 Best Towns for Families – Family Circle Magazine, August 2008
- 100 Best Places in America to Live and Launch a Small Business – Fortune Small Business Magazine, April 2008



### CLIMATE

When it comes to climate, Oro Valley is one of the sunniest, most comfortable places in the country. High temperatures average 83.4 degrees while lows average 53.8 degrees.

### PRINCIPAL ECONOMIC ACTIVITIES

- Biotechnology/medical
- Recreation/resort/leisure
- Arts and culture

### Basic Information

|                           |                                       |
|---------------------------|---------------------------------------|
| Founded: 1881             | Distance to Major Cities:             |
| Incorporated: 1974        | Phoenix 109 miles, Tucson 3 miles     |
| County: Pima              | Legislative District: 9, 11           |
| Congressional District: 1 | Form of Government: Council – Manager |

### Age & Gender Composition

|                |       |
|----------------|-------|
| Male           | 48.1% |
| Female         | 51.9% |
| Median Age     | 51.9  |
| Under 5 years  | 4.0%  |
| 5 to 9 years   | 4.3%  |
| 10 to 14 years | 4.7%  |
| 15 to 19 years | 6.8%  |
| 20 to 34 years | 12.0% |
| 35 to 44 years | 9.6%  |
| 45 to 54 years | 12.7% |
| 55 to 64 years | 16.5% |
| 65 + years     | 29.4% |

Source: US Census Bureau

### Population

|             | 2000      | 2010      | 2018 (est.) |
|-------------|-----------|-----------|-------------|
| Oro Valley  | 29,700    | 41,011    | 45,395      |
| Pima County | 843,746   | 980,263   | 1,039,073   |
| Arizona     | 5,130,632 | 6,392,017 | 7,171,646   |

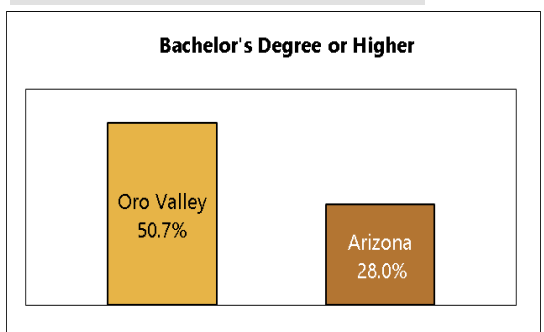
Source: US Census Bureau

### Labor Force

|                      | 2000   | 2010   | 2017   |
|----------------------|--------|--------|--------|
| Civilian Labor Force | 15,073 | 18,264 | 19,182 |
| Unemployed           | 389    | 1,233  | 828    |
| Unemployment Rate    | 2.6%   | 6.8%   | 4.3%   |

Source: Arizona Commerce Authority

### Education Attainment

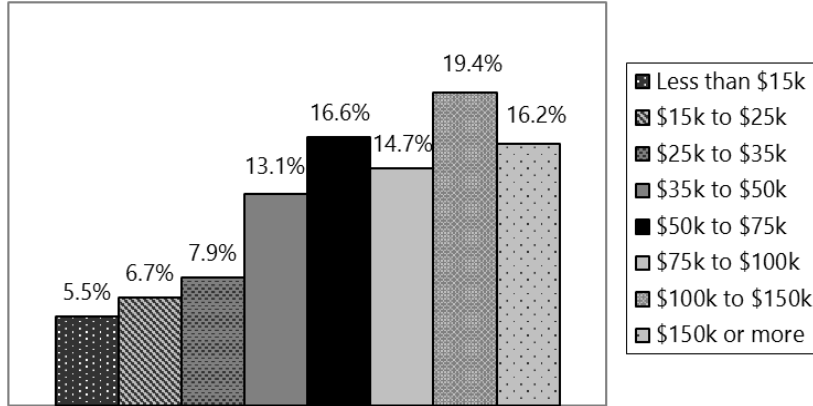


Source: US Census Bureau



# Community Profile

## Household Income



Source: US Census Bureau

## Home Values

|                  |       |
|------------------|-------|
| Less than \$50k  | 2.8%  |
| \$50k to \$99k   | 1.6%  |
| \$100k to \$199k | 14.1% |
| \$200k to \$299k | 37.7% |
| \$300k to \$499k | 30.4% |
| \$500k to \$999k | 11.6% |
| \$1M or more     | 1.7%  |

Source: US Census Bureau

## Major Employers

- Roche Tissue Diagnostics
- Honeywell Aerospace (unincorporated Pima County)
- Oro Valley Hospital
- Amphitheater School District
- Town of Oro Valley
- El Conquistador Tucson, A Hilton Resort
- Casa de la Luz Hospice
- Simpleview
- Meggitt Securaplane
- Splendido at Rancho Vistoso

## Community Facilities

Oro Valley is home to more than 440 acres of parks, a community and recreation center, a competition-level aquatic center, an archery range, lighted ball fields, multi-use fields, tennis courts and an accessible playground. In addition to aquatic events, Oro Valley hosts a number of sporting events, including triathlons, duathlons and marathons. Fire services are provided by Golder Ranch Fire Department, while law enforcement services are provided by the Town of Oro Valley Police Department.



## Taxes

### Property Tax Rate (per \$100 assessed valuation)

|                         |                |
|-------------------------|----------------|
| Elementary/High Schools | \$5.45         |
| Countywide              | \$7.53         |
| Fire District           | \$2.45         |
| Town of Oro Valley      | \$0.00         |
| <b>Total</b>            | <b>\$15.43</b> |

Source: Pima County Treasurer's Office

### Sales Tax

|           |      |
|-----------|------|
| City/Town | 2.5% |
| County    | 0.5% |
| State     | 5.6% |

Source: League of Arizona Cities and Towns, Arizona Dept of Revenue

# History of Oro Valley



The area of Oro Valley has been inhabited intermittently for nearly two thousand years by various groups of people. The Native American Hohokam tribe lived in the Honeybee Village located in the foothills of the Tortolita Mountains on Oro Valley's far north side around 500 AD. Hohokam artifacts are still being discovered in the Honeybee Village site that the Hohokam inhabited continuously for nearly 700 years.

Early in the 16th century, Native American tribes known as the Apache arrived in the southern Arizona area, including Oro Valley. These tribes inhabited the region only a few decades prior to the arrival of the Spanish Conquistadors, including Francisco Coronado. The Spanish established forts in the area, including the Presidio at Tucson (1775) beginning in the late 16th century.

## Arizona Territorial Period

Beginning in the 19th century, Americans increasingly settled in the Arizona Territory, following the Mexican-American War and the subsequent Gadsden Purchase that included the area of southern Arizona. George Pusch, a German immigrant, settled in the area of Oro Valley in 1874 and established a cattle ranch. This ranch was unique because it utilized a steam pump to provide water, eventually popularizing Pusch's property as the Steam Pump Ranch on the Cañada del Oro. The steam pump was one of only two in the Arizona Territory.



Pusch's ranch provided respite for settlers and travelers entering and leaving the Tucson area. Pusch Ridge is named in honor of George Pusch.

Ranching in the area continued to flourish as greater numbers of Americans settled in the Arizona Territory. Large ranching families in the Oro Valley area included the Romeros and the Rooneys.

Gold rushers into the American West also were attracted to southern Arizona, where gold was said to be in abundance in and around the Santa Catalina mountains north of Tucson. Fueled by the legend of the lost Iron Door Gold Mine in the mountains, those in search of gold trekked through the Oro Valley area focusing their attention along the Cañada del Oro washbed.

## Post-World War II Period

After World War II, the Tucson area experienced dramatic population growth, impacting Oro Valley as well. In the early 1950s, the Oro Valley Country Club opened at the base of Pusch Ridge, affirming the area's future as an affluent community. Although one tract housing development was built in the area in the early 1950s, the majority of the original homes in the Oro Valley area were built by individual land owners in a large ranch residential style.

# History of Oro Valley

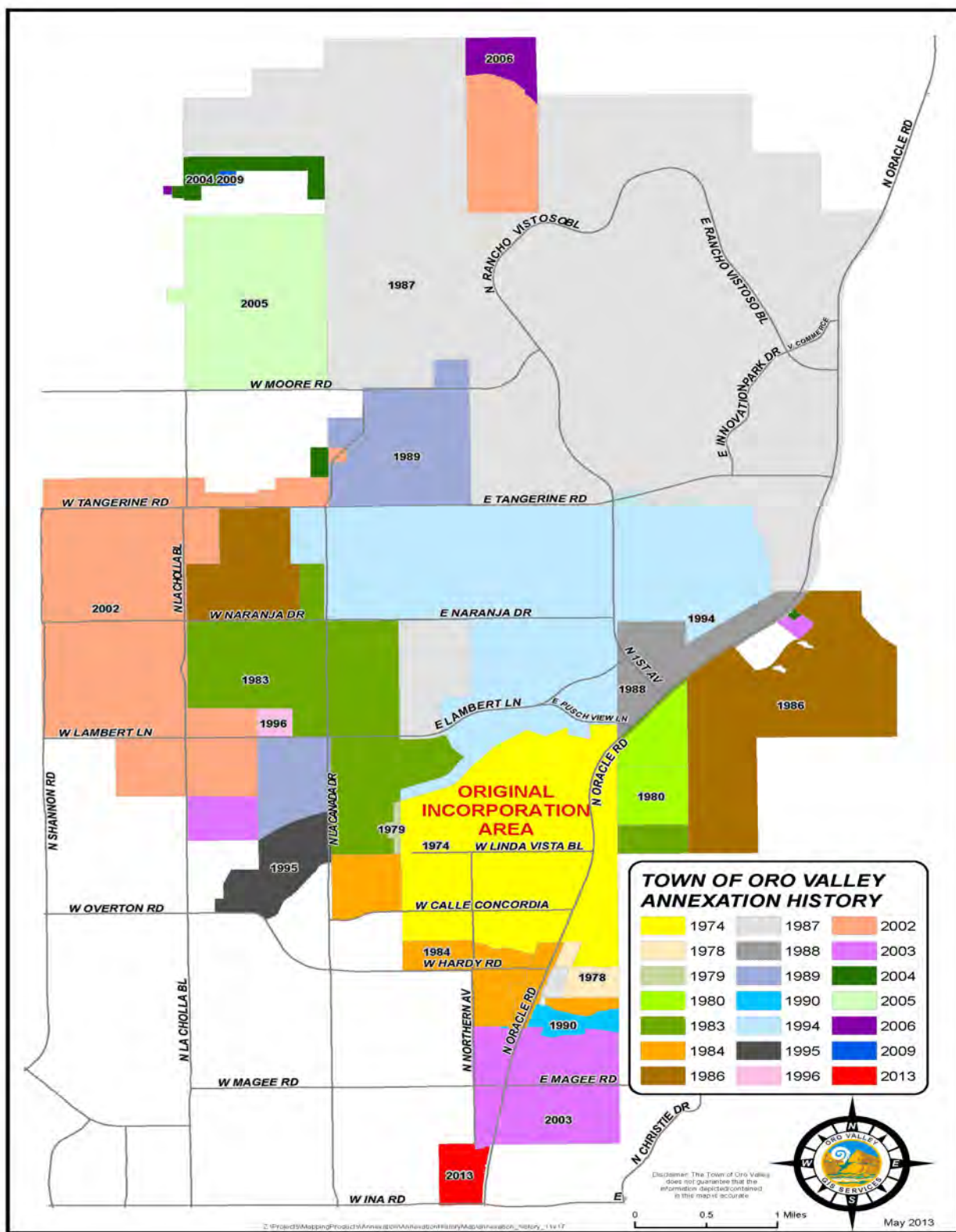
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## **Founding of the Town**

The community continued to grow gradually, and area residents increasingly desired local control of the land in the area. In the late 1960s, incorporation became a greater focus in Oro Valley. Tucson Mayor James M. Corbett, Jr. expressed great interest in expanding the Tucson city limits to the far north side of Pima County. Corbett vowed to bring the Oro Valley area into Tucson "kicking and screaming," alluding to the reservations Oro Valley residents expressed about joining Tucson.

A petition to incorporate began to circulate in Oro Valley. The Pima County Board of Supervisors officially refused to allow Oro Valley to incorporate, and litigation followed. Ultimately, in 1974 a group of area residents successfully incorporated the Town of Oro Valley, then only 2.4 square miles in size. Oro Valley was centered primarily around the Oro Valley Country Club and Canyon del Oro High School. The Town began with a population of nearly 1,200. The map on the following page depicts Oro Valley's growth since its inception.

# History of Oro Valley



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# Budget Document Guide

The budget document seeks to implement the Town of Oro Valley's adopted General Plan and Strategic Plan within the boundaries of its available financial resources. The budget is a policy document, financial plan, operations guide and communication device.

The purpose of this guide is to provide the reader with some basic understanding on the organization of the budget document and what is included in each of the sections.

The budget document is comprised of the following five major areas:

## Introduction

The introduction section includes the Manager's budget message, a "Know Your Town's Budget" synopsis document, a community profile and town history, the Town's Strategic Leadership Plan, General Plan, financial policies, fund structure and the budget process.

The Manager's budget message provides an introduction to the budget. The message outlines the assumptions used in the development of the budget, goals for the upcoming fiscal year, any new program enhancements or changes in service levels, and any challenges for the upcoming year.

Also included is a budget synopsis or "snapshot" document called "Know Your Town's Budget", a community profile containing interesting facts about the town, and a history of the town. The section also includes information on the Town's elected officials, an organization chart, elements of the Town's General Plan and Strategic Plan, financial policies of the Town and the budget development process.

## Financial Overview

The financial overview section illustrates the total financial picture of the Town, sources and uses of funds, as well as types of debt issued and their uses.

The financial overview begins with the total sources and uses of funds. Summary tables and graphs depict revenue sources and expenditure categories.

Consolidated financial summaries and schedules provide a look, by major fund levels, at the sources and uses of funds, beginning and ending fund balances, and explanations of variance in these balances.

The revenue and expenditure section provides a detailed history of sources and uses both at the fund level and the program level. It also contains a section on revenue sources which discusses their use, assumptions used in forecasting, and anticipated growth. The expenditure section includes an explanation of year-over-year changes in expenditure categories.

The personnel summary provides an overview of personnel and employee compensation, staffing levels, employee benefit matching rates, FTEs per capita and consolidated personnel schedules.

The debt section provides an overview on the types of debt issued by the Town, their uses and future debt requirements.

The long term forecast discusses the broader economic outlook for the Town and includes five-year forecasts of the Town's General Fund and Highway Fund.



# Budget Document Guide

## Program Budgets

The program budget section contains the operating piece of the budget document. Specifics on types of services offered, along with associated costs and revenues are found in this section.

Each program budget begins with a department overview. Organizational charts and summary budget schedules are shown for departments with multiple funds, divisions or program areas. Program budgets also contain the following information:

- Accomplishments: Highlights achieved by departments in the previous fiscal year.
- Strategic Leadership Plan Goal, Council Focus Area and Objective(s): Tie to the Town's Council-adopted Strategic Leadership Plan and adopted General Plan
- Performance Measures: Performance indicators that assess progress towards Strategic Leadership Plan or General Plan goals and objectives.
- Departmental Budgets: Larger departmental budgets are divided into program areas. The program areas give a brief description of each program and the service provided. Department and program budgets include data on personnel, expenditures by category and explanations on variances between budget years.

## Capital Improvement Program (CIP)

The capital improvement section contains information on the projects budgeted in this fiscal year and their operating impacts on the budget.

The capital improvement section describes the process and timeline for compiling the CIP budget, a summary of revenue sources to support the program, and a ten-year CIP plan.

It also includes a description and justification for each of the projects budgeted and their future operating impact.

## Appendix

The appendix section contains several additional documents pertaining to the budget and a glossary of terms.

The appendix section contains the resolution adopting the budget, Auditor General Statements and a glossary of frequently used terms.



# Mayor and Council

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Joe Winfield, Mayor  
Term Expires: Nov 2022

Oro Valley’s Mayor and Council are committed to providing high-quality municipal services and responsible development. Through the Town Manager, the Mayor and Council provide policy direction by adopting rules, regulations, and procedures to meet community needs. The Mayor and Council remain accountable and accessible to the residents through their commitment to full, honest, and timely communication.



Melanie Barrett, Vice Mayor  
Term Expires: Nov 2022



Joyce Jones-Ivey, Councilmember  
Term Expires: Nov 2022



Josh Nicolson, Councilmember  
Term Expires: Nov 2022



Rhonda Piña, Councilmember  
Term Expires: Nov 2020



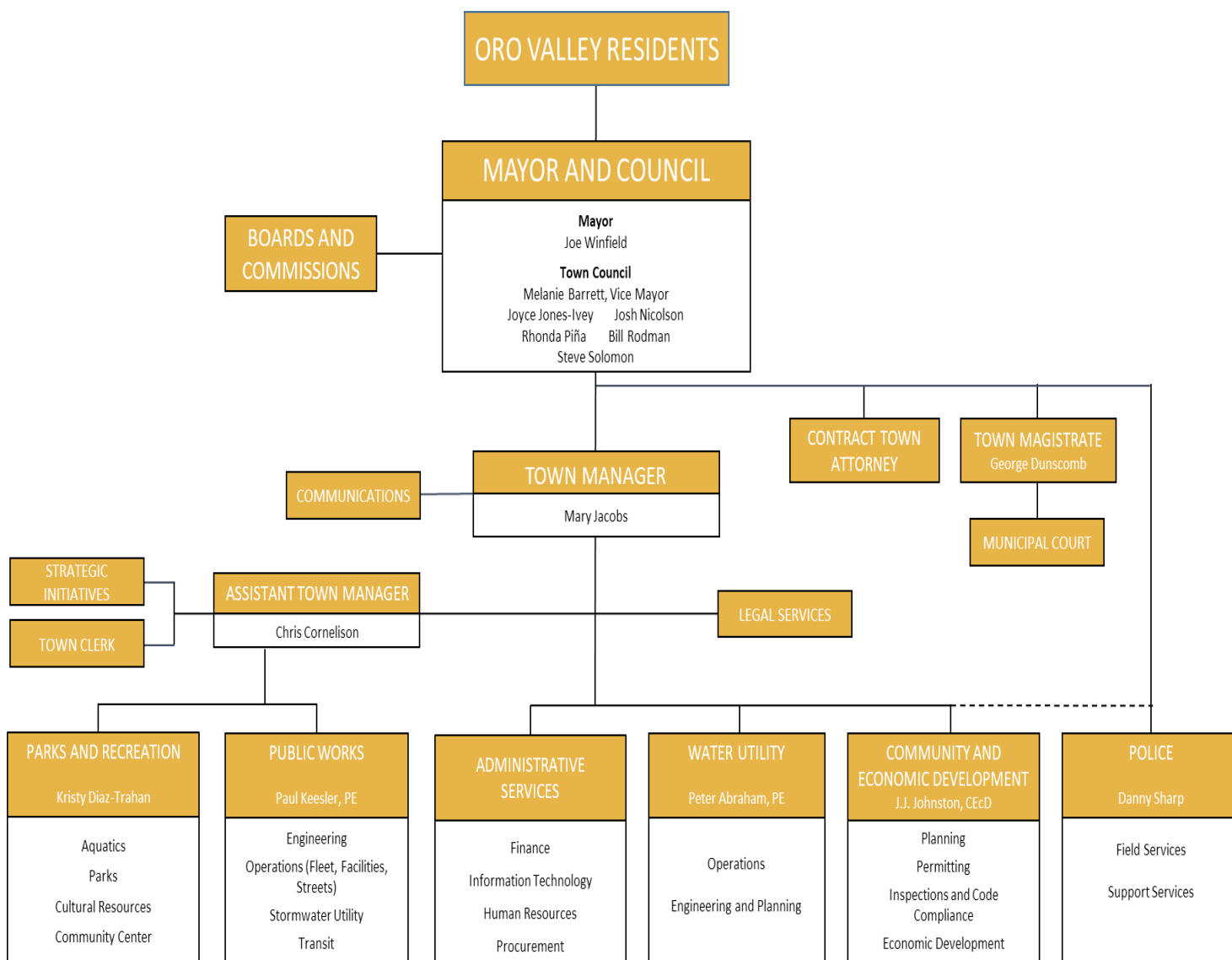
Bill Rodman, Councilmember  
Term Expires: Nov 2020



Steve Solomon, Councilmember  
Term Expires: Nov 2020

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# Organizational Chart



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# General Plan

Arizona State law requires all cities, town and counties in Arizona to prepare, update or readopt a document known as a General Plan every 10 years to guide and inform critical decisions about a community’s future and quality of life. Although the General Plan addresses immediate concerns, it focuses primarily on the future of the community, particularly on future improvements, land development and growth.

The adoption or re-adoption of the General Plan must be approved by the affirmative vote of at least two-thirds of the members of Town Council and ratified by voters. The current General Plan (also referred to as *Your Voice, Our Future*) was adopted and ratified in 2016 and is summarized below:

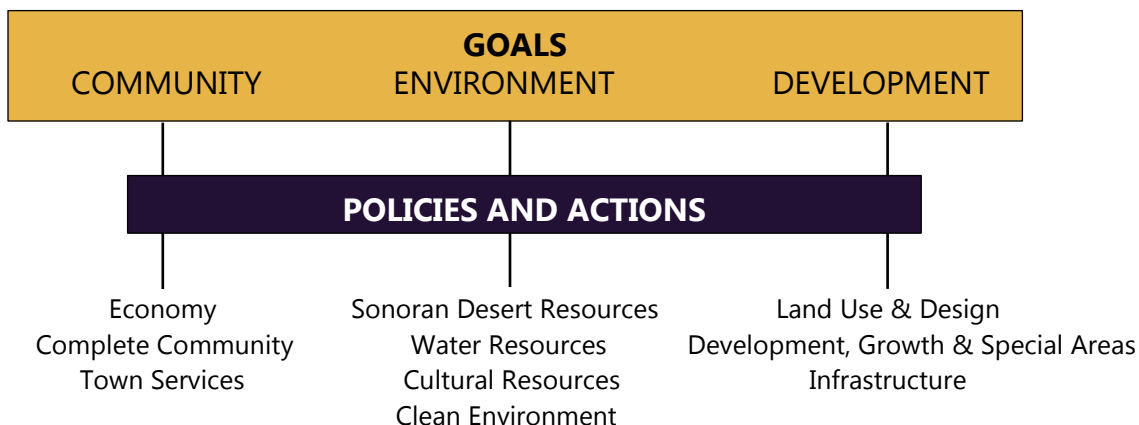
**VISION AND GUIDING PRINCIPLES**

**ORO VALLEY’S VISION FOR THE FUTURE**

Oro Valley strives to be a well-managed community that provides all residents with opportunities for quality living. Oro Valley will keep its friendly, small-town, neighborly character, while increasing services, employment and recreation. The Town’s lifestyle continues to be defined by a strong sense of community, a high regard for public safety and an extraordinary natural environment and scenic views.

**GUIDING PRINCIPLES**

- Focus on community safety and maintain low crime
- Preserve the scenic beauty and environment
- Keep the unique community identity as a special place
- Create a complete community with a broad range of shopping, dining and places to gather
- Minimize traffic and increase ways to get around Town
- Manage how we grow and maintain high design standards
- Grow the number of high-quality employment opportunities
- Keep Oro Valley a family-friendly community
- Support and build on high quality of schools
- Provide more parks, recreation and cultural opportunities for all ages
- Promote conservation of natural resources
- Maintain financial stability



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**FY 19/20 - FY 20/21**  
Oro Valley Town Council  
Strategic Leadership Plan





FY19/20 – FY20/21  
ORO VALLEY TOWN COUNCIL  
STRATEGIC LEADERSHIP PLAN

*ACKNOWLEDGMENTS*

Mayor Joe Winfield  
Vice Mayor Melanie Barrett  
Councilmember Joyce Jones-Ivey  
Councilmember Josh Nicolson  
Councilmember Rhonda Piña  
Councilmember Bill Rodman  
Councilmember Steve Solomon  
  
Town Manager Mary Jacobs

## **ORO VALLEY'S VISION FOR THE FUTURE** ***YOUR VOICE, OUR FUTURE***

Oro Valley strives to be a well-managed community that provides all residents with opportunities for quality living. Oro Valley will keep its friendly, small-town, neighborly character, while increasing services, employment and recreation. The Town's lifestyle continues to be defined by a strong sense of community, a high regard for public safety and an extraordinary natural environment and scenic views.

### **STRATEGIC FOCUS AREAS**

- ➔ Economic Vitality
- ➔ Culture and Recreation
- ➔ Public Safety
- ➔ Roads, Water and Town Assets
- ➔ Land Use
- ➔ Effective and Efficient Government
- ➔ Town Finances

## TOWN COUNCIL FOCUS AREA 1: ECONOMIC VITALITY

Goal 1A: Implement strategies to improve opportunities to attract, grow and retain primary employers and expand local job opportunities.

### OBJECTIVES

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- Develop and present a business incentive program to Town Council.
- Analyze and develop strategies to expand available properties for primary employment.
- Support local and regional collaborative initiatives that help attract and grow start-up businesses in key target sectors within Oro Valley, including an incubator/accelerator at Innovation Park.
- Explore the feasibility of a town-owned fiber optic network to minimize reliance on third party carriers and increase technology capabilities at Town facilities.
- Identify ways in which the Town can support collaborative efforts between educational institutions, business, government and non-profit organizations to continue improving student knowledge, skills and abilities in preparation for workforce entry.

Goal 1B: Implement strategies to attract retail and restaurant investment and expansion in primary commercial centers within the community.

### OBJECTIVES

---

- Conduct an external retail market assessment by a qualified firm to provide targeted data designed to assist the town in attracting and retaining retail.
- Work with the owner of the Oro Valley Marketplace to develop a multi-faceted, mutually agreeable approach to attract and retain new investment and an expanded customer base to that center.
- Analyze current and projected vacancies at major commercial centers and develop policy options that could facilitate reinvestment and long-term sustainability.
- Develop and begin implementation of a robust economic development marketing strategy that provides targeted and expected information for business and retail prospects.
- Partner with the Greater Oro Valley Chamber of Commerce to convene an annual business summit focused on increasing the Town and community's understanding of the challenges and opportunities associated with a thriving retail and restaurant market.

Goal 1C: Develop a comprehensive annexation blueprint to guide the Town's strategic growth and economic expansion.

### OBJECTIVES

---

- Analyze unincorporated areas within the Town's growth boundary and develop a written policy that contains a set of criteria, priorities and strategies with which to proactively consider annexation opportunities that are beneficial to the community.

Goal 1D: Improve Town responsiveness to commercial investments that better correlate to the speed of business.

#### **OBJECTIVES**

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- Complete transition to electronic plan submittal and review.
- Benchmark similar planning and permitting processes and procedures in highly successful local governments, prioritize improvements and implement improvement plan.

Goal 1E: Identify opportunities to increase sustainable tourism investment in the community.

#### **OBJECTIVES**

---

- Analyze current tourism investment, trends and economic impacts within the community and region and identify visitor categories that could be more effectively attracted.
- Develop and implement a more robust visitor attraction strategy that builds upon the Town's strengths, amenities and visitor data.
- Evaluate the estimated economic impact (EEI) of current special events in Oro Valley and develop a strategy to support, grow and attract those with positive EEI.

## **TOWN COUNCIL FOCUS AREA 2: CULTURE AND RECREATION**

Goal 2A: Invest in and maintain a high quality parks, recreation and trail system that is accessible, comprehensive, connected and serves the community's needs.

#### **OBJECTIVES**

---

- Conduct a comprehensive, community-wide needs assessment for parks and recreation amenities and programs, including such things as sports fields and courts, play structures, water/splash features and community space, to help inform future investment decisions and plans.
- Implement the Town Council's decision regarding the Town's golf course property and Community Center.
- Install a new playground and related amenities (e.g. shade structure, parking lot and lighting) at Naranja Park.
- Explore opportunities to partner with the Amphitheater Unified School District to utilize school amenities within the Town limits and expand the intergovernmental agreement as appropriate.
- Using the needs assessment information, develop a comprehensive, Town-wide Parks and Recreation Master Plan with input from the community, including individual plans for the Community Center, James D. Kriegh Park, Riverfront Park and Naranja Park.
- Review the Steam Pump Master Plan and Needs Assessment and reprioritize capital investments and programming opportunities consistent with community and Town Council input.

## TOWN COUNCIL FOCUS AREA 3: PUBLIC SAFETY

Goal 3A: Support strategies that result in a safe community with low crime, safe neighborhoods and positive relationships between law enforcement and community members.

### OBJECTIVES

---

- Implement officer training in Interdiction for the Protection of Children, with a focus on applying to the Oracle Road corridor to protect endangered children.
- Provide Rescue Task Force (RTF) training to partnering fire departments and continue regional approach to Active Shooter preparedness.
- Explore the expansion of the Police Department's body camera program to all officers.
- Explore the feasibility of establishing a "Drug Court" within the Town's Municipal Court to provide opportunities for individuals convicted of certain crimes to address substance abuse issues.
- Deploy the High Visibility Enforcement (HiVE) in high collision areas to address the increasing volume of traffic and associated issues in and around Oro Valley roadways.
- Adopt new businesses as they open to create positive relationships and educate them on safety trends locally and regionally.
- Analyze Police call, response and service trends/data and develop a responsible short and long-term plan to ensure the community continues to receive high quality public safety services.

## TOWN COUNCIL FOCUS AREA 4: ROADS, WATER AND TOWN ASSETS

4A: Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community.

### OBJECTIVES

---

- Maintain an Overall Condition Index (OCI) rating of 76 for all paved streets.
- Develop a comprehensive, organization-wide facility space plan concept that maximizes efficiencies and reflects the best use of Town properties for the future.
- Integrate the capital asset replacement and maintenance plan into the Town's capital improvement program.
- Explore the feasibility of partnering with the Arizona Department of Transportation to improve Oracle Road pavement conditions and traffic signal coordination.
- Partner with the Regional Transportation Authority (RTA) in evaluating long-term transportation needs for future RTA continuation, ensuring Oro Valley's needs are fairly represented.
- Identify ways in which the Town can further reduce its consumption of energy and water.

4B: Provide a high quality, safe and reliable water supply that meets the long-term needs of the community while considering the natural environment.

#### **OBJECTIVES**

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- Reduce groundwater pumping to further preserve groundwater supplies by maximizing Central Arizona Project (CAP) water deliveries with existing infrastructure.
- Expand education and outreach programs to communicate with residents and businesses about incorporating effective water conservation strategies at home and at work.
- Align the Town’s water code with regional and state drought contingency plans and other best management practices and present to the Town Council for adoption.

## **TOWN COUNCIL FOCUS AREA 5: LAND USE**

5A: Ensure quality development with integrated architecture and natural open space while maintaining and enhancing the character of the community.

#### **OBJECTIVES**

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- Review and evaluate the effectiveness of the Environmentally Sensitive Land Ordinance (ESLO) against the goals in which it was originally established, identify any unintended consequences, and recommend changes to the Planning and Zoning Commission and Town Council.
- Review and recommend to the Planning and Zoning Commission and Town Council updates of Town Codes in the following key areas: signs in the public right-of-way; residential design standards; noise and odor abatement; and the Economic Expansion Zone (EEZ).
- Update the Drainage Criteria Manual in the Town’s Stormwater Code and Floodplain Ordinance to incentivize commercial property maintenance of drainage facilities and minimize pollutant runoff.

## **TOWN COUNCIL FOCUS AREA 6: EFFECTIVE & EFFICIENT GOVERNMENT**

Goal 6A: Strengthen community engagement and citizen outreach.

#### **OBJECTIVES**

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- Develop and implement a strategy to enhance Town Council interaction with residents.
- Design and begin implementation of a multi-faceted strategy to more effectively seek citizen input, especially underrepresented segments of the community.
- Effectively maximize the use of communication tools such as social media, the town website and other marketing avenues to keep residents informed of Town services, programs and events.

- Develop and implement a community outreach strategy for Census 2020 to ensure maximum resident participation.
- Work with the Town Council to develop and implement strategies to enhance Council engagement with and utilization of Town Boards and Commissions.
- Explore options for creating effective community input opportunities to help recommend programs and investments that meet the needs of different demographic groups in the community.
- Increase resident understanding of the Town’s financial structure, including revenue sources, operational costs and programs, facilities, and capital investments.

**Goal 6B: Enable greater transparency and more efficient community access to town information and performance.**

**OBJECTIVES**

---

- Leverage technology to broaden electronic access to information and data on town finances and contracts.
- Develop and implement a town-wide performance management dashboard system to keep the community informed of progress on key strategic objectives and other major performance goals.

**Goal 6C: Identify internal efficiency opportunities for continuous improvement to effect a high performing organization and culture.**

**OBJECTIVES**

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- Expand employee training and use of process improvement tools through the Town’s internal OV Peak Performance initiative.

**Goal 6D: Recruit and retain talented employees to effectively carry out the Town’s mission.**

**OBJECTIVES**

---

- Benchmark workforce policies and practices and recommend and implement sustainable changes to the Town’s Personnel Policies and internal procedures as appropriate.
- Develop a robust on-going training program that supports delivery of quality services, strengthens employee engagement and builds leadership skills.
- Update and implement an effective employee onboarding program that builds employee knowledge of and connection with Town practices and supports a positive organizational culture.



## TOWN COUNCIL FOCUS AREA 7: TOWN FINANCES

Goal 7A: Ensure the Town's financial future remains stable.

### **OBJECTIVES**

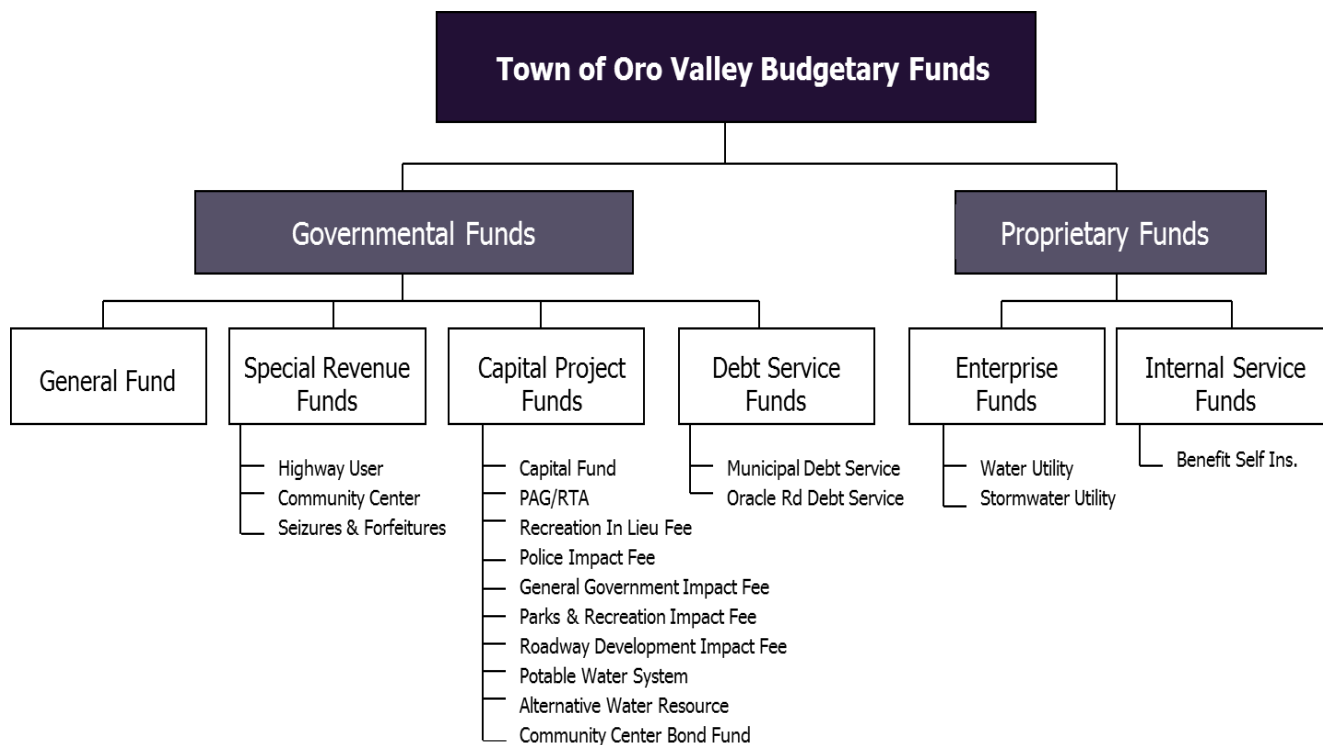
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- Align capital investments with the Town Council's Strategic Leadership Plan and financial policies.
- Explore opportunities to broaden revenue diversity to improve the Town's long-term financial stability.
- Adopt and implement a long-term strategy to adequately fund the Town's Public Safety Pension Retirement System (PSPRS) liability.
- Continue to align the annual budget and associated work plans with conservatively forecasted revenues.

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# Fund Structure

The Town’s accounting and budget structure is segregated into various funds. In governmental accounting, a fund is a separate, self-balancing set of accounts that are created and maintained for specific purposes. All of the Town’s funds are appropriated in the annual budget.



The **General Fund** is the primary operating fund of the Town and is set up to account for the resources devoted to finance services traditionally associated with local government. Police, parks and recreation, development services, human resources, finance, legal services and magistrate court are some examples of services in the General Fund.

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The Highway User Revenue Fund accounts for the Town’s share of motor fuel tax revenues, which are expended on street/roadway construction, maintenance and improvements. The Community Center Fund accounts for the operations of the Town’s Community Center and contract-managed golf. The Seizure & Forfeiture Funds account for state and federal police seizures and forfeitures received by the Town.

**Capital Project Funds** are used to account for revenue received and expenditures related to infrastructure improvements such as streets, water, buildings and park facilities. Examples of revenue sources include impact fees, the issuance of bonds, outside funding and special assessments. Most of the Town’s capital project funds consist of impact fee funds. The Town’s major capital project fund is the PAG/RTA Fund, which is used to manage the collection and expenditure of roadway grant funds from the Pima Association of Governments (PAG) and the Regional Transportation Authority (RTA).

# Fund Structure

**Debt Service Funds** are used to account for the payment of principal and interest on general long term debt obligations that are not serviced by the General, Special Revenue and Enterprise Funds. It does not include contractual obligations accounted for in the individual funds.

**Enterprise Funds** are funds in which the services provided are financed and operated similarly to those of a private business. User fees are established to ensure that revenues are adequate to meet all expenses. The Town's major enterprise fund is the Water Utility Fund, which is used to account for the costs to operate, construct and finance the town's water system. The Town's nonmajor enterprise fund is the Stormwater Utility Fund, which accounts for costs of maintaining the town's stormwater drainage system.

**Internal Service Funds** are funds that account for services provided to other divisions and departments within the Town government. The Benefit Self Insurance Fund is used to manage costs related to the Town's self-funding of health insurance.

## BUDGET BASIS VERSUS ACCOUNTING BASIS

### Budget Basis

The Town's governmental and proprietary fund budgets are prepared using the modified accrual basis of accounting. *Modified Accrual Basis* is the method under which revenues are recognized when they become susceptible to accrual; that is when they become both "measurable" and "available to finance expenditures of the current period." Revenue and expenditure recognition is determined by near-term inflows and outflows of financial resources.

### Accounting Basis

The basis of accounting refers to when revenues and expenditures or expenses are to be recognized and reported in the Town's financial statements. *Full Accrual Basis* is the method under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenses are recorded when goods and services are received (whether cash disbursements are made at the time or not). In accordance with generally accepted accounting principles (GAAP), the Town's proprietary fund financial statements are prepared using the full accrual basis of accounting, while the Town's governmental fund financial statements are prepared using the modified accrual basis of accounting.

Because the accounting basis differs from the budgeting basis for the Town's proprietary funds, the following differences are noted:

- Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (budget basis)
- Principal payments on long-term debt within the enterprise funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a budget basis
- Capital outlays within the proprietary funds are recorded as assets on a GAAP basis and expended on a budget basis
- Pension contributions are expended on a budget basis; pension expense on a GAAP basis is equal to the increase in net pension liability after adjusting for deferred items.

# Financial and Budgetary Policies

The Town of Oro Valley has an important responsibility to its residents to carefully account for public funds, manage its finances prudently and plan for the adequate funding of services desired by the public. Sound financial policies help to ensure the Town's capability to adequately fund and provide the government services desired by the community. The policies contained herein are designed to foster and support the continued financial strength and stability of the Town of Oro Valley. Following these policies enhances the Town's financial health as well as its image and reputation with residents, the general public, bond and credit rating agencies and investors. The policies serve as guidelines for the Town's overall fiscal planning and management. In addition, both the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB) recommend formal adoption of financial policies by the jurisdiction's governing board. The most recent Town Council amendment and re-adoption of the policies occurred on June 6, 2018 per Resolution (R)18-25.

## **A. Financial Planning Policies**

### **A.1 Balanced Budgeting and Fiscal Planning Policies**

Fiscal planning is the process of identifying resources and allocating those resources among multiple and competing needs. The primary vehicle for this planning is the preparation, monitoring and analysis of the Town's budget.

The Town shall develop an annual budget whereby recurring Town revenues shall be sufficient to support recurring operating expenditures with no use of General Fund contingency to support ongoing operational expenses.

The Town's annual budget will include contingency appropriation to provide for unanticipated increases in service delivery costs, emergencies, and needs that may arise through the fiscal year. The contingency appropriation may only be expended upon Council approval.

Budget development will use strategic multi-year fiscal planning; conservative revenue forecasts and a program/performance based budgeting method. This method requires each department to establish fiscal year goals and objectives that will be evaluated to determine the effectiveness and efficiency of both department and Town resources. Utilization of a program/performance budget format will provide a basis for evaluation of service and other impacts of potential increases or decreases in funding.

Monthly budget to actual revenue and expenditure reports will be prepared for all Town funds by the Finance Department and presented to Town Council. The reports will also include revenue and expenditure projections through the end of the fiscal year.

The Town will not use one-time (non-recurring) revenues to fund continuing (recurring) uses, or use external borrowing for operational requirements. The budget will incorporate the best available estimates of revenues and expenditures.

All budgetary appropriations that have not been expended or lawfully encumbered shall lapse at the end of the fiscal year, June 30<sup>th</sup>. Appropriations for capital projects in progress at fiscal year-end shall be made for the subsequent fiscal year.

The Town shall work to minimize the financial burden on its taxpayers by routinely evaluating both its administrative and direct service delivery systems in terms of efficiency, effectiveness and responsiveness. Technology shall be utilized when feasible to increase efficiency and cost-effectiveness.

Any fiscal year-end special revenue fund balance amounts in other special revenue funds of the Town shall be maintained, preserved separately, and carried forward within those funds and not considered as part of the contingency reserve requirement for the Town's General Fund.

# Financial and Budgetary Policies

The Town's annual budget shall be adopted by the Town Council at the fund level, except in the General Fund, where it shall be adopted at the department level. To provide sufficient control and accountability, budgets shall be prepared and monitored by major expenditure categories (personnel, operations and maintenance, capital outlay, debt service). (A *fund* is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources).

The Town shall promote the understanding that its employees are its most valuable resource and shall employ sound management practices when planning for service delivery. The Town is committed to maintaining and improving the productivity of staff through a pleasant working environment, appropriate equipment including office automation and computer applications, necessary training and adequate supplies and materials as resources and adopted policies permit.

## A.2 Long Range Planning

As part of the annual Town budget preparation cycle, the Finance Department shall prepare a minimum five-year financial forecast of projected revenues and expenditures to measure the financial sustainability of the Town's operations and service levels.

## A.3 Cash Management & Investment Policy

Cash and investment programs will be maintained in accordance with the Town's adopted Investment Policy and will ensure that proper controls and safeguards are maintained. Town funds are managed with an emphasis of safety of principal, liquidity and financial yield, in that order.

Bond funds will be segregated from all other funds for arbitrage and accounting purposes.

Ownership of the Town's investment securities will be protected through third party custodial safekeeping.

All Town bank accounts shall be reconciled and reviewed on a monthly basis.

The Town will consolidate cash balances from various funds for investment purposes, and will allocate investment earnings to each participating fund. This will allow the Town to maximize yields from its overall portfolio.

Investment performance will be reviewed and reported on as outlined in the current adopted investment policy.

All treasury activities with financial institutions will be conducted based upon written contracts between the Town and the respective financial institution(s).

## A.4 Asset Inventory

Capital assets are assets with an acquisition cost of \$5,000 or more and an estimated useful life of two or more years. Such assets shall be depreciated in the Town's financial statements over their estimated useful lives.

Minor assets are assets with an acquisition cost of \$1,000 or more but less than \$5,000 and an estimated useful life of two or more years. Such assets will not be depreciated in the Town's financial statements.

Expendable items are machinery and equipment purchases whose cost is less than \$1,000. These items will not be depreciated.

The Town will depreciate capital assets using the straight line depreciation method.

The Town will project equipment and vehicle replacement needs for the next five years and will update this projection each year. Subject to funding availability, Town departments will be charged an annual contribution amount to accumulate funds for this purpose based on a portion of their annual asset depreciation.

The Finance Department shall be responsible for verifying the actual physical existence of capital and minor assets and the accuracy of the Town's asset database. The process will be monitored through asset audits of Town departments and divisions. Any significant irregularities are reported to the Town Manager.



# Financial and Budgetary Policies

The Town will maintain capital assets and infrastructure at a sufficient level to protect the Town's investment, to minimize future replacement and maintenance costs, and to continue service levels.

## **B. Revenue Policies**

### **B.1 Revenue Diversification**

The Town will strive for a General Fund revenue base consisting of a balance of sales taxes, state shared revenues, user fees and other revenue sources.

The Town will maintain a diversified and stable revenue base to protect against short term fluctuations in any single revenue source and economic changes locally and nationally.

The Town will estimate revenues in a realistic and moderate manner in order to minimize the risk of a revenue shortfall.

### **B.2 Fees and Charges**

All non-enterprise user fees and charges shall be examined annually to determine the cost recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by Town Council or as otherwise specified in Town code.

Development impact fees for capital expenses attributable to new development will be reviewed periodically to ensure the fees recover all direct and indirect development related expenses and be approved by Town Council.

For enterprise fund operations, the Town will establish rates and fees at levels to cover fully the total direct and indirect costs, including operations, capital outlay, debt service, debt coverage requirements and unrestricted cash reserve balances. Enterprise funds will not be used to subsidize the operations of other funds. Interfund charges will be assessed for the administrative support of the enterprise activity.

### **B.3 Use of One-Time Revenues**

The Town will utilize one-time (non-recurring) revenues to fund one-time operating expenditures, prepay existing debt, or supplement "pay as you go" capital outlay. One-time revenues shall not be used to fund recurring expenditures.

### **B.4 Use of Unpredictable Revenues**

If the Town should receive unpredictable revenues from sales tax audits, unbudgeted grant funding, gifts or donations, the Town shall account for these revenues as one-time revenues. They shall not be used to fund recurring expenditures.

## **C. Expenditure Policies**

### **C.1 Debt Capacity, Issuance and Management**

The Town will seek to maintain and, if possible, improve its current bond rating in order to minimize borrowing costs and preserve access to credit. The Town will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.

Future bond issue proposals will be accompanied by an analysis showing how the new issue, combined with current debt, impacts the Town's debt capacity and conformance with Town debt policies.

The general policy of the Town is to fund capital projects with new, dedicated streams of revenue or voter-approved debt. Non voter-approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenditures.

Financing shall not exceed the useful life of the acquired asset.

The Town shall not use long term debt to finance current operations.

The Town will establish debt repayment schedules with fixed annual principal and interest payments.

# Financial and Budgetary Policies

Proceeds from bonded debt will be used in accordance with the purpose of the issuance. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

The Town shall comply with the Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.

Interest earnings on bond proceeds will be limited to 1) funding or acquiring the improvement(s) or asset(s) or 2) payment of debt service on the bonds.

All projects funded with bonded debt must be included in the Town's Capital Improvement Program.

When considering refunding any outstanding bonded debt, the Town will perform a cost benefit analysis to determine if the cost savings of refunding will be greater than the cost to refund. Considerations will be made with regard to the existing bond covenants when refunding any bonded debt.

When utility revenues are pledged as debt service payments, the Town will strive to maintain a 1.3 times debt service coverage ratio to ensure debt coverage in times of revenue fluctuation. This will be in addition to the required ratio in the bond indenture.

The Town will communicate, and where appropriate, coordinate with all jurisdictions with which we share a common tax base concerning our collective plans for future debt issues.

The Arizona Constitution limits the Town's bonded debt capacity (outstanding principal) to a certain percentage of the Town's secondary assessed valuation by the type of project to be constructed. The limit for general purpose municipal projects is 6%. For water, light, sewer, open space, public safety, park, law enforcement, fire and emergency services, and streets and transportation facilities projects, the limit is 20%.

## C.2 Capital Improvement Program

The purpose of the Capital Improvement Program (CIP) is to systematically identify, plan, schedule, finance, track and monitor capital projects to ensure cost effectiveness as well as conformance to established policies.

A minimum ten-year Capital Improvement Program will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure, equipment purchases or construction which results in or makes improvements to a capitalized asset costing more than \$50,000 and having a useful life of five or more years.

The Capital Improvement Program will include, in addition to estimated operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

Proposed capital projects will be reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital and operating) and overall consistency with the Town's goals and objectives. Financing sources will then be identified for the projects ranking the highest based on the established ranking systems and limited monies.

In order for the Town to provide sustainable funding for capital improvements and asset repair and maintenance needs each year, the annual budget shall include the allocation of a minimum of 5% of the Town's estimated excise tax collections to fund these needs, subject to Council approval and funding availability. These funds will be accounted for in a separate Capital Fund.

Capital improvement lifecycle costs will be coordinated with the development of the operating budget. Future operating, maintenance and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources and included in the operating budget.

# Financial and Budgetary Policies

The current fiscal year of the Capital Improvement Program will become the capital budget.

Staff will monitor projects to ensure their timely completion or determine if an adjustment to the Capital Improvement Plan needs to be presented to Council. A quarterly status report will be presented to the Town Council to monitor each project's progress and identify any significant issues.

## C.3 Fund Balance Reserve Policies

Fund balance reserves will be established to offset difficult economic times, stabilize fluctuations in cash flow requirements, provide for emergency situations threatening the public health or safety and provide for unanticipated increases in service delivery costs, unanticipated declines in revenues, unforeseen opportunities and contingencies. Use of reserves should be utilized only after all budget sources have been examined for available funds, and subject to Town Council approval.

In accordance with Governmental Accounting Standards Board Statement No. 54, fund balances will be classified in the following components:

- A. **Nonspendable Fund Balance:**  
That portion of a fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid items, supplies inventory or loans receivable; or (b) legally or contractually required to be maintained intact, such as the principal portion of an endowment. This category was traditionally reported as a "reserved" fund balance under the old standard.
- B. **Restricted Fund Balance:**  
That portion of a fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either (a) externally imposed by creditors, such as debt covenants, grantors, contributors, or laws or regulations of other

governments; or (b) imposed by law through constitutional provisions or enabling legislation. This category was traditionally reported as a "reserved" fund balance under the old standard.

- C. **Committed Fund Balance:**  
That portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, and remain binding unless removed in the same manner. This category was traditionally reported as a "designated" fund balance under the old standard.
- D. **Assigned Fund Balance:**  
That portion of a fund balance that includes amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established at either the highest level of decision making, or by an official designated for that purpose. This category was traditionally reported as a "designated" fund balance under the old standard.
- E. **Unassigned Fund Balance:**  
That portion of a fund balance that includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report this category of fund balance. This category was traditionally reported as an "undesignated" fund balance under the old standard.

The Town shall maintain, at a minimum, a fund balance contingency reserve in the General Fund that represents 25% of the General Fund's annual expenditures with no use of the General Fund contingency to support ongoing operational expenditures. This minimum reserve amount will be incorporated into the General Fund budget adopted by formal action taken by the Town Council. Accordingly, these reserves will be classified as committed fund balances.

# Financial and Budgetary Policies

Any excess funds that accumulate over the 25% balance shall be allocated toward capital project funding and reducing the Town's Public Safety Personnel Retirement System (PSPRS) unfunded liability.

Fund balance reserves may only be appropriated by authorization of the Town Council. A plan will be developed to adequately replenish reserves when appropriations are projected to reduce reserves below the required minimum levels.

When multiple categories of fund balance reserves are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council and unassigned fund balance), the Town will start with the most restricted category – spending those funds first – before moving down to the next category with available funds.

The Water Enterprise Fund shall maintain a cash reserve in the operating fund of not less than 20% of the combined total of the annual budgeted amounts for personnel, operations & maintenance, and debt service. This cash reserve amount specifically excludes budgeted amounts for capital projects, depreciation, amortization and contingency. No cash reserve is required for the water utility impact fee funds.

All Town budgetary fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the Town's long-term financial forecast.

## C.4 Operating Expenditure Accountability

Expenditures will be controlled as outlined in the approved budget.

Department heads are responsible for monitoring expenditures to prevent exceeding their total departmental expenditure budget. It is the responsibility of department heads to immediately notify the Finance Director and Town Manager of any circumstances that could result in a departmental budget being exceeded.

The Arizona Constitution sets a limit on the expenditures of local jurisdictions. The Town will

comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements and audited reconciliation report as defined by the Uniform Expenditure Reporting System to the State Auditor General within prescribed timelines.

Monthly budget to actual revenue and expenditure reports will be prepared, for all Town funds, by the Finance Department and presented to the Town Council. The reports will also include revenue and expenditure projections through the end of the fiscal year.

To provide flexibility in the management of departmental budgets for major expenditures (personnel, operations & maintenance, capital outlay and debt service) the following budget amendment and transfer provisions shall apply:

- A. Transfers between funds shall require the recommendation of the Town Manager and formal action by the Town Council.
- B. Transfers between the line items within each major expenditure category shall be permitted upon recommendation of the Department Head and approval by the Town Manager.
- C. Transfers between the line items or major expenditure categories to fund additional personnel or increased expenditures as a result of personnel reclassifications shall require the recommendation of the Town Manager and formal action by the Town Council.
- D. Transfers between the operations and maintenance and capital outlay major expenditure categories shall be permitted upon recommendation of the Department Head and approval by the Town Manager.
- E. Transfers that would reduce or eliminate funding for items designated in the adopted Capital Improvement Program shall require the recommendation of the Town Manager and approval of the Town Council.

# Financial and Budgetary Policies

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- F. Transfers that would reduce or eliminate funding for debt service shall require the recommendation of the Town Manager and formal Council action.

## **D. Financial Reporting Policies**

The Town's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

An annual audit of the Town's financial statements will be performed by an independent certified public accounting firm, with an audit opinion to be included with the Town's published Comprehensive Annual Financial Report (CAFR).

The Town's CAFR will be submitted to the GFOA Certificate of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference.

The Town's budget will be submitted annually 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 maintain internal controls to monitor revenues, expenditures and program performance on an ongoing basis.

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# Budget Process

The following table illustrates the calendar timeline and step-by-step progression of the FY 2019-2020 budget process:

| DATE   | DESCRIPTION  |
|--|--|
| Week of December 10, 2018                        | Distribute CIP and new personnel request forms   |
| January 11 - January 12, 2019                    | Strategic Leadership Plan update -<br>Town Council strategic planning retreat to identify budget priorities          |
| Week of January 14, 2019                         | One-on-one meetings with Councilmembers and budget steering committee to outline priorities                          |
| Thursday, January 24, 2019                       | Senior Management Team budget kickoff presentation   |
| Friday, January 25, 2019                         | CIP and new personnel requests due   |
| Week of February 4, 2019                         | Informational budget sessions/feedback with Town employees to present priorities heard from Council                  |
| Thursday, February 7, 2019                       | CIP Committee meeting 1 of 2   |
| Friday, February 8, 2019                         | MUNIS budget entry instructions distributed to departments   |
| Tuesday, February 26, 2019                       | CIP Committee meeting 2 of 2   |
| Wednesday, February 27, 2019                     | Council Study Session -<br>Review preliminary revenues, summarize Council strategic direction and budget assumptions |
| Friday, March 1, 2019                            | Department budget requests due in MUNIS<br>Finance finalizes revenue estimates for FY 19/20                          |
| Wednesday, March 6, 2019                         | FY 18/19 mid-year financial update presented to Council; present water rates analysis and Notice of Intent           |
| Monday, March 4 -<br>Friday, March 8, 2019       | Finance compiles department budget requests and determines fund deficits/surpluses                                   |
| Monday, March 11, 2019<br>Friday, March 15, 2019 | Meetings between Town Manager, budget steering committee and department heads to review budget requests              |
| Monday, March 18 -<br>Friday, April 5, 2019      | Finance prepares Town Manager Recommended Budget   |
| Wednesday, April 17, 2019                        | Town Manager Recommended Budget, CIP and five-year forecast presented to Council                                     |
| Wednesday, April 24, 2019                        | HOLD - Tentative Council budget work session   |
| Wednesday, May 8, 2019                           | HOLD - Tentative Council budget work session   |
| <b>Wednesday, May 15, 2019</b>                   | <b>Tentative Budget Adoption</b> , Public Hearing; Water Rates Public Hearing and Adoption                           |
| <b>Wednesday, June 5, 2019</b>                   | <b>Final Budget Adoption</b> , Public Hearing  |



# Budget Process

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## Initial Processes and Guidelines

The focus areas, goals and strategies outlined in the Council-adopted Strategic Leadership Plan provide an initial framework to guide management and staff on budget priorities for the upcoming fiscal year. The seven focus areas are:

- Economic Vitality
- Culture and Recreation
- Public Safety
- Roads, Water and Town Assets
- Land Use
- Effective and Efficient Government
- Town Finances

The FY 2019-2020 budget process began in December 2018, when CIP and new personnel request forms and instructions were distributed to departments. In January 2019, a planning retreat was held with Councilmembers to update the Town's two-year Strategic Leadership Plan. The Strategic Leadership Plan, as well as one-on-one meetings with Councilmembers, help guide and identify budget priorities and goals, and facilitate alignment with long-range planning. Initial planning of the Capital Improvement Program (CIP) began in January. CIP project requests were submitted to Finance for preliminary review and compilation.

In early February, informational budget forums were held with Town employees to present priorities heard from Council. An internal, cross-departmental team met for CIP project presentation and review. A second CIP meeting occurred in late February to rank and finalize all of the requested projects. A Council study session was held in late February to review preliminary revenue projections, summarize Council strategic direction and finalize key budget assumptions.

Each department within the Town develops their budget at the line-item level. The departments project year-end estimates and formulate next year's requests. This information is compiled on a program level and an overall department level.

## Budget Review and Adoption

Once departments have submitted their budget requests for personnel, O&M, and capital, Finance staff reviews the requests and compiles a financial package for the Town Manager. Budget review meetings are held between each department and the Town Manager's budget steering committee to ensure that departmental initiatives are aligned with the budget priorities outlined by Town Council. The budget steering committee is composed of the Town Manager, Assistant Town Manager, Administrative Services Director/CFO, Chief Information Officer and the Senior Budget Analyst. Any gaps existing between revenues and expenditures are discussed among the budget steering committee and the Town Manager with a recommendation for closure.

The Town Manager ultimately recommends a budget for Council consideration. The Town Manager's recommended balanced budget and 10-year Capital Improvement Program are delivered to the Council. Simultaneously, a financial sustainability plan is updated and presented to Council that includes various assumption factors, projected revenue and departmental costs to complete a five-year financial picture. Council members, during budget work sessions, have the option of adding new items for consideration, as well as amending or removing existing staff recommended budget items. Upon Council's revisions to the Town Manager's recommended budget, Finance compiles and finalizes the proposed tentative budget.

The proposed budget was delivered and presented to Council for tentative adoption on May 15, 2019.

# Budget Process

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The adoption of the tentative budget sets the expenditure limitation for the fiscal year. In addition to having been available on the Town's website, the budget is also published via newspaper and two public hearings are held. After completion of the public hearings, the final budget was adopted on June 5, 2019.

## **Expenditure Limitation**

The State of Arizona imposes an expenditure limitation on local jurisdictions. State statute sets the limit unless otherwise approved by the voters. If the limit imposed by the State is not sufficient to meet the Town's needs, the budget law provides four options to potentially solve the problem. All of these options require voter approval.

- A local home rule (alternative expenditure limitation)
- A permanent base adjustment
- A capital projects accumulation fund
- A one-time override

The voters of the Town of Oro Valley adopted the Home Rule Option in 2018. The expenditure limit approved by the voters must be used in determining the Town's expenditure limit until a new base is adopted. The Home Rule option is voted on every four years. The FY 2019-2020 expenditure limit for Oro Valley is \$111,019,716.

## **Budget Amendments**

Because detailed budgets are considered by the Town to be a planning tool for department management, departments should have some degree of flexibility in establishing and adjusting such detail including major expenditure categories. To provide such flexibility, the following budget amendment and transfer provisions shall apply:

- a) Transfers between funds shall require the recommendation of the Town Manager and formal action by the Town Council.
- b) Transfers between line items within each major expenditure category shall be permitted upon recommendation of the department director and approval by the Town Manager.
- c) Transfers between the line items or major expenditure categories to fund additional personnel or increased expenditures as a result of personnel reclassifications shall require the recommendation of the Town Manager and formal action by the Town Council.
- d) Transfers between the operations and maintenance and capital outlay major expenditure categories shall be permitted upon recommendation of the department director and approval by the Town Manager.
- e) Transfers that would reduce or eliminate funding for items designated in the adopted Capital Improvement Program shall require the recommendation of the Town Manager and formal Council action.
- f) Transfers that would reduce or eliminate funding for debt service shall require the recommendation of the Town Manager and formal Council action.

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## FINANCIAL OVERVIEW

- Budget Overview
- Fund Balances
- Historical Fund Balances
- Budget Summary
- Revenue Summary
- Revenue Schedule by Fund
- Revenue Sources
- Expenditure Summary
- Expenditure Schedule by Fund
- Expenditures by Program
- Personnel Summary
- Personnel Summary by Fund
- Personnel Schedule
- Debt Service
- Debt Service Schedules
- Long Term Forecast



# Budget Overview

The budget for FY 2019/2020 totals \$111.0 million, which includes a \$72.7 million operating budget and \$33.0 million for capital projects, and represents a \$31.9 million, or 22.3% decrease from the previous fiscal year budget of \$142.9 million. This decrease is due to the Town’s cash reserve balances, which in previous fiscal years were budgeted in full. Beginning FY 19/20, the amount of budgeted contingency reflects only those portions of spendable reserves within the funds, should the need arise during the fiscal year.

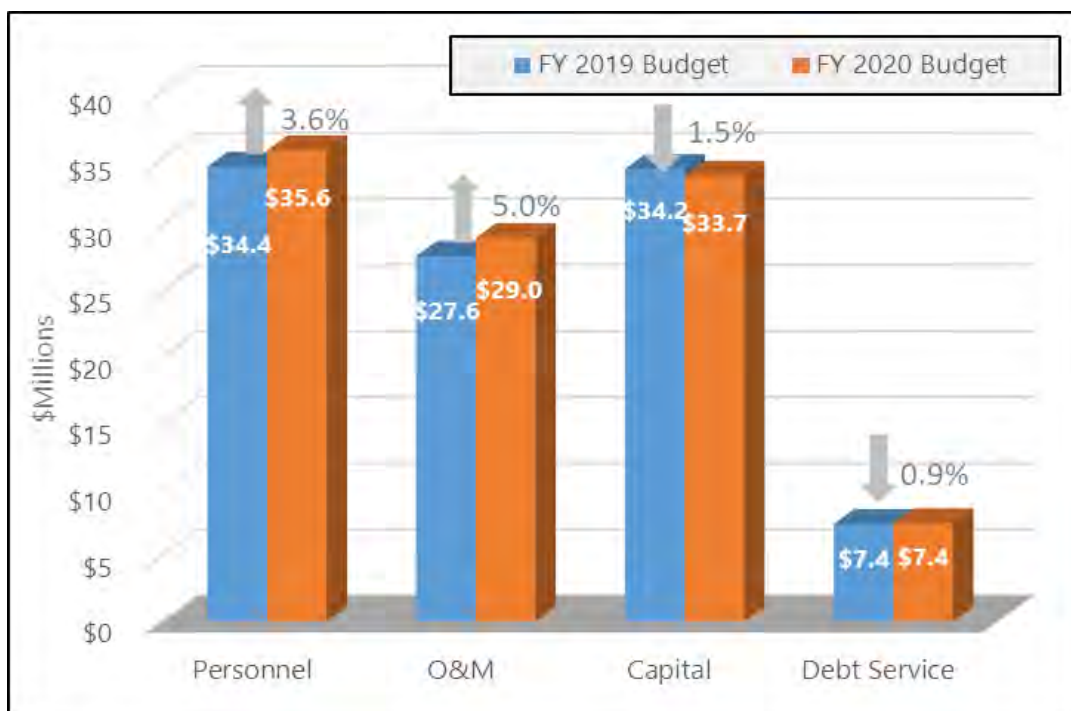
Budgeted capital for FY 19/20 is significant at \$33.7 million and includes capacity for roadway improvements, water system improvements, parks and recreation amenities and improvements, public safety facilities and equipment, and fleet and technology replacements. Refer to the Capital Improvement Program (CIP) for additional detail on budgeted projects.

The FY 19/20 personnel budget provides funding for new personnel, merit and step increases, and includes capacity for pension and health insurance premium increases. Refer to the personnel summary section of the budget for further discussion and details regarding personnel changes.

The operations & maintenance (O&M) budget is increasing by approximately \$1.4 million, or 5.0%, due to Water Utility groundwater extinguishment credits and CAP wheeling costs, implementation of a comprehensive facility repair and maintenance program, administrative and financial services, budgeted increases for medical claims, and anticipated cost increases for software maintenance and licensing. Further discussion of O&M needs and initiatives are discussed in the budget message and expenditure summary section of this budget.

A more detailed discussion on the changes to each category of the Town’s budget can also be found in the expenditure summary section of this document.

## Comprehensive Budget Overview

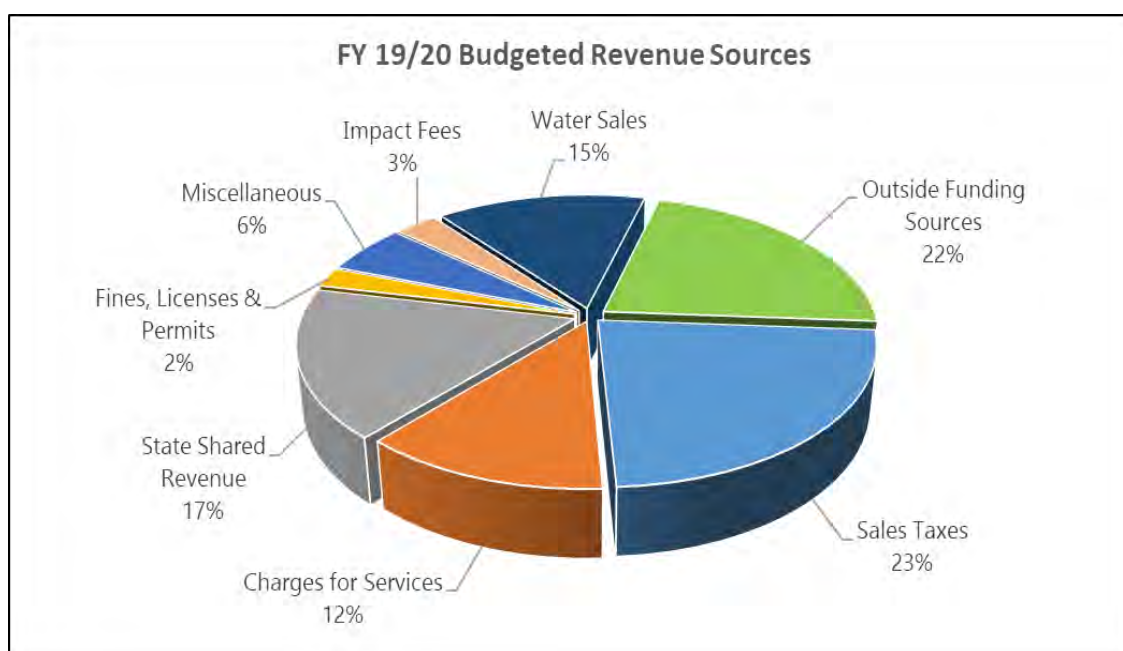


# Budget Overview

## Revenues

Budgeted revenue for FY 19/20 totals \$94.4 million and represents a \$920,000, or 1.0% decrease from FY 18/19. This decrease is due to the amount of bond proceeds and grant revenues budgeted for capital projects. The Town receives a variety of funding sources to finance operations, which are discussed in further detail in the Financial Overview section of the budget document.

In FY 19/20, the Town has budgeted revenue from sales taxes, which is a major funding source (23% of the total), state shared revenues (17% of total), and water sales (15% of total). Revenue from outside funding sources (22% of total) includes \$5.3 million in bond proceeds and \$13.6 million in state and federal grant proceeds.



## Revenue Sources

|                           | FY 2018              | FY 2018/19           |                      | FY 2019/20           | Variance            |              |
|---------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|--------------|
|                           | Actual               | Budget               | Projected            | Budget               | to Budget           | %            |
| Sales Taxes               | 22,321,148           | 21,821,976           | 22,132,835           | 21,789,758           | (32,218)            | -0.1%        |
| Charges for Services      | 12,318,130           | 11,294,452           | 11,194,730           | 11,535,517           | 241,065             | 2.1%         |
| State Shared Revenue      | 14,911,084           | 15,000,234           | 15,328,731           | 16,135,122           | 1,134,888           | 7.6%         |
| Fines, Licenses & Permits | 2,811,083            | 2,304,796            | 2,286,596            | 2,104,118            | (200,678)           | -8.7%        |
| Miscellaneous             | 4,964,400            | 5,190,968            | 5,523,620            | 5,444,084            | 253,116             | 4.9%         |
| Impact Fees               | 3,800,621            | 3,096,732            | 2,992,834            | 2,809,238            | (287,494)           | -9.3%        |
| Water Sales               | 13,586,668           | 13,152,900           | 12,648,100           | 13,714,000           | 561,100             | 4.3%         |
| Outside Funding Sources   | 7,084,165            | 23,472,440           | 12,406,274           | 20,882,552           | (2,589,888)         | -11.0%       |
| <b>Total Revenue</b>      | <b>\$ 81,797,298</b> | <b>\$ 95,334,498</b> | <b>\$ 84,513,720</b> | <b>\$ 94,414,389</b> | <b>\$ (920,109)</b> | <b>-1.0%</b> |

*Does not include interfund transfers or carry-forward fund balances*

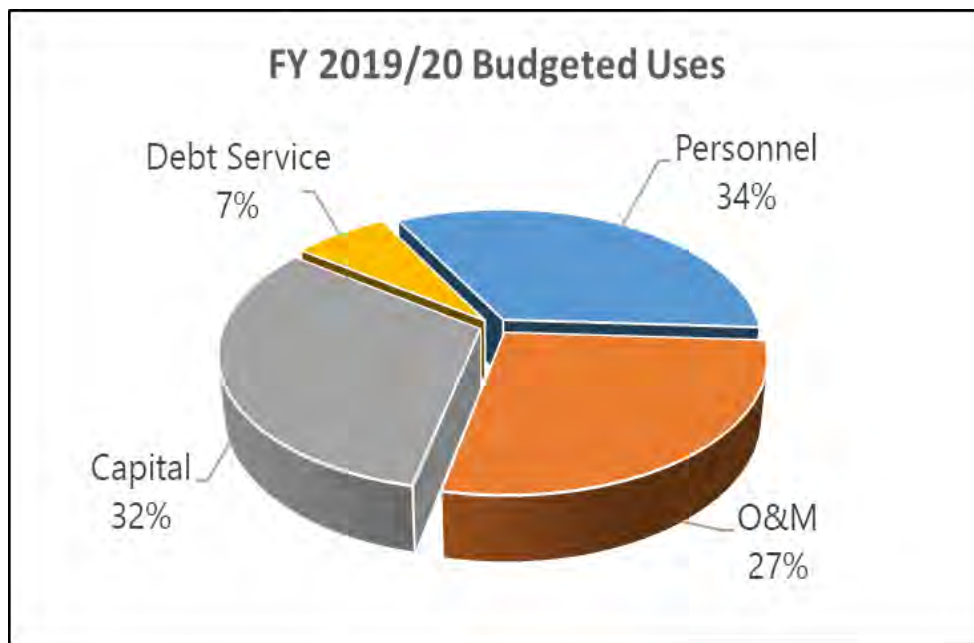


# Budget Overview

## Expenditures

Budgeted expenditures for FY 19/20 total \$105.7 million and represent a 2.1% increase over FY 18/19. The budget includes \$72.7 million to support daily operations and services and \$33.0 million in capital projects to fund roadway expansions and improvements, water and stormwater infrastructure improvements, parks and recreation amenities and improvements, and public safety improvements.

Further detail on uses of expenditures and types can be found in the Financial Overview section of the budget document.



| Budgeted Uses             |                      |                       |                      |                       |                     |             |
|---------------------------|----------------------|-----------------------|----------------------|-----------------------|---------------------|-------------|
|                           | FY 2018              | FY 2018/19            |                      | FY 2019/20            | Variance            |             |
|                           | Actual               | Budget                | Projected            | Budget                | to Budget           | %           |
| Personnel                 | 32,090,868           | 34,380,192            | 33,674,526           | 35,614,559            | 1,234,367           | 3.6%        |
| O&M                       | 26,093,215           | 27,625,077            | 26,235,620           | 28,992,601            | 1,367,524           | 5.0%        |
| Capital                   | 13,057,767           | 34,199,351            | 18,753,934           | 33,691,801            | (507,550)           | -1.5%       |
| Debt Service              | 6,642,692            | 7,358,065             | 7,095,071            | 7,423,689             | 65,624              | 0.9%        |
| <b>Total Expenditures</b> | <b>\$ 77,884,542</b> | <b>\$ 103,562,685</b> | <b>\$ 85,759,151</b> | <b>\$ 105,722,650</b> | <b>\$ 2,159,965</b> | <b>2.1%</b> |

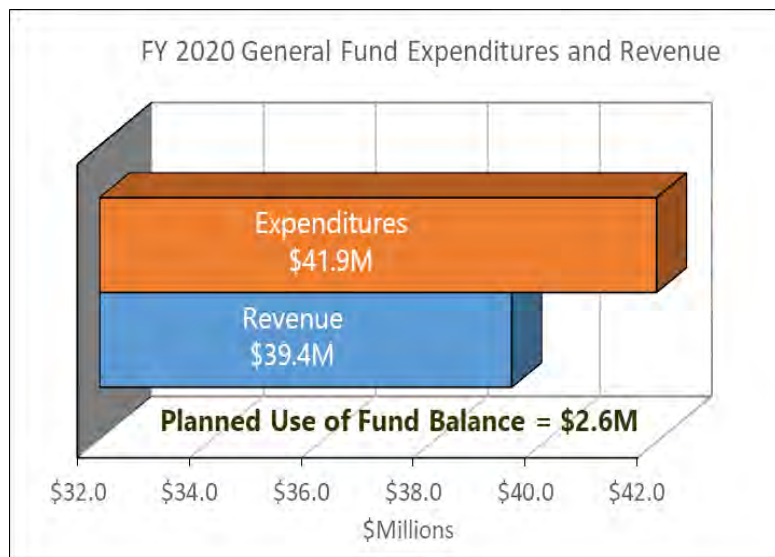
*Does not include depreciation, amortization, interfund transfers or contingency amounts*



# Budget Overview

## Budget Policy

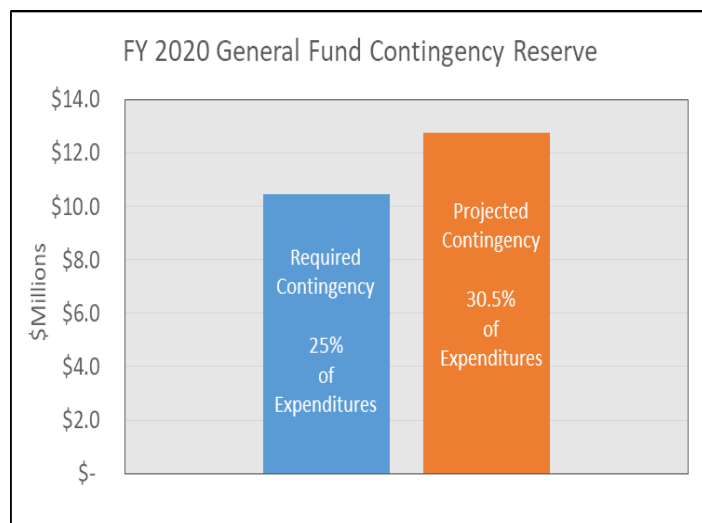
In accordance with the Town’s adopted Financial and Budgetary Policies, A.1 – Balanced Budgeting and Fiscal Planning Policies, “The Town shall develop an annual budget whereby recurring Town revenues shall be sufficient to support recurring operating expenditures with no use of General Fund contingency to support ongoing operational expenses.”



|                   |                   |
|-------------------|-------------------|
| Revenues          | \$ 39,356,221     |
| Expenditures      | <u>41,941,215</u> |
| Surplus/(Deficit) | (\$ 2,584,994)    |

All recurring expenditures are expected to be covered with recurring revenues. The planned use of fund balance will go towards funding of one-time expenditures.

Another section of Financial Policy A.1, involves contingencies, its uses, and the reserve requirement – “The Town’s annual budget will include contingency appropriation to provide for unanticipated increases in service delivery costs, emergencies, and needs that may arise through the fiscal year.” The policy set by Council mandates 25% of the General Fund’s annual expenditures must be set aside as a required contingency in the General Fund.



|                         |              |
|-------------------------|--------------|
| Expenditures            | \$41,941,215 |
| Contingency Requirement | <u>25%</u>   |
| Required Contingency    | \$10,485,304 |

The General Fund projected contingency reserve for FY 19/20 is \$12,784,509, which equals 30.5% of budgeted expenditures. Of this amount, \$900,000 is unassigned, \$1.4 million is assigned for employee compensated absences (i.e. for accrued vacation, sick and compensatory time leave) and for unemployment compensation claims, and \$10.5 million is committed for the required contingency in the fund.

# Fund Balances

|  | General (1)<br>Fund  | Special (2)<br>Revenue<br>Funds | Capital Project Funds (3)<br>PAG/RTA<br>Fund | Non-Major<br>Capital Project Funds |
|--|----------------------|---------------------------------|--|------------------------------------|
| <b>Revenues<br/>and Other Sources</b>  |                      |                                 |  |                                    |
| Taxes                                  | \$ 19,311,206        | \$ 2,478,552                    | \$ -   | \$ -                               |
| Licenses and Permits                   | 1,984,118            | -                               | -  | -                                  |
| Fines                                  | 120,000              | -                               | -  | -                                  |
| Water Sales                            | -                    | -                               | -  | -                                  |
| Charges for Services                   | 2,552,639            | 4,270,053                       | 28,125                                       | -                                  |
| State Shared Revenue                   | 12,530,715           | 3,604,407                       | -  | -                                  |
| Intergovernmental                      | 1,675,000            | -                               | -  | -                                  |
| Grants                                 | 624,543              | 180,000                         | 10,300,000                                   | 329,500                            |
| Seizures & Forfeitures                 | -                    | 325,000                         | -  | -                                  |
| Impact Fees                            | -                    | -                               | -  | 2,809,238                          |
| Interest Income                        | 150,000              | -                               | -  | 106,800                            |
| Miscellaneous                          | 288,000              | 1,500                           | -  | 536,900                            |
| Other Financing Sources                | 120,000              | -                               | -  | 4,100,000                          |
| <b>Total</b>                           | <b>\$ 39,356,221</b> | <b>\$ 10,859,512</b>            | <b>\$ 10,328,125</b>                         | <b>\$ 7,882,438</b>                |
| <b>Expenditures<br/>and Other Uses</b> |                      |                                 |  |                                    |
| General Government                     |                      |                                 |  |                                    |
| <i>Administrative Services</i>         | \$ 4,648,370         | \$ -                            | \$ -   | \$ -                               |
| <i>Clerk</i>                           | 366,336              | -                               | -  | -                                  |
| <i>Council</i>                         | 206,001              | -                               | -  | -                                  |
| <i>General Administration</i>          | 2,590,400            | -                               | -  | 30,000                             |
| <i>Legal</i>                           | 874,057              | -                               | -  | -                                  |
| <i>Magistrate Court</i>                | 923,561              | -                               | -  | -                                  |
| <i>Town Manager's Office</i>           | 1,314,145            | -                               | -  | -                                  |
| <i>Debt Service</i>                    |                      |                                 |  |                                    |
| Principal                              | -                    | -                               | -  | -                                  |
| Interest                               | -                    | -                               | -  | -                                  |
| <i>Capital Projects</i>                | -                    | -                               | -  | 7,359,100                          |
| Community & Economic Dev.              | 3,039,421            | -                               | -  | -                                  |
| Parks and Recreation                   | 3,808,366            | 6,182,387                       | -  | -                                  |
| Police                                 | 17,448,615           | 82,846                          | -  | -                                  |
| Public Works                           | 4,826,507            | 4,123,148                       | -  | -                                  |
| Water Utility                          |                      |                                 |  |                                    |
| <i>Personnel</i>                       | -                    | -                               | -  | -                                  |
| <i>Operations &amp; Maintenance</i>    | -                    | -                               | -  | 213,877                            |
| <i>Capital Outlay</i>                  | -                    | -                               | -  | 3,155,923                          |
| <i>Debt Service</i>                    |                      |                                 |  |                                    |
| Principal                              | -                    | -                               | -  | 266,613                            |
| Interest                               | -                    | -                               | -  | 59,383                             |
| Roadway Improvements                   | -                    | -                               | 10,300,000                                   | 2,700,000                          |
| Other Financing Uses                   | 1,895,436            | 268,810                         | -  | 100,000                            |
| <b>Total</b>                           | <b>\$ 41,941,215</b> | <b>\$ 10,657,191</b>            | <b>\$ 10,300,000</b>                         | <b>\$ 13,884,896</b>               |
| Increase/(Decrease)                    | (2,584,994)          | 202,321                         | 28,125                                       | (6,002,458)                        |
| Beginning Fund Balance                 | \$ 15,369,503        | \$ 723,838                      | \$ 462,143                                   | \$ 21,730,973                      |
| <b>Ending Fund Balance</b>             | <b>\$ 12,784,509</b> | <b>\$ 926,159</b>               | <b>\$ 490,268</b>                            | <b>\$ 15,728,515</b>               |

# Fund Balances

|  | Enterprise Funds (4)  |                              | Internal (5)        | (6)                   | 2019-2020<br>Total    |
|--|-----------------------|------------------------------|---------------------|-----------------------|-----------------------|
|  | Water Utility<br>Fund | Non-Major<br>Enterprise Fund | Service<br>Fund     | Debt Service<br>Funds |                       |
| <b>Revenues<br/>and Other Sources</b>  |                       |                              |                     |                       |                       |
| Taxes                                  | \$ -                  | \$ -                         | \$ -                | \$ -                  | \$ 21,789,758         |
| Licenses and Permits                   | -                     | -                            | -                   | -                     | 1,984,118             |
| Fines                                  | -                     | -                            | -                   | -                     | 120,000               |
| Water Sales                            | 13,714,000            | -                            | -                   | -                     | 13,714,000            |
| Charges for Services                   | 3,262,700             | 1,422,000                    | -                   | -                     | 11,535,517            |
| State Shared Revenue                   | -                     | -                            | -                   | -                     | 16,135,122            |
| Intergovernmental                      | -                     | -                            | -                   | -                     | 1,675,000             |
| Grants                                 | -                     | 2,100,000                    | -                   | 43,509                | 13,577,552            |
| Seizures & Forfeitures                 | -                     | -                            | -                   | -                     | 325,000               |
| Impact Fees                            | -                     | -                            | -                   | -                     | 2,809,238             |
| Interest Income                        | 63,000                | 1,000                        | -                   | 181,912               | 502,712               |
| Miscellaneous                          | -                     | -                            | 4,014,972           | 100,000               | 4,941,372             |
| Other Financing Sources                | 2,305,000             | -                            | -                   | 1,046,718             | 7,571,718             |
| <b>Total</b>                           | <b>\$ 19,344,700</b>  | <b>\$ 3,523,000</b>          | <b>\$ 4,014,972</b> | <b>\$ 1,372,139</b>   | <b>\$ 96,681,107</b>  |
| <b>Expenditures<br/>and Other Uses</b> |                       |                              |                     |                       |                       |
| General Government                     |                       |                              |                     |                       |                       |
| <i>Administrative Services</i>         | \$ -                  | \$ -                         | \$ -                | \$ -                  | \$ 4,648,370          |
| <i>Clerk</i>                           | -                     | -                            | -                   | -                     | 366,336               |
| <i>Council</i>                         | -                     | -                            | -                   | -                     | 206,001               |
| <i>General Administration</i>          | -                     | -                            | 4,014,972           | 13,000                | 6,648,372             |
| <i>Legal</i>                           | -                     | -                            | -                   | -                     | 874,057               |
| <i>Magistrate Court</i>                | -                     | -                            | -                   | -                     | 923,561               |
| <i>Town Manager's Office</i>           | -                     | -                            | -                   | -                     | 1,314,145             |
| <i>Debt Service</i>                    |                       |                              |                     |                       |                       |
| Principal                              | -                     | -                            | -                   | 1,042,352             | 1,042,352             |
| Interest                               | -                     | -                            | -                   | 324,788               | 324,788               |
| <i>Capital Projects</i>                | -                     | -                            | -                   | -                     | 7,359,100             |
| Community & Economic Dev.              | -                     | -                            | -                   | -                     | 3,039,421             |
| Parks and Recreation                   | -                     | -                            | -                   | -                     | 9,990,753             |
| Police                                 | -                     | -                            | -                   | -                     | 17,531,461            |
| Public Works                           | -                     | 3,748,405                    | -                   | -                     | 12,698,060            |
| Water Utility                          |                       |                              |                     |                       |                       |
| <i>Personnel</i>                       | 3,370,579             | -                            | -                   | -                     | 3,370,579             |
| <i>Operations &amp; Maintenance</i>    | 8,226,217             | -                            | -                   | -                     | 8,440,094             |
| <i>Capital Outlay</i>                  | 4,732,728             | -                            | -                   | -                     | 7,888,651             |
| <i>Debt Service</i>                    |                       |                              |                     |                       |                       |
| Principal                              | 4,709,485             | -                            | -                   | -                     | 4,976,098             |
| Interest                               | 1,021,068             | -                            | -                   | -                     | 1,080,451             |
| Roadway Improvements                   | -                     | -                            | -                   | -                     | 13,000,000            |
| Other Financing Uses                   | 2,472                 | -                            | -                   | -                     | 2,266,718             |
| <b>Total</b>                           | <b>\$ 22,062,549</b>  | <b>\$ 3,748,405</b>          | <b>\$ 4,014,972</b> | <b>\$ 1,380,140</b>   | <b>\$ 107,989,368</b> |
| Increase/(Decrease)                    | (2,717,849)           | (225,405)                    | -                   | (8,001)               | (11,308,261)          |
| Beginning Fund Balance                 | \$ 9,067,723          | \$ 873,461                   | \$ 736,508          | \$ 96,062             | \$ 49,060,211         |
| <b>Ending Fund Balance</b>             | <b>\$ 6,349,874</b>   | <b>\$ 648,056</b>            | <b>\$ 736,508</b>   | <b>\$ 88,061</b>      | <b>\$ 37,751,950</b>  |

# Fund Balances

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The fund balances table depicts the estimated beginning fund balance at July 1, 2019, the budgeted revenues and expenditures for FY 19/20 and the projected ending fund balance at June 30, 2020.

- 1) The fund balance in the General Fund is decreasing \$2,584,994, which is a planned decrease to fund one-time expenditures.
- 2) Fund balances in the Special Revenue Funds are increasing \$202,301.
- 3) The fund balance in the PAG/RTA Fund is increasing \$28,125. Fund balances in the non-major Capital Project Funds are decreasing \$6,002,458, which will be used to fund capital projects. These are planned uses of funds that have been accumulated for this purpose.
- 4) The fund balance in the Water Utility Enterprise Fund is decreasing \$2,717,849, while the fund balance in the Stormwater Utility Fund is decreasing \$225,405. This is a planned use of funds that have been accumulated for capital projects.
- 5) Fund balance is expected remain steady at \$736,508 for the Benefit Self Insurance Fund.
- 6) Fund balances in the Debt Service Funds are decreasing \$8,001, which will be used to fund debt service payments and associated costs. This is a planned use in the Debt Service Funds that must be spent for this purpose.

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# Historical Fund Balances

|                                     | General Fund         |                      |                      | Internal Service Funds |                     |                     |
|-------------------------------------|----------------------|----------------------|----------------------|------------------------|---------------------|---------------------|
|                                     | 2018<br>Actual       | 2019<br>Estimate     | 2020<br>Budget       | 2018<br>Actual         | 2019<br>Estimate    | 2020<br>Budget      |
| <b>Revenues and Other Sources</b>   |                      |                      |                      |                        |                     |                     |
| Taxes                               | \$ 18,617,864        | \$ 19,701,797        | \$ 19,311,206        |                        |                     |                     |
| Licenses and Permits                | 2,634,574            | 2,136,096            | 1,984,118            |                        |                     |                     |
| Fines                               | 131,393              | 120,000              | 120,000              |                        |                     |                     |
| Water Sales                         |                      |                      |                      |                        |                     |                     |
| Charges for Services                | 2,217,697            | 2,504,925            | 2,552,639            | 860,271                |                     |                     |
| State Shared Revenue                | 11,577,834           | 11,708,575           | 12,530,715           |                        |                     |                     |
| Intergovernmental                   | 1,636,354            | 1,401,639            | 1,675,000            |                        |                     |                     |
| Grants                              | 526,488              | 484,607              | 624,543              |                        |                     |                     |
| Seizures & Forfeitures              |                      |                      |                      |                        |                     |                     |
| Impact Fees                         |                      |                      |                      |                        |                     |                     |
| Interest Income                     | (27,573)             | 150,000              | 150,000              |                        |                     |                     |
| Miscellaneous                       | 417,603              | 316,600              | 288,000              | 4,049,623              | 3,830,454           | 4,014,972           |
| Other Financing Sources             | 305,000              | 320,000              | 120,000              | 300,000                |                     |                     |
| <b>Total</b>                        | <b>\$ 38,037,234</b> | <b>\$ 38,844,239</b> | <b>\$ 39,356,221</b> | <b>\$ 5,209,894</b>    | <b>\$ 3,830,454</b> | <b>\$ 4,014,972</b> |
| <b>Expenditures and Other Uses</b>  |                      |                      |                      |                        |                     |                     |
| General Government                  |                      |                      |                      |                        |                     |                     |
| <i>Administrative Services</i>      | \$ 3,168,231         | \$ 4,333,677         | \$ 4,648,370         |                        |                     |                     |
| <i>Clerk</i>                        | 469,826              | 414,826              | 366,336              |                        |                     |                     |
| <i>Council</i>                      | 189,389              | 203,910              | 206,001              |                        |                     |                     |
| <i>General Administration</i>       | 1,834,599            | 2,375,724            | 2,590,400            | 2,742,433              | 3,830,454           | 4,014,972           |
| <i>Legal</i>                        | 730,858              | 773,423              | 874,057              |                        |                     |                     |
| <i>Magistrate Court</i>             | 875,275              | 873,266              | 923,561              |                        |                     |                     |
| <i>Town Manager's Office</i>        | 821,783              | 1,247,577            | 1,314,145            |                        |                     |                     |
| <i>Debt Service</i>                 |                      |                      |                      |                        |                     |                     |
| Principal                           |                      |                      |                      |                        |                     |                     |
| Interest                            |                      |                      |                      |                        |                     |                     |
| <i>Capital Projects</i>             |                      |                      |                      |                        |                     |                     |
| Community & Econ. Dev.              | 2,791,027            | 2,743,269            | 3,039,421            |                        |                     |                     |
| Parks and Recreation                | 3,334,365            | 3,519,644            | 3,808,366            |                        |                     |                     |
| Police                              | 16,636,009           | 16,064,374           | 17,448,615           |                        |                     |                     |
| Public Works                        | 2,040,528            | 3,363,846            | 4,826,507            | 1,283,097              |                     |                     |
| Water Utility                       |                      |                      |                      |                        |                     |                     |
| <i>Personnel</i>                    |                      |                      |                      |                        |                     |                     |
| <i>Operations &amp; Maintenance</i> |                      |                      |                      |                        |                     |                     |
| <i>Capital Outlay</i>               |                      |                      |                      |                        |                     |                     |
| <i>Debt Service</i>                 |                      |                      |                      |                        |                     |                     |
| Principal                           |                      |                      |                      |                        |                     |                     |
| Interest                            |                      |                      |                      |                        |                     |                     |
| Roadway Improvements                |                      |                      |                      |                        |                     |                     |
| Use of Contingency                  | 56,250               | -                    |                      |                        |                     |                     |
| Other Financing Uses                | 2,524,668            | 4,150,514            | 1,895,436            |                        |                     |                     |
| <b>Total</b>                        | <b>\$ 35,472,808</b> | <b>\$ 40,064,050</b> | <b>\$ 41,941,215</b> | <b>\$ 4,025,530</b>    | <b>\$ 3,830,454</b> | <b>\$ 4,014,972</b> |
| Increase/(Decrease)                 | 2,564,426            | (1,219,811)          | (2,584,994)          | 1,184,364              | -                   | -                   |
| Beginning Fund Balance              | \$ 13,403,218        | \$ 16,589,314        | \$ 15,369,503        | \$ 666,253             | \$ 736,508          | \$ 736,508          |
| <b>Ending Fund Balance</b>          | <b>\$ 15,967,644</b> | <b>\$ 15,369,503</b> | <b>\$ 12,784,509</b> | <b>\$ 1,850,617</b>    | <b>\$ 736,508</b>   | <b>\$ 736,508</b>   |

# Historical Fund Balances

|  | PAG/RTA Fund        |                     |                      | Non-Major Governmental Funds (A) |                      |                      |
|--|---------------------|---------------------|----------------------|----------------------------------|----------------------|----------------------|
|  | 2018<br>Actual      | 2019<br>Estimate    | 2020<br>Budget       | 2018<br>Actual                   | 2019<br>Estimate     | 2020<br>Budget       |
| <b>Revenues<br/>and Other Sources</b>  |                     |                     |                      |                                  |                      |                      |
| Taxes                                  |                     |                     |                      | \$ 3,703,285                     | \$ 2,431,038         | \$ 2,478,552         |
| Licenses and Permits                   |                     |                     |                      | 45,116                           | 30,500               | -                    |
| Fines                                  |                     |                     |                      |                                  |                      |                      |
| Water Sales                            |                     |                     |                      |                                  |                      |                      |
| Charges for Services                   | 22,969              | 28,125              | 28,125               | 4,419,338                        | 4,087,623            | 4,270,053            |
| State Shared Revenue                   |                     |                     |                      | 3,333,250                        | 3,620,156            | 3,604,407            |
| Intergovernmental<br>Grants            | 4,368,890           | 5,489,953           | 10,300,000           | 191,327                          | 524,345              | 553,009              |
| Seizures & Forfeitures                 |                     |                     |                      | 361,106                          | 75,730               | 325,000              |
| Impact Fees                            |                     |                     |                      | 3,808,797                        | 2,992,834            | 2,809,238            |
| Interest Income                        |                     |                     |                      | 246,347                          | 358,812              | 288,712              |
| Miscellaneous                          | 182,457             | 1,387               |                      | 115,218                          | 802,524              | 638,400              |
| Other Financing Sources                |                     |                     |                      | 3,037,890                        | 6,322,180            | 5,146,718            |
| <b>Total</b>                           | <b>\$ 4,574,316</b> | <b>\$ 5,519,465</b> | <b>\$ 10,328,125</b> | <b>\$ 19,261,674</b>             | <b>\$ 21,245,742</b> | <b>\$ 20,114,089</b> |
| <b>Expenditures<br/>and Other Uses</b> |                     |                     |                      |                                  |                      |                      |
| General Government                     |                     |                     |                      |                                  |                      |                      |
| <i>Administrative Services</i>         |                     |                     |                      |                                  |                      |                      |
| Clerk                                  |                     |                     |                      |                                  |                      |                      |
| Council                                |                     |                     |                      |                                  |                      |                      |
| General Administration                 |                     |                     |                      | 12,050                           | 28,000               | 43,000               |
| Legal                                  |                     |                     |                      |                                  |                      |                      |
| Magistrate Court                       |                     |                     |                      |                                  |                      |                      |
| Town Manager's Office                  |                     |                     |                      | 710,671                          |                      |                      |
| Debt Service                           |                     |                     |                      |                                  |                      |                      |
| Principal                              |                     |                     |                      | 694,290                          | 918,772              | 1,042,352            |
| Interest                               |                     |                     |                      | 306,460                          | 284,213              | 324,788              |
| Capital Projects                       |                     |                     |                      | 2,522,423                        | 6,790,988            | 7,359,100            |
| Community & Econ. Dev.                 |                     |                     |                      |                                  |                      |                      |
| Parks and Recreation                   |                     |                     |                      | 6,522,942                        | 5,944,851            | 6,182,387            |
| Police                                 |                     |                     |                      | 324,578                          | 437,137              | 82,846               |
| Public Works                           |                     |                     |                      | 3,959,398                        | 4,162,204            | 4,123,148            |
| Water Utility                          |                     |                     |                      |                                  |                      |                      |
| Personnel                              |                     |                     |                      |                                  |                      |                      |
| Operations & Maintenance               |                     |                     |                      | 201,197                          | 181,716              | 213,877              |
| Capital Outlay                         |                     |                     |                      |                                  | 1,010,816            | 3,155,923            |
| Debt Service                           |                     |                     |                      |                                  |                      |                      |
| Principal                              |                     |                     |                      | 256,646                          | 256,646              | 266,613              |
| Interest                               |                     |                     |                      | 74,981                           | 69,848               | 59,383               |
| Roadway Improvements                   | 4,763,392           | 5,753,006           | 10,300,000           | 1,736,557                        |                      | 2,700,000            |
| Use of Contingency                     |                     |                     |                      |                                  |                      |                      |
| Other Financing Uses                   |                     |                     |                      | 1,115,375                        | 453,999              | 368,810              |
| <b>Total</b>                           | <b>\$ 4,763,392</b> | <b>\$ 5,753,006</b> | <b>\$ 10,300,000</b> | <b>\$ 18,437,568</b>             | <b>\$ 20,539,190</b> | <b>\$ 25,922,227</b> |
| Increase/(Decrease)                    | (189,076)           | (233,541)           | 28,125               | 824,106                          | 706,552              | (5,808,138)          |
| Beginning Fund Balance                 | \$ 884,760          | \$ 695,684          | \$ 462,143           | \$ 20,527,776                    | \$ 21,844,321        | \$ 22,550,873        |
| <b>Ending Fund Balance</b>             | <b>\$ 695,684</b>   | <b>\$ 462,143</b>   | <b>\$ 490,268</b>    | <b>\$ 21,351,882</b>             | <b>\$ 22,550,873</b> | <b>\$ 16,742,735</b> |

(A) Includes Special Revenue, Capital Projects and Debt Service Funds Revenue, Capital Projects and Debt Service Funds



# Historical Fund Balances

|  | Water Utility Fund   |                      |                      | Non-Major Enterprise Fund |                     |                     |
|--|----------------------|----------------------|----------------------|---------------------------|---------------------|---------------------|
|  | 2018<br>Actual       | 2019<br>Estimate     | 2020<br>Budget       | 2018<br>Actual            | 2019<br>Estimate    | 2020<br>Budget      |
| <b>Revenues<br/>and Other Sources</b>  |                      |                      |                      |                           |                     |                     |
| Taxes                                  |                      |                      |                      |                           |                     |                     |
| Licenses and Permits                   |                      |                      |                      |                           |                     |                     |
| Fines                                  |                      |                      |                      |                           |                     |                     |
| Water Sales                            | 13,586,668           | 12,648,100           | 13,714,000           |                           |                     |                     |
| Charges for Services                   | 3,412,043            | 3,164,900            | 3,262,700            | 1,385,811                 | 1,409,157           | 1,422,000           |
| State Shared Revenue                   |                      |                      |                      |                           |                     |                     |
| Intergovernmental<br>Grants            |                      |                      |                      |                           |                     | 2,100,000           |
| Seizures & Forfeitures                 |                      |                      |                      |                           |                     |                     |
| Impact Fees                            |                      |                      |                      |                           |                     |                     |
| Interest Income                        | (36,589)             | 62,333               | 63,000               | 5,916                     | 1,300               | 1,000               |
| Miscellaneous                          | 2,755                | -                    |                      | 467                       | 210                 |                     |
| Other Financing Sources                |                      | 2,395,000            | 2,305,000            |                           |                     |                     |
| <b>Total</b>                           | <b>\$ 16,964,877</b> | <b>\$ 18,270,333</b> | <b>\$ 19,344,700</b> | <b>\$ 1,392,194</b>       | <b>\$ 1,410,667</b> | <b>\$ 3,523,000</b> |
| <b>Expenditures<br/>and Other Uses</b> |                      |                      |                      |                           |                     |                     |
| General Government                     |                      |                      |                      |                           |                     |                     |
| <i>Administrative Services</i>         |                      |                      |                      |                           |                     |                     |
| <i>Clerk</i>                           |                      |                      |                      |                           |                     |                     |
| <i>Council</i>                         |                      |                      |                      |                           |                     |                     |
| <i>General Administration</i>          |                      |                      |                      |                           |                     |                     |
| <i>Legal</i>                           |                      |                      |                      |                           |                     |                     |
| <i>Magistrate Court</i>                |                      |                      |                      |                           |                     |                     |
| <i>Town Manager's Office</i>           |                      |                      |                      |                           |                     |                     |
| <i>Debt Service</i>                    |                      |                      |                      |                           |                     |                     |
| Principal                              |                      |                      |                      |                           |                     |                     |
| Interest                               |                      |                      |                      |                           |                     |                     |
| <i>Capital Projects</i>                |                      |                      |                      |                           |                     |                     |
| Community & Econ. Dev.                 |                      |                      |                      |                           |                     |                     |
| Parks and Recreation                   |                      |                      |                      |                           |                     |                     |
| Police                                 |                      |                      |                      |                           |                     |                     |
| Public Works                           |                      |                      |                      | 1,214,670                 | 1,296,448           | 3,748,405           |
| Water Utility                          |                      |                      |                      |                           |                     |                     |
| <i>Personnel</i>                       | 3,144,389            | 3,291,291            | 3,370,579            |                           |                     |                     |
| <i>Operations &amp; Maintenance</i>    | 7,201,397            | 7,056,151            | 8,226,217            |                           |                     |                     |
| <i>Capital Outlay</i>                  | 2,010,766            | 2,967,482            | 4,732,728            |                           |                     |                     |
| <i>Debt Service</i>                    |                      |                      |                      |                           |                     |                     |
| Principal                              | 4,252,655            | 4,639,270            | 4,709,485            |                           |                     |                     |
| Interest                               | 1,057,660            | 926,323              | 1,021,068            |                           |                     |                     |
| Roadway Improvements                   |                      |                      |                      |                           |                     |                     |
| Use of Contingency                     |                      |                      |                      |                           |                     |                     |
| Other Financing Uses                   | 2,847                | 2,581                | 2,472                |                           |                     |                     |
| <b>Total</b>                           | <b>\$ 17,669,714</b> | <b>\$ 18,883,098</b> | <b>\$ 22,062,549</b> | <b>\$ 1,214,670</b>       | <b>\$ 1,296,448</b> | <b>\$ 3,748,405</b> |
| Increase/(Decrease)                    | (704,837)            | (612,765)            | (2,717,849)          | 177,524                   | 114,219             | (225,405)           |
| Beginning Fund Balance                 | \$ 10,385,325        | \$ 9,680,488         | \$ 9,067,723         | \$ 581,718                | \$ 759,242          | \$ 873,461          |
| <b>Ending Fund Balance</b>             | <b>\$ 9,680,488</b>  | <b>\$ 9,067,723</b>  | <b>\$ 6,349,874</b>  | <b>\$ 759,242</b>         | <b>\$ 873,461</b>   | <b>\$ 648,056</b>   |

Note: Does not include depreciation or amortization

# Historical Fund Balances

|  | <b>Total All Funds</b> |                      |                       |
|--|------------------------|----------------------|-----------------------|
|  | 2018<br>Actual         | 2019<br>Estimate     | 2020<br>Budget        |
| <b>Revenues<br/>and Other Sources</b>  |                        |                      |                       |
| Taxes                                  | \$ 22,321,149          | \$ 22,132,835        | \$ 21,789,758         |
| Licenses and Permits                   | 2,679,690              | 2,166,596            | 1,984,118             |
| Fines                                  | 131,393                | 120,000              | 120,000               |
| Water Sales                            | 13,586,668             | 12,648,100           | 13,714,000            |
| Charges for Services                   | 12,318,129             | 11,194,730           | 11,535,517            |
| State Shared Revenue                   | 14,911,084             | 15,328,731           | 16,135,122            |
| Intergovernmental                      | 1,636,354              | 1,401,639            | 1,675,000             |
| Grants                                 | 5,086,705              | 6,498,905            | 13,577,552            |
| Seizures & Forfeitures                 | 361,106                | 75,730               | 325,000               |
| Impact Fees                            | 3,808,797              | 2,992,834            | 2,809,238             |
| Interest Income                        | 188,101                | 572,445              | 502,712               |
| Miscellaneous                          | 4,768,123              | 4,951,175            | 4,941,372             |
| Other Financing Sources                | 3,642,890              | 9,037,180            | 7,571,718             |
| <b>Total</b>                           | <b>\$ 85,440,189</b>   | <b>\$ 89,120,900</b> | <b>\$ 96,681,107</b>  |
| <b>Expenditures<br/>and Other Uses</b> |                        |                      |                       |
| General Government                     |                        |                      |                       |
| <i>Administrative Services</i>         | \$ 3,168,231           | \$ 4,333,677         | \$ 4,648,370          |
| Clerk                                  | 469,826                | 414,826              | 366,336               |
| Council                                | 189,389                | 203,910              | 206,001               |
| <i>General Administration</i>          | 4,589,082              | 6,234,178            | 6,648,372             |
| Legal                                  | 730,858                | 773,423              | 874,057               |
| Magistrate Court                       | 875,275                | 873,266              | 923,561               |
| Town Manager's Office                  | 1,532,454              | 1,247,577            | 1,314,145             |
| <i>Debt Service</i>                    |                        |                      |                       |
| Principal                              | 694,290                | 918,772              | 1,042,352             |
| Interest                               | 306,460                | 284,213              | 324,788               |
| <i>Capital Projects</i>                | 2,522,423              | 6,790,988            | 7,359,100             |
| Community & Econ. Dev.                 | 2,791,027              | 2,743,269            | 3,039,421             |
| Parks and Recreation                   | 9,857,307              | 9,464,495            | 9,990,753             |
| Police                                 | 16,960,587             | 16,501,511           | 17,531,461            |
| Public Works                           | 8,497,693              | 8,822,498            | 12,698,060            |
| Water Utility                          |                        |                      |                       |
| <i>Personnel</i>                       | 3,144,389              | 3,291,291            | 3,370,579             |
| <i>Operations &amp; Maintenance</i>    | 7,402,594              | 7,237,867            | 8,440,094             |
| <i>Capital Outlay</i>                  | 2,010,766              | 3,978,298            | 7,888,651             |
| <i>Debt Service</i>                    |                        |                      |                       |
| Principal                              | 4,509,301              | 4,895,916            | 4,976,098             |
| Interest                               | 1,132,641              | 996,171              | 1,080,451             |
| Roadway Improvements                   | 6,499,949              | 5,753,006            | 13,000,000            |
| Use of Contingency                     | 56,250                 | -                    |                       |
| Other Financing Uses                   | 3,642,890              | 4,607,094            | 2,266,718             |
| <b>Total</b>                           | <b>\$ 81,583,682</b>   | <b>\$ 90,366,246</b> | <b>\$ 107,989,368</b> |
| Increase/(Decrease)                    | 3,856,507              | (1,245,346)          | (11,308,261)          |
| Beginning Fund Balance                 | \$ 46,449,050          | \$ 50,305,557        | \$ 49,060,211         |
| <b>Ending Fund Balance</b>             | <b>\$ 50,305,557</b>   | <b>\$ 49,060,211</b> | <b>\$ 37,751,950</b>  |

# Budget Summary

|   | FY 2017           | FY 2018           | FY 2019            |                    | FY 2020             |
|---|-------------------|-------------------|--------------------|--------------------|---------------------|
|   | Actual            |                   | Budget             | Projected          | Budget              |
| <b>Personnel</b>                              |                   |                   |                    |                    |                     |
| General Fund                                  | 276.36            | 277.76            | 291.82             | 292.56             | 309.69              |
| Special Revenue Funds                         | 48.82             | 51.47             | 48.76              | 49.20              | 37.55               |
| Capital Project Funds                         | 5.48              | 4.00              | -                  | -                  | -                   |
| Enterprise Funds                              | 45.85             | 48.23             | 49.73              | 49.73              | 49.73               |
| Internal Service Funds                        | 1.15              | 1.15              | -                  | -                  | -                   |
| <b>TOTAL PERSONNEL</b>                        | <b>377.66</b>     | <b>382.61</b>     | <b>390.31</b>      | <b>391.49</b>      | <b>396.97</b>       |
| <b>Expenditures by Fund</b> <sup>1)</sup>     |                   |                   |                    |                    |                     |
| General Fund                                  | 30,643,946        | 32,891,890        | 37,284,041         | 35,913,536         | 40,045,779          |
| Special Revenue Funds                         | 11,785,219        | 11,613,913        | 11,026,853         | 10,544,192         | 10,388,381          |
| Debt Service Funds                            | 817,460           | 1,012,800         | 1,226,099          | 1,215,984          | 1,380,140           |
| Capital Project Funds                         | 8,795,721         | 9,458,873         | 26,440,944         | 14,078,020         | 24,084,896          |
| Enterprise Funds                              | 18,968,634        | 18,881,537        | 23,828,102         | 20,176,965         | 25,808,482          |
| Internal Service Funds                        | 4,845,867         | 4,025,529         | 3,756,646          | 3,830,454          | 4,014,972           |
| <b>TOTAL EXPENDITURES</b>                     | <b>75,856,847</b> | <b>77,884,542</b> | <b>103,562,685</b> | <b>85,759,151</b>  | <b>105,722,650</b>  |
| <b>Expenditures by Category</b> <sup>1)</sup> |                   |                   |                    |                    |                     |
| Personnel                                     | 29,775,970        | 32,090,868        | 34,380,192         | 33,674,526         | 35,614,559          |
| Operations & Maintenance                      | 26,430,920        | 26,093,215        | 27,625,077         | 26,235,620         | 28,992,601          |
| Capital Outlay                                | 13,989,722        | 13,057,767        | 34,199,351         | 18,753,934         | 33,691,801          |
| Debt Service                                  | 5,660,235         | 6,642,692         | 7,358,065          | 7,095,071          | 7,423,689           |
| <b>TOTAL EXPENDITURES</b>                     | <b>75,856,847</b> | <b>77,884,542</b> | <b>103,562,685</b> | <b>85,759,151</b>  | <b>105,722,650</b>  |
| <b>Operating Results</b>                      |                   |                   |                    |                    |                     |
| Total Revenues <sup>2)</sup>                  | 80,259,631        | 81,797,298        | 95,334,498         | 84,513,720         | 94,414,389          |
| Total Expenditures <sup>1)</sup>              | 75,856,847        | 77,884,542        | 103,562,685        | 85,759,151         | 105,722,650         |
| <b>NET OPERATING RESULTS</b> <sup>3)</sup>    | <b>4,402,784</b>  | <b>3,912,756</b>  | <b>(8,228,187)</b> | <b>(1,245,431)</b> | <b>(11,308,261)</b> |

1) Excludes depreciation, amortization, contingency amounts and interfund transfers

2) Excludes carry-forward balances and interfund transfers

3) Negative net operating results are attributable to planned outlay for capital projects and any associated debt service

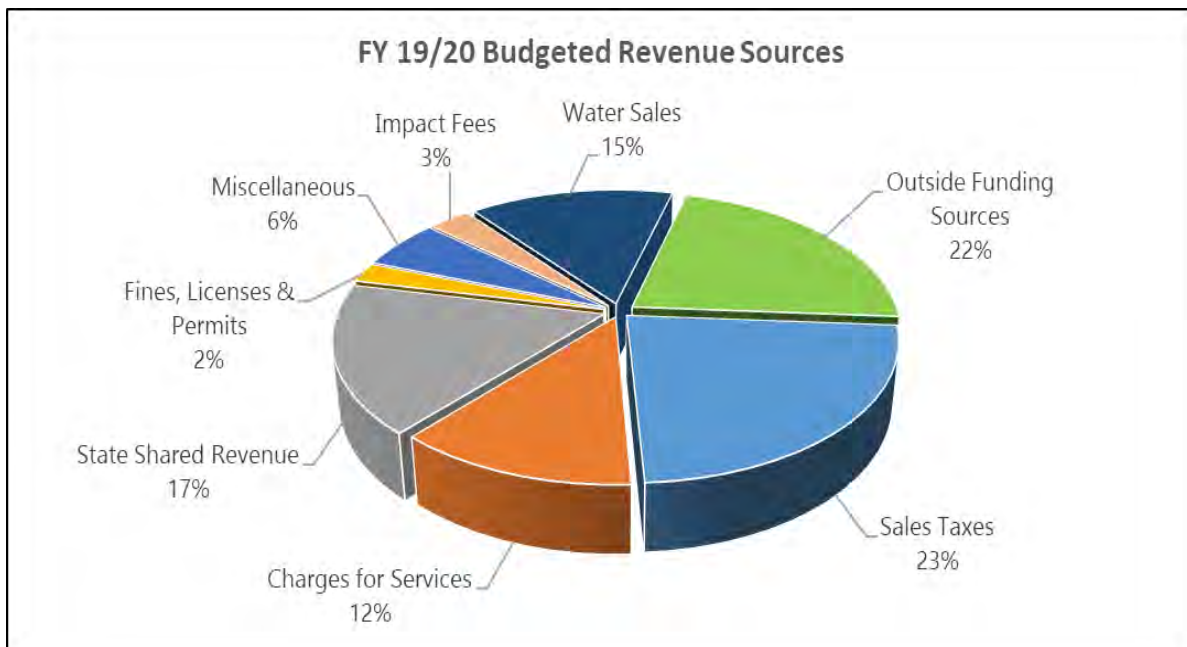
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## Revenue Summary

Revenue for FY 19/20 is estimated to total \$94,414,389. In comparison to the FY 18/19 budget, revenue is projected to decrease by approximately \$920,000, or 1.0%. This decrease is attributable to grant and bond-funded capital projects, namely the La Cholla roadway widening project, as well as bond-funded Water Utility improvements, based on estimated project timelines.

With the nation in its longest stretch of economic expansion, revenue estimates for FY 19/20 were prepared with some caution. Revenue growth is still being observed at both the local and state level; however, the risk and discussion of a near-term, mild economic downturn has increased as of late. Locally, the Town has seen stable residential activity, but a decrease in commercial activity. A total of 300 single family residential (SFR) permits are projected for FY 19/20, compared to the FY 18/19 budget of 306. Commercial development activity projected for FY 19/20 includes a self-storage facility, the start of a grocery store relocation and completion of two senior living facilities. Projections for other various office, restaurant and retail infill and tenant improvement projects were reduced from FY 18/19. Local sales tax revenue is expected to remain roughly flat to the FY 18/19 budget, due to decreases in budgeted construction and utility sales tax, offset with conservative growth in retail, bed tax, and restaurant collections. Residential building activity is expected to peak over the next few years, depending on economic conditions. Permitting and construction sales tax revenues are then expected to decline considerably as the Town approaches buildout. Local sales taxes and state shared revenues are also extremely sensitive to economic fluctuations. These two revenue sources comprise more than 80% of the General Fund's FY 19/20 estimated revenues.

Local sales tax represents 23% of the Town's FY 19/20 projected revenues. In this category, taxes related to retail trade are the biggest contributor, with growth projected at 2.0%. Restaurant tax collections are expected to grow 3.5%. Construction sales tax collections are expected to decrease about 7% over the current year budget, based on projected residential and commercial building activity. State shared revenue is expected to increase 7.6%, due to additional highway user revenues available to the Town, as well as projected increases in state income and sales taxes.



# Revenue Summary

| Revenue Sources           |                      |                      |                      |                      |                     |              |
|---------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|--------------|
|                           | FY 2018              | FY 2018/19           |                      | FY 2019/20           | Variance            |              |
|                           | Actual               | Budget               | Projected            | Budget               | to Budget           | %            |
| Sales Taxes               | 22,321,148           | 21,821,976           | 22,132,835           | 21,789,758           | (32,218)            | -0.1%        |
| Charges for Services      | 12,318,130           | 11,294,452           | 11,194,730           | 11,535,517           | 241,065             | 2.1%         |
| State Shared Revenue      | 14,911,084           | 15,000,234           | 15,328,731           | 16,135,122           | 1,134,888           | 7.6%         |
| Fines, Licenses & Permits | 2,811,083            | 2,304,796            | 2,286,596            | 2,104,118            | (200,678)           | -8.7%        |
| Miscellaneous             | 4,964,400            | 5,190,968            | 5,523,620            | 5,444,084            | 253,116             | 4.9%         |
| Impact Fees               | 3,800,621            | 3,096,732            | 2,992,834            | 2,809,238            | (287,494)           | -9.3%        |
| Water Sales               | 13,586,668           | 13,152,900           | 12,648,100           | 13,714,000           | 561,100             | 4.3%         |
| Outside Funding Sources   | 7,084,165            | 23,472,440           | 12,406,274           | 20,882,552           | (2,589,888)         | -11.0%       |
| <b>Total Revenue</b>      | <b>\$ 81,797,298</b> | <b>\$ 95,334,498</b> | <b>\$ 84,513,720</b> | <b>\$ 94,414,389</b> | <b>\$ (920,109)</b> | <b>-1.0%</b> |

*Does not include interfund transfers or carry-forward fund balances*

A brief description of the major changes in revenue sources from budget year to budget year is as follows:

|                                      |   |
|--------------------------------------|---|
| Sales Taxes<br>-\$32K                | <ul style="list-style-type: none"> <li>\$470K increase in retail and restaurant/bar collections</li> <li>\$344K decrease in construction sales tax collections</li> <li>\$195K decrease in utility sales tax collections</li> <li>\$97K increase in bed tax collections</li> <li>\$60K decrease in cable franchise fee collections</li> </ul> |
| Charges for Services<br>+\$241K      | <ul style="list-style-type: none"> <li>\$144K increase in General Fund, due mainly to recreation fees, transit farebox revenues and administrative service chargeouts to the Water and Stormwater Utility Funds</li> <li>\$79K increase in Water Utility Fund for sewer billing service fees charged to Pima County</li> </ul>                |
| State Shared Revenues<br>+\$1.1M     | <ul style="list-style-type: none"> <li>\$495K increase in state shared income tax</li> <li>\$316K increase in state shared sales tax</li> <li>\$312K increase in state shared gas tax</li> </ul>  |
| Fines, Licenses & Permits<br>-\$201K | <ul style="list-style-type: none"> <li>\$274K decrease in commercial building permit revenues, based on projected activity</li> <li>\$74K increase in residential building permit revenues, based on projected activity</li> </ul>  |
| Miscellaneous<br>+\$253K             | <ul style="list-style-type: none"> <li>\$187K increase in Benefit Self Insurance Fund for medical premium increases</li> <li>\$117K increase for vehicle reserve set-aside for future replacements in the Capital Fund</li> <li>\$48K decrease for interest and in-lieu income</li> </ul>   |
| Impact Fees<br>-\$287K               | <ul style="list-style-type: none"> <li>Based on anticipated commercial and residential building activity</li> </ul>   |
| Water Sales<br>+\$561K               | <ul style="list-style-type: none"> <li>Based on growth and an adopted rate increase</li> </ul>  |
| Outside Funding Sources<br>-\$2.6M   | <ul style="list-style-type: none"> <li>\$1.7M decrease in state grants for roadway project funding</li> <li>\$900K decrease in budgeted bond proceeds</li> </ul>  |



# Revenue Schedule by Fund

| Major Revenue Accounts                 | FY 2017           | FY 2018           | FY 2019           |                   | FY 2020           | %<br>to Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|----------------|
|  | Actual            | Actual            | Budget            | Projected         | Budget            |                |
| <b>General Fund</b>                    |                   |                   |                   |                   |                   |                |
| Local Sales Tax:                       |                   |                   |                   |                   |                   |                |
| Local Sales Tax                        | 16,422,347        | 17,959,999        | 18,752,418        | 19,081,297        | 18,686,206        | -0.4%          |
| Sales Tax Audit Recoveries             | 3,258             | 1,200             | -                 | 500               | -                 | 0.0%           |
| Cable Franchise Fees                   | 647,830           | 656,664           | 685,000           | 620,000           | 625,000           | -8.8%          |
| <b>Total Local Sales Tax</b>           | <b>17,073,435</b> | <b>18,617,864</b> | <b>19,437,418</b> | <b>19,701,797</b> | <b>19,311,206</b> | <b>-0.6%</b>   |
| License & Permit Fees:                 |                   |                   |                   |                   |                   |                |
| Business Licenses & Permits            | 203,154           | 206,927           | 204,000           | 204,300           | 206,300           | 1.1%           |
| Residential Building Permits           | 1,490,966         | 1,463,401         | 1,271,000         | 1,427,596         | 1,345,000         | 5.8%           |
| Commercial Building Permits            | 419,363           | 683,494           | 506,596           | 305,621           | 232,818           | -54.0%         |
| Sign Permits                           | 17,580            | 29,709            | 20,000            | 20,517            | 20,000            | 0.0%           |
| Special Inspection Fees                | 6,504             | 7,821             | 4,500             | 12,332            | 8,000             | 77.8%          |
| Grading Permit Fees                    | 112,480           | 162,012           | 75,000            | 108,672           | 90,000            | 20.0%          |
| Road Permits                           | -                 | -                 | -                 | -                 | 25,000            | 0.0%           |
| Floodplain Use Permits                 | -                 | -                 | -                 | -                 | 2,000             | 0.0%           |
| Fire Permits & Fees                    | 63,457            | 81,211            | 55,000            | 57,058            | 55,000            | 0.0%           |
| <b>Total License &amp; Permit Fees</b> | <b>2,313,504</b>  | <b>2,634,574</b>  | <b>2,136,096</b>  | <b>2,136,096</b>  | <b>1,984,118</b>  | <b>-7.1%</b>   |
| Federal Grants:                        |                   |                   |                   |                   |                   |                |
| CNA                                    | 32,994            | 19,928            | 25,000            | -                 | -                 | -100.0%        |
| DEA Overtime Reimbursement             | 32,028            | 36,697            | 32,130            | 32,130            | 36,000            | 12.0%          |
| Miscellaneous Federal Grants           | 4,605             | 4,475             | 5,000             | 14,033            | 6,750             | 35.0%          |
| HIDTA                                  | 177,055           | 110,667           | 130,000           | 17,702            | -                 | -100.0%        |
| HIDTA-DEA                              | 110,570           | 104,643           | 102,100           | 100,000           | 100,000           | -2.1%          |
| GOHS                                   | 45,827            | 38,313            | 132,000           | 38,395            | 259,450           | 96.6%          |
| Homeland Security                      | 72,675            | 54,486            | 151,589           | 189,004           | 129,000           | -14.9%         |
| Joint Terrorism Task Force             | 13,535            | 17,887            | 18,343            | 18,343            | 18,343            | 0.0%           |
| <b>Total Federal Grants</b>            | <b>489,289</b>    | <b>387,097</b>    | <b>596,162</b>    | <b>409,607</b>    | <b>549,543</b>    | <b>-7.8%</b>   |
| State Grants:                          |                   |                   |                   |                   |                   |                |
| Misc State Grants                      | 91,715            | 139,391           | 118,800           | 75,000            | 75,000            | -36.9%         |
| <b>Total State Grants</b>              | <b>91,715</b>     | <b>139,391</b>    | <b>118,800</b>    | <b>75,000</b>     | <b>75,000</b>     | <b>-36.9%</b>  |
| State/County Shared:                   |                   |                   |                   |                   |                   |                |
| State Income                           | 5,329,864         | 5,422,693         | 5,374,593         | 5,374,593         | 5,870,065         | 9.2%           |
| State Sales                            | 3,989,179         | 4,210,168         | 4,345,225         | 4,345,225         | 4,660,650         | 7.3%           |
| Vehicle License Tax                    | 1,858,686         | 1,944,973         | 1,988,757         | 1,988,757         | 2,000,000         | 0.6%           |
| <b>Total State/County Shared</b>       | <b>11,177,729</b> | <b>11,577,834</b> | <b>11,708,575</b> | <b>11,708,575</b> | <b>12,530,715</b> | <b>7.0%</b>    |
| Other Intergovernmental:               |                   |                   |                   |                   |                   |                |
| School Resource Officers               | 165,812           | 186,022           | 308,900           | 81,139            | 180,000           | -41.7%         |
| RTA Reimbursements                     | 1,418,740         | 1,339,272         | 1,387,000         | 1,210,500         | 1,385,000         | -0.1%          |
| PCLD Reimbursements                    | 17,323            | 13,395            | 20,000            | 20,000            | 20,000            | 0.0%           |
| Animal Control Revenues                | 97,573            | 97,666            | 90,000            | 90,000            | 90,000            | 0.0%           |
| <b>Total Other Intergovernmental</b>   | <b>1,699,447</b>  | <b>1,636,354</b>  | <b>1,805,900</b>  | <b>1,401,639</b>  | <b>1,675,000</b>  | <b>-7.2%</b>   |
| Charges for Services:                  |                   |                   |                   |                   |                   |                |
| Court Costs                            | 164,055           | 146,042           | 130,000           | 126,000           | 130,000           | 0.0%           |
| Public Defender Fees                   | 5,101             | 6,557             | 5,000             | 2,400             | 2,400             | -52.0%         |
| Zoning & Subdivision Fees              | 198,869           | 137,224           | 150,000           | 168,220           | 145,000           | -3.3%          |
| User Fees - Swimming Pool              | 607,382           | 615,111           | 627,500           | 628,500           | 681,000           | 8.5%           |
| User Fees - Fields & Courts            | 125,178           | 97,704            | 129,800           | 90,501            | 119,800           | -7.7%          |
| User Fees - Miscellaneous              | 174,895           | 161,001           | 129,845           | 157,385           | 161,800           | 24.6%          |
| Copy Services                          | 2,100             | 3,231             | 2,100             | 2,100             | 2,100             | 0.0%           |
| Town Hall Usage Fees                   | 220               | 420               | -                 | 40                | -                 | 0.0%           |
| General Government Other               | 3,474             | 2,715             | 2,500             | 2,500             | 2,500             | 0.0%           |
| Police Report Copying                  | 6,900             | 6,592             | 5,600             | 6,400             | 6,400             | 14.3%          |
| Police Other                           | 17,312            | 9,754             | 3,500             | 13,000            | 8,000             | 128.6%         |
| Engineer Plan Review Fees              | 49,948            | 78,356            | 50,000            | 64,723            | 55,000            | 10.0%          |
| Grading Review Fees                    | 2,600             | 1,300             | -                 | 1,078             | -                 | 0.0%           |
| Fare Box                               | 100,052           | 119,536           | 106,500           | 137,000           | 140,000           | 31.5%          |
| Administrative Services                | 503,004           | 513,000           | 701,250           | 701,250           | 732,050           | 4.4%           |

# Revenue Schedule by Fund

| Major Revenue Accounts                 | FY 2017           | FY 2018           | FY 2019           |                   | FY 2020           | %<br>to Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|----------------|
|  | Actual            | Actual            | Budget            | Projected         | Budget            |                |
| Financial Services                     | 179,736           | 185,076           | 195,475           | 195,475           | 197,075           | 0.8%           |
| Real Property Rental Income            | 87,264            | 87,067            | 87,192            | 87,233            | 87,414            | 0.3%           |
| Maps                                   | 2,450             | 3,120             | -                 | 1,900             | -                 | 0.0%           |
| Impound Processing                     | -                 | -                 | 35,000            | 27,000            | 15,000            | -57.1%         |
| Pawn Slips                             | 900               | 600               | 600               | 600               | 600               | 0.0%           |
| Police Fingerprinting                  | 16,290            | 14,640            | 14,000            | 14,000            | 14,000            | 0.0%           |
| Concession Sales                       | 28,801            | 25,942            | 30,000            | 30,000            | 30,000            | 0.0%           |
| Public Record Request Fees             | 1,802             | 2,270             | 3,000             | 2,500             | 2,500             | -16.7%         |
| Parks Cancellation Fees                | 512               | 439               | -                 | 120               | -                 | 0.0%           |
| Court Security Fee                     | -                 | -                 | -                 | 45,000            | 20,000            | 0.0%           |
| <b>Total Charges for Services</b>      | <b>2,278,843</b>  | <b>2,217,697</b>  | <b>2,408,862</b>  | <b>2,504,925</b>  | <b>2,552,639</b>  | <b>6.0%</b>    |
| Fines:                                 |                   |                   |                   |                   |                   |                |
| Fines                                  | 131,637           | 131,393           | 120,000           | 120,000           | 120,000           | 0.0%           |
| <b>Total Fines</b>                     | <b>131,637</b>    | <b>131,393</b>    | <b>120,000</b>    | <b>120,000</b>    | <b>120,000</b>    | <b>0.0%</b>    |
| Interest Income:                       |                   |                   |                   |                   |                   |                |
| Interest - Investments                 | 39,343            | (27,573)          | 150,000           | 150,000           | 150,000           | 0.0%           |
| <b>Total Interest Income</b>           | <b>39,343</b>     | <b>(27,573)</b>   | <b>150,000</b>    | <b>150,000</b>    | <b>150,000</b>    | <b>0.0%</b>    |
| Miscellaneous:                         |                   |                   |                   |                   |                   |                |
| Miscellaneous                          | 5,131             | 22,823            | 4,000             | 9,000             | 4,000             | 0.0%           |
| Special Events                         | 3,070             | 17,865            | 14,000            | 14,000            | 14,000            | 0.0%           |
| Insurance Recoveries                   | 29,959            | 46,156            | -                 | -                 | -                 | 0.0%           |
| In-Lieu Income                         | 380,904           | 325,056           | 288,750           | 265,000           | 270,000           | -6.5%          |
| Sale of Assets                         | 12,030            | 5,703             | -                 | 28,600            | -                 | 0.0%           |
| <b>Total Miscellaneous</b>             | <b>431,094</b>    | <b>417,603</b>    | <b>306,750</b>    | <b>316,600</b>    | <b>288,000</b>    | <b>-6.1%</b>   |
| <b>TOTAL GENERAL FUND</b>              | <b>35,726,036</b> | <b>37,732,233</b> | <b>38,788,563</b> | <b>38,524,239</b> | <b>39,236,221</b> | <b>1.2%</b>    |
| <b>Highway Fund</b>                    |                   |                   |                   |                   |                   |                |
| License & Permit Fees:                 |                   |                   |                   |                   |                   |                |
| Road Permits                           | 72,857            | 40,971            | 45,000            | 28,000            | -                 | -100.0%        |
| Floodplain Use Permits                 | 2,590             | 4,145             | 3,700             | 2,500             | -                 | -100.0%        |
| <b>Total License &amp; Permit Fees</b> | <b>75,447</b>     | <b>45,116</b>     | <b>48,700</b>     | <b>30,500</b>     | <b>-</b>          | <b>-100.0%</b> |
| Charges for Services:                  |                   |                   |                   |                   |                   |                |
| Administrative Services                | 75,179            | -                 | -                 | -                 | -                 | 0.0%           |
| <b>Total Charges for Services</b>      | <b>75,179</b>     | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>0.0%</b>    |
| State Grants:                          |                   |                   |                   |                   |                   |                |
| PAG Reimbursements                     | 131,108           | 16,645            | -                 | -                 | -                 | 0.0%           |
| RTA Reimbursements                     | 102,848           | 129,563           | 165,000           | 126,767           | 180,000           | 9.1%           |
| <b>Total State Grants</b>              | <b>233,956</b>    | <b>146,208</b>    | <b>165,000</b>    | <b>126,767</b>    | <b>180,000</b>    | <b>9.1%</b>    |
| State/County Shared:                   |                   |                   |                   |                   |                   |                |
| Highway User                           | 3,252,020         | 3,333,250         | 3,291,659         | 3,620,156         | 3,604,407         | 9.5%           |
| <b>Total State/County Shared</b>       | <b>3,252,020</b>  | <b>3,333,250</b>  | <b>3,291,659</b>  | <b>3,620,156</b>  | <b>3,604,407</b>  | <b>9.5%</b>    |
| Interest Income:                       |                   |                   |                   |                   |                   |                |
| Interest - Investments                 | 15,496            | 31,054            | 50,000            | 50,000            | -                 | -100.0%        |
| <b>Total Interest Income</b>           | <b>15,496</b>     | <b>31,054</b>     | <b>50,000</b>     | <b>50,000</b>     | <b>-</b>          | <b>-100.0%</b> |
| Miscellaneous:                         |                   |                   |                   |                   |                   |                |
| Miscellaneous                          | 2,942             | 10,275            | 3,000             | 1,000             | 1,500             | -50.0%         |
| Insurance Recoveries                   | 1,692             | 3,310             | -                 | 894               | -                 | 0.0%           |
| <b>Total Miscellaneous</b>             | <b>4,633</b>      | <b>13,585</b>     | <b>3,000</b>      | <b>1,894</b>      | <b>1,500</b>      | <b>-50.0%</b>  |
| <b>TOTAL HIGHWAY FUND</b>              | <b>3,656,730</b>  | <b>3,569,213</b>  | <b>3,558,359</b>  | <b>3,829,317</b>  | <b>3,785,907</b>  | <b>6.4%</b>    |

# Revenue Schedule by Fund

| Major Revenue Accounts                        | FY 2017          | FY 2018          | FY 2019          |                  | FY 2020          | %<br>to Budget |
|---|------------------|------------------|------------------|------------------|------------------|----------------|
|   | Actual           | Actual           | Budget           | Projected        | Budget           |                |
| <b>Bed Tax Fund</b>                           |                  |                  |                  |                  |                  |                |
| Local Sales Tax:                              |                  |                  |                  |                  |                  |                |
| Local Sales Tax                               | 1,142,649        | 1,372,344        | -                | -                | -                | 0.0%           |
| <b>Total Local Sales Tax</b>                  | <b>1,142,649</b> | <b>1,372,344</b> | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>0.0%</b>    |
| Interest Income:                              |                  |                  |                  |                  |                  |                |
| Interest - Investments                        | 535              | (86)             | -                | -                | -                | 0.0%           |
| <b>Total Interest Income</b>                  | <b>535</b>       | <b>(86)</b>      | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>0.0%</b>    |
| Miscellaneous:                                |                  |                  |                  |                  |                  |                |
| Miscellaneous                                 | 3,500            | -                | -                | -                | -                | 0.0%           |
| <b>Total Miscellaneous</b>                    | <b>3,500</b>     | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>0.0%</b>    |
| <b>TOTAL BED TAX FUND</b>                     | <b>1,146,685</b> | <b>1,372,257</b> | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>0.0%</b>    |
| <b>Seizures &amp; Forfeitures Funds</b>       |                  |                  |                  |                  |                  |                |
| Interest Income:                              |                  |                  |                  |                  |                  |                |
| Interest - Investments                        | 1,612            | 4,428            | -                | 7,000            | -                | 0.0%           |
| <b>Total Interest Income</b>                  | <b>1,612</b>     | <b>4,428</b>     | <b>-</b>         | <b>7,000</b>     | <b>-</b>         | <b>0.0%</b>    |
| Miscellaneous:                                |                  |                  |                  |                  |                  |                |
| Forfeitures                                   | 389,678          | 361,106          | 325,000          | 75,730           | 325,000          | 0.0%           |
| <b>Total Miscellaneous</b>                    | <b>389,678</b>   | <b>361,106</b>   | <b>325,000</b>   | <b>75,730</b>    | <b>325,000</b>   | <b>0.0%</b>    |
| <b>TOTAL SEIZURES &amp; FORFEITURES FUNDS</b> | <b>391,290</b>   | <b>365,534</b>   | <b>325,000</b>   | <b>82,730</b>    | <b>325,000</b>   | <b>0.0%</b>    |
| <b>Impound Fee Fund</b>                       |                  |                  |                  |                  |                  |                |
| Charges for Services:                         |                  |                  |                  |                  |                  |                |
| Impound Fees                                  | 36,866           | 36,750           | -                | -                | -                | 0.0%           |
| <b>Total Charges for Services</b>             | <b>36,866</b>    | <b>36,750</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>0.0%</b>    |
| <b>TOTAL IMPOUND FEE FUND</b>                 | <b>36,866</b>    | <b>36,750</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>0.0%</b>    |
| <b>Community Center Fund</b>                  |                  |                  |                  |                  |                  |                |
| Local Sales Tax:                              |                  |                  |                  |                  |                  |                |
| Local Sales Tax                               | 2,199,466        | 2,330,941        | 2,384,558        | 2,431,038        | 2,478,552        | 3.9%           |
| <b>Total Local Sales Tax</b>                  | <b>2,199,466</b> | <b>2,330,941</b> | <b>2,384,558</b> | <b>2,431,038</b> | <b>2,478,552</b> | <b>3.9%</b>    |
| Charges for Services:                         |                  |                  |                  |                  |                  |                |
| User Fees - Daily Drop-In                     | 27,759           | 33,194           | 25,000           | 34,000           | 35,000           | 40.0%          |
| User Fees - Member Dues                       | 679,201          | 723,789          | 695,000          | 727,500          | 757,000          | 8.9%           |
| User Fees - Recreation Programs               | 159,038          | 160,410          | 360,750          | 165,000          | 170,000          | -52.9%         |
| User Fees - Swimming Pools                    | 4,998            | 16,498           | 21,000           | 16,209           | 16,000           | -23.8%         |
| Rental Income                                 | 26,521           | 61,583           | 56,902           | 80,882           | 87,782           | 54.3%          |
| Concession Sales                              | 459              | 260              | 250              | 250              | -                | -100.0%        |
| Management Contract Revenues                  | 2,975,092        | 3,386,855        | 3,113,688        | 3,063,782        | 3,204,271        | 2.9%           |
| <b>Total Charges for Services</b>             | <b>3,873,067</b> | <b>4,382,588</b> | <b>4,272,590</b> | <b>4,087,623</b> | <b>4,270,053</b> | <b>-0.1%</b>   |
| Miscellaneous:                                |                  |                  |                  |                  |                  |                |
| Miscellaneous                                 | 4,701            | 404              | -                | -                | -                | 0.0%           |
| Special Events                                | -                | -                | -                | (125)            | -                | 0.0%           |
| Sale of Assets                                | 739              | -                | -                | -                | -                | 0.0%           |
| Insurance Recoveries                          | -                | 560              | -                | -                | -                | 0.0%           |
| <b>Total Miscellaneous</b>                    | <b>5,440</b>     | <b>963</b>       | <b>-</b>         | <b>(125)</b>     | <b>-</b>         | <b>0.0%</b>    |
| <b>TOTAL COMMUNITY CENTER FUND</b>            | <b>6,077,972</b> | <b>6,714,492</b> | <b>6,657,148</b> | <b>6,518,536</b> | <b>6,748,605</b> | <b>1.4%</b>    |

# Revenue Schedule by Fund

| Major Revenue Accounts                              | FY 2017          | FY 2018          | FY 2019           |                  | FY 2020           | %<br>to Budget |
|---|------------------|------------------|-------------------|------------------|-------------------|----------------|
|   | Actual           | Actual           | Budget            | Projected        | Budget            |                |
| <b>Municipal Debt Service Fund</b>                  |                  |                  |                   |                  |                   |                |
| Interest Income:                                    |                  |                  |                   |                  |                   |                |
| Interest  | 918              | 4,296            | -                 | 8,000            | 5,000             | 0.0%           |
| <b>Total Interest Income</b>                        | <b>918</b>       | <b>4,296</b>     | <b>-</b>          | <b>8,000</b>     | <b>5,000</b>      | <b>0.0%</b>    |
| Federal Grants:                                     |                  |                  |                   |                  |                   |                |
| Miscellaneous Grants                                | 91,139           | 45,119           | 47,578            | 47,578           | 43,509            | -8.6%          |
| <b>Total Federal Grants</b>                         | <b>91,139</b>    | <b>45,119</b>    | <b>47,578</b>     | <b>47,578</b>    | <b>43,509</b>     | <b>-8.6%</b>   |
| Miscellaneous:                                      |                  |                  |                   |                  |                   |                |
| Miscellaneous                                       | 104,847          | 100,670          | 100,000           | 100,000          | 100,000           | 0.0%           |
| <b>Total Miscellaneous</b>                          | <b>104,847</b>   | <b>100,670</b>   | <b>100,000</b>    | <b>100,000</b>   | <b>100,000</b>    | <b>0.0%</b>    |
| <b>TOTAL MUNICIPAL DEBT SERVICE FUND</b>            | <b>196,903</b>   | <b>150,085</b>   | <b>147,578</b>    | <b>155,578</b>   | <b>148,509</b>    | <b>0.6%</b>    |
| <b>Oracle Road Debt Service Fund</b>                |                  |                  |                   |                  |                   |                |
| Interest Income:                                    |                  |                  |                   |                  |                   |                |
| Special Assessments                                 | 33,362           | 26,730           | 19,428            | 19,335           | 11,912            | -38.7%         |
| Penalties   | 155              | 226              | -                 | 1,741            | -                 | 0.0%           |
| <b>Total Interest Income</b>                        | <b>33,517</b>    | <b>26,955</b>    | <b>19,428</b>     | <b>21,076</b>    | <b>11,912</b>     | <b>-38.7%</b>  |
| Principal Repayments:                               |                  |                  |                   |                  |                   |                |
| Principal Repayments                                | 142,177          | 149,124          | 165,000           | 155,000          | 165,000           | 0.0%           |
| <b>Total Principal Repayments</b>                   | <b>142,177</b>   | <b>149,124</b>   | <b>165,000</b>    | <b>155,000</b>   | <b>165,000</b>    | <b>0.0%</b>    |
| <b>TOTAL ORACLE RD DEBT SERVICE FUND</b>            | <b>175,695</b>   | <b>176,080</b>   | <b>184,428</b>    | <b>176,076</b>   | <b>176,912</b>    | <b>-4.1%</b>   |
| <b>Townwide Roadway Development Impact Fee Fund</b> |                  |                  |                   |                  |                   |                |
| State Grants:                                       |                  |                  |                   |                  |                   |                |
| PAG Reimbursements                                  | -                | -                | 250,000           | 250,000          | -                 | -100.0%        |
| <b>Total State Grants</b>                           | <b>-</b>         | <b>-</b>         | <b>250,000</b>    | <b>250,000</b>   | <b>-</b>          | <b>-100.0%</b> |
| Impact Fees:  |                  |                  |                   |                  |                   |                |
| Residential Impact Fees                             | 541,066          | 568,748          | 314,420           | 377,209          | 330,340           | 5.1%           |
| Commercial Impact Fees                              | 332,624          | 340,597          | 196,544           | 35,835           | 211,090           | 7.4%           |
| <b>Total Impact Fees</b>                            | <b>873,690</b>   | <b>909,345</b>   | <b>510,964</b>    | <b>413,044</b>   | <b>541,430</b>    | <b>6.0%</b>    |
| Interest Income:                                    |                  |                  |                   |                  |                   |                |
| Interest - Investments                              | 8,211            | 26,589           | 10,000            | 50,000           | 30,000            | 200.0%         |
| <b>Total Interest Income</b>                        | <b>8,211</b>     | <b>26,589</b>    | <b>10,000</b>     | <b>50,000</b>    | <b>30,000</b>     | <b>200.0%</b>  |
| <b>TOTAL ROADWAY IMPACT FEE FUND</b>                | <b>881,901</b>   | <b>935,934</b>   | <b>770,964</b>    | <b>713,044</b>   | <b>571,430</b>    | <b>-25.9%</b>  |
| <b>PAG/RTA Fund</b>                                 |                  |                  |                   |                  |                   |                |
| State Grants:                                       |                  |                  |                   |                  |                   |                |
| PAG Reimbursements                                  | 2,307,660        | 2,402,914        | 3,895,000         | 3,863,238        | -                 | -100.0%        |
| RTA Reimbursements                                  | 2,714,768        | 1,965,976        | 8,069,000         | 1,626,715        | 10,300,000        | 27.6%          |
| <b>Total State Grants</b>                           | <b>5,022,428</b> | <b>4,368,890</b> | <b>11,964,000</b> | <b>5,489,953</b> | <b>10,300,000</b> | <b>-13.9%</b>  |
| Miscellaneous:                                      |                  |                  |                   |                  |                   |                |
| Miscellaneous                                       | 900              | 182,457          | -                 | 1,387            | -                 | 0.0%           |
| <b>Total Miscellaneous</b>                          | <b>900</b>       | <b>182,457</b>   | <b>-</b>          | <b>1,387</b>     | <b>-</b>          | <b>0.0%</b>    |
| Charges for Services:                               |                  |                  |                   |                  |                   |                |
| Real Property Rental Income                         | 22,500           | 22,969           | 22,500            | 28,125           | 28,125            | 25.0%          |
| <b>Total Charges for Services</b>                   | <b>22,500</b>    | <b>22,969</b>    | <b>22,500</b>     | <b>28,125</b>    | <b>28,125</b>     | <b>25.0%</b>   |
| <b>TOTAL PAG/RTA FUND</b>                           | <b>5,045,828</b> | <b>4,574,315</b> | <b>11,986,500</b> | <b>5,519,465</b> | <b>10,328,125</b> | <b>-13.8%</b>  |

# Revenue Schedule by Fund

| Major Revenue Accounts                                    | FY 2017          | FY 2018        | FY 2019          |                | FY 2020          | %<br>to Budget |
|---|------------------|----------------|------------------|----------------|------------------|----------------|
|   | Actual           | Actual         | Budget           | Projected      | Budget           |                |
| <b>General Government Development Impact Fee Fund</b>     |                  |                |                  |                |                  |                |
| Interest Income:  |                  |                |                  |                |                  |                |
| Interest - Investments                                    | 9                | 31             | -                | 25             | -                | 0.0%           |
| Total Interest Income                                     | 9                | 31             | -                | 25             | -                | 0.0%           |
| <b>TOTAL GEN. GOVT. IMPACT FEE FUND</b>                   | <b>9</b>         | <b>31</b>      | <b>-</b>         | <b>25</b>      | <b>-</b>         | <b>0.0%</b>    |
| <b>Library Development Impact Fee Fund</b>                |                  |                |                  |                |                  |                |
| Miscellaneous   |                  |                |                  |                |                  |                |
| Donations   | 150,000          | -              | -                | -              | -                | 0.0%           |
| Total Miscellaneous                                       | 150,000          | -              | -                | -              | -                | 0.0%           |
| <b>TOTAL LIBRARY IMPACT FEE FUND</b>                      | <b>150,000</b>   | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>0.0%</b>    |
| <b>Parks &amp; Recreation Development Impact Fee Fund</b> |                  |                |                  |                |                  |                |
| Impact Fees:  |                  |                |                  |                |                  |                |
| Residential Impact Fees                                   | 304,149          | 293,608        | 261,936          | 269,403        | 244,816          | -6.5%          |
| Total Impact Fees   | 304,149          | 293,608        | 261,936          | 269,403        | 244,816          | -6.5%          |
| Interest Income:  |                  |                |                  |                |                  |                |
| Interest - Investments                                    | 1,079            | 2,893          | 2,000            | 500            | -                | 0.0%           |
| Total Interest Income                                     | 1,079            | 2,893          | 2,000            | 500            | -                | 0.0%           |
| <b>TOTAL PARKS IMPACT FEE FUND</b>                        | <b>305,228</b>   | <b>296,501</b> | <b>263,936</b>   | <b>269,903</b> | <b>244,816</b>   | <b>-7.2%</b>   |
| <b>Police Development Impact Fee Fund</b>                 |                  |                |                  |                |                  |                |
| Impact Fees:  |                  |                |                  |                |                  |                |
| Residential Impact Fees                                   | 139,146          | 105,164        | 94,860           | 97,627         | 93,000           | -2.0%          |
| Commercial Impact Fees                                    | 31,543           | 38,285         | 16,818           | 5,466          | 18,074           | 7.5%           |
| Total Impact Fees   | 170,689          | 143,449        | 111,678          | 103,093        | 111,074          | -0.5%          |
| Interest Income:  |                  |                |                  |                |                  |                |
| Interest - Investments                                    | 1,052            | 5,251          | -                | 1,000          | -                | 0.0%           |
| Total Interest Income                                     | 1,052            | 5,251          | -                | 1,000          | -                | 0.0%           |
| <b>TOTAL POLICE IMPACT FEE FUND</b>                       | <b>171,741</b>   | <b>148,700</b> | <b>111,678</b>   | <b>104,093</b> | <b>111,074</b>   | <b>-0.5%</b>   |
| <b>Energy Efficiency Project Fund</b>                     |                  |                |                  |                |                  |                |
| Other Financing Sources:                                  |                  |                |                  |                |                  |                |
| Bond Proceeds   | 2,000,000        | -              | -                | -              | -                | 0.0%           |
| Total Other Financing Sources                             | 2,000,000        | -              | -                | -              | -                | 0.0%           |
| <b>TOTAL ENERGY EFF. PROJECT FUND</b>                     | <b>2,000,000</b> | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>0.0%</b>    |
| <b>Community Center Bond Fund</b>                         |                  |                |                  |                |                  |                |
| Other Financing Sources:                                  |                  |                |                  |                |                  |                |
| Bond Proceeds   | -                | -              | 3,000,000        | -              | 3,000,000        | 0.0%           |
| Total Other Financing Sources                             | -                | -              | 3,000,000        | -              | 3,000,000        | 0.0%           |
| <b>TOTAL COMMUNITY CENTER BOND FUND</b>                   | <b>-</b>         | <b>-</b>       | <b>3,000,000</b> | <b>-</b>       | <b>3,000,000</b> | <b>0.0%</b>    |

# Revenue Schedule by Fund

| Major Revenue Accounts                   | FY 2017           | FY 2018           | FY 2019           |                   | FY 2020           | %<br>to Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|----------------|
|  | Actual            | Actual            | Budget            | Projected         | Budget            |                |
| <b>Capital Fund</b>                      |                   |                   |                   |                   |                   |                |
| State Grants:                            |                   |                   |                   |                   |                   |                |
| Misc State Grants                        | 60,909            | -                 | -                 | 100,000           | 100,000           | 0.0%           |
| <b>Total State Grants</b>                | <b>60,909</b>     | <b>-</b>          | <b>-</b>          | <b>100,000</b>    | <b>100,000</b>    | <b>0.0%</b>    |
| Federal Grants:                          |                   |                   |                   |                   |                   |                |
| Misc Federal Grants                      | -                 | -                 | -                 | -                 | 229,500           | 0.0%           |
| <b>Total Federal Grants</b>              | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>229,500</b>    | <b>0.0%</b>    |
| Other Financing Sources:                 |                   |                   |                   |                   |                   |                |
| Bond Proceeds                            | -                 | -                 | -                 | 2,035,000         | -                 | 0.0%           |
| <b>Total Other Financing Sources</b>     | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>2,035,000</b>  | <b>-</b>          | <b>0.0%</b>    |
| Miscellaneous:                           |                   |                   |                   |                   |                   |                |
| Vehicle Reserves                         | -                 | -                 | 420,400           | 420,400           | 536,900           | 27.7%          |
| Insurance Recoveries                     | -                 | -                 | -                 | 106,051           | -                 | 0.0%           |
| Miscellaneous                            | -                 | -                 | -                 | 174,304           | -                 | 0.0%           |
| <b>Total Miscellaneous</b>               | <b>-</b>          | <b>-</b>          | <b>420,400</b>    | <b>700,755</b>    | <b>536,900</b>    | <b>27.7%</b>   |
| <b>TOTAL CAPITAL FUND</b>                | <b>60,909</b>     | <b>-</b>          | <b>420,400</b>    | <b>2,835,755</b>  | <b>866,400</b>    | <b>106.1%</b>  |
| <b>Fleet Fund</b>                        |                   |                   |                   |                   |                   |                |
| Miscellaneous:                           |                   |                   |                   |                   |                   |                |
| Insurance Recoveries                     | 16,539            | 11,488            | -                 | -                 | -                 | 0.0%           |
| Vehicle Reserves                         | 284,796           | 374,896           | -                 | -                 | -                 | 0.0%           |
| Sale of Assets                           | 55,816            | 70,939            | -                 | -                 | -                 | 0.0%           |
| <b>Total Miscellaneous</b>               | <b>357,151</b>    | <b>457,324</b>    | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>0.0%</b>    |
| Charges for Services:                    |                   |                   |                   |                   |                   |                |
| Fleet Services                           | 1,345,533         | 860,271           | -                 | -                 | -                 | 0.0%           |
| <b>Total Charges for Services</b>        | <b>1,345,533</b>  | <b>860,271</b>    | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>0.0%</b>    |
| <b>TOTAL FLEET FUND</b>                  | <b>1,702,684</b>  | <b>1,317,595</b>  | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>0.0%</b>    |
| <b>Benefit Self Insurance Fund</b>       |                   |                   |                   |                   |                   |                |
| Miscellaneous:                           |                   |                   |                   |                   |                   |                |
| Self Insurance Premiums - Employer       | 2,352,463         | 2,782,028         | 2,972,271         | 2,972,271         | 3,120,884         | 5.0%           |
| Self Insurance Premiums - Employee       | 509,396           | 616,999           | 618,921           | 618,921           | 649,868           | 5.0%           |
| COBRA Premiums                           | 43,350            | 51,367            | 70,000            | 50,000            | 50,000            | -28.6%         |
| Retiree Premiums                         | 9,385             | 21,189            | 22,880            | 45,000            | 45,000            | 96.7%          |
| UHC Wellness Program                     | 20,000            | -                 | 20,000            | 20,000            | 20,000            | 0.0%           |
| Miscellaneous                            | 113,385           | 120,716           | 124,262           | 124,262           | 129,220           | 4.0%           |
| <b>Total Miscellaneous</b>               | <b>3,047,980</b>  | <b>3,592,299</b>  | <b>3,828,334</b>  | <b>3,830,454</b>  | <b>4,014,972</b>  | <b>4.9%</b>    |
| <b>TOTAL BENEFIT SELF INSURANCE FUND</b> | <b>3,047,980</b>  | <b>3,592,299</b>  | <b>3,828,334</b>  | <b>3,830,454</b>  | <b>4,014,972</b>  | <b>4.9%</b>    |
| <b>Water Utility Fund</b>                |                   |                   |                   |                   |                   |                |
| Water Sales:                             |                   |                   |                   |                   |                   |                |
| Residential Water Sales                  | 8,416,714         | 8,990,121         | 9,058,400         | 8,910,000         | 9,638,800         | 6.4%           |
| Commercial Water Sales                   | 814,041           | 860,124           | 875,500           | 852,500           | 909,200           | 3.8%           |
| Irrigation Water Sales                   | 1,222,319         | 1,433,059         | 1,293,300         | 1,270,600         | 1,412,300         | 9.2%           |
| Turf Related Water Sales                 | 1,807,218         | 1,769,304         | 1,778,500         | 1,405,000         | 1,541,200         | -13.3%         |
| Construction Water Sales                 | 233,265           | 534,060           | 147,200           | 210,000           | 212,500           | 44.4%          |
| <b>Total Water Sales</b>                 | <b>12,493,557</b> | <b>13,586,668</b> | <b>13,152,900</b> | <b>12,648,100</b> | <b>13,714,000</b> | <b>4.3%</b>    |

# Revenue Schedule by Fund

| Major Revenue Accounts   | FY 2017           | FY 2018           | FY 2019           |                   | FY 2020           | %<br>to Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|----------------|
|  | Actual            | Actual            | Budget            | Projected         | Budget            |                |
| <b>Charges for Services:</b>                                   |                   |                   |                   |                   |                   |                |
| Engineer Plan Review Fees                                      | 37,048            | 9,646             | 15,000            | 10,000            | 10,000            | -33.3%         |
| Construction Inspection Fees                                   | 24,159            | 52,870            | 48,000            | 25,000            | 25,000            | -47.9%         |
| Misc Service Revenue   | 17,354            | 19,045            | 12,000            | 15,000            | 15,000            | 25.0%          |
| Backflow-Install Permit Fee                                    | 3,445             | 3,055             | 3,300             | 3,300             | 3,300             | 0.0%           |
| Sewer Fees   | 210,738           | 273,537           | 230,000           | 330,000           | 390,000           | 69.6%          |
| Late Fees  | 88,590            | 91,054            | 88,000            | 88,000            | 88,000            | 0.0%           |
| NSF Fees   | 3,868             | 3,264             | 4,500             | 4,500             | 4,500             | 0.0%           |
| Rain Sensors   | 30                | 23                | -                 | -                 | -                 | 0.0%           |
| Meter Income   | 111,653           | 108,116           | 110,700           | 110,700           | 91,400            | -17.4%         |
| New Service Establish Fees                                     | 106,704           | 93,340            | 90,000            | 90,000            | 90,000            | 0.0%           |
| Reconnect Fees   | 32,421            | 34,208            | 32,000            | 32,000            | 32,000            | 0.0%           |
| Groundwater Preservation Fee                                   | 2,440,045         | 2,611,075         | 2,437,500         | 2,343,400         | 2,400,500         | -1.5%          |
| Other  | 111,336           | 112,812           | 112,500           | 113,000           | 113,000           | 0.4%           |
| <b>Total Charges for Services</b>                              | <b>3,187,390</b>  | <b>3,412,043</b>  | <b>3,183,500</b>  | <b>3,164,900</b>  | <b>3,262,700</b>  | <b>2.5%</b>    |
| <b>Interest Income:</b>  |                   |                   |                   |                   |                   |                |
| Interest - Investments   | 6,226             | (36,589)          | 62,333            | 62,333            | 63,000            | 1.1%           |
| <b>Total Interest Income</b>                                   | <b>6,226</b>      | <b>(36,589)</b>   | <b>62,333</b>     | <b>62,333</b>     | <b>63,000</b>     | <b>1.1%</b>    |
| <b>Miscellaneous:</b>  |                   |                   |                   |                   |                   |                |
| Miscellaneous  | 13,921            | 379               | -                 | -                 | -                 | 0.0%           |
| Insurance Recoveries   | 327               | 1,520             | -                 | -                 | -                 | 0.0%           |
| Sale of Assets   | 8,045             | 855               | -                 | -                 | -                 | 0.0%           |
| <b>Total Miscellaneous</b>                                     | <b>22,293</b>     | <b>2,755</b>      | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>0.0%</b>    |
| <b>Other Financing Sources:</b>                                |                   |                   |                   |                   |                   |                |
| Bond Proceeds  | -                 | -                 | 3,200,000         | 2,395,000         | 2,305,000         | -28.0%         |
| <b>Total Other Financing Sources</b>                           | <b>-</b>          | <b>-</b>          | <b>3,200,000</b>  | <b>2,395,000</b>  | <b>2,305,000</b>  | <b>-28.0%</b>  |
| <b>TOTAL WATER UTILITY FUND</b>                                | <b>15,709,467</b> | <b>16,964,876</b> | <b>19,598,733</b> | <b>18,270,333</b> | <b>19,344,700</b> | <b>-1.3%</b>   |
| <b>Alternative Water Resources Development Impact Fee Fund</b> |                   |                   |                   |                   |                   |                |
| <b>Impact Fees:</b>  |                   |                   |                   |                   |                   |                |
| Residential Impact Fees  | 1,332,825         | 1,268,104         | 1,213,500         | 1,213,500         | 1,213,500         | 0.0%           |
| Commercial Impact Fees   | 305,967           | 370,071           | 263,097           | 284,125           | 62,690            | -76.2%         |
| <b>Total Impact Fees</b>                                       | <b>1,638,792</b>  | <b>1,638,175</b>  | <b>1,476,597</b>  | <b>1,497,625</b>  | <b>1,276,190</b>  | <b>-13.6%</b>  |
| <b>Interest Income:</b>  |                   |                   |                   |                   |                   |                |
| Interest - Investments   | 2,305             | 18,584            | 34,485            | 34,485            | 40,000            | 16.0%          |
| <b>Total Interest Income</b>                                   | <b>2,305</b>      | <b>18,584</b>     | <b>34,485</b>     | <b>34,485</b>     | <b>40,000</b>     | <b>16.0%</b>   |
| <b>TOTAL AWRDIF FUND</b>                                       | <b>1,641,097</b>  | <b>1,656,759</b>  | <b>1,511,082</b>  | <b>1,532,110</b>  | <b>1,316,190</b>  | <b>-12.9%</b>  |
| <b>Potable Water System Development Impact Fee Fund</b>        |                   |                   |                   |                   |                   |                |
| <b>Impact Fees:</b>  |                   |                   |                   |                   |                   |                |
| Single Family Connections                                      | 663,941           | 631,701           | 604,500           | 604,500           | 604,500           | 0.0%           |
| Multi-Family Connections                                       | -                 | -                 | -                 | 10,075            | -                 | 0.0%           |
| Commercial Connections   | 79,884            | 110,004           | 116,553           | 26,192            | 13,096            | -88.8%         |
| Irrigation Connections   | 72,528            | 74,340            | 14,504            | 68,902            | 18,132            | 25.0%          |
| <b>Total Impact Fees</b>                                       | <b>816,353</b>    | <b>816,045</b>    | <b>735,557</b>    | <b>709,669</b>    | <b>635,728</b>    | <b>-13.6%</b>  |
| <b>Interest Income:</b>  |                   |                   |                   |                   |                   |                |
| Interest - Investments   | 2,489             | (14,597)          | 37,238            | 31,726            | 36,800            | -1.2%          |
| <b>Total Interest Income</b>                                   | <b>2,489</b>      | <b>(14,597)</b>   | <b>37,238</b>     | <b>31,726</b>     | <b>36,800</b>     | <b>-1.2%</b>   |
| <b>TOTAL PWSDF FUND</b>  | <b>818,842</b>    | <b>801,448</b>    | <b>772,795</b>    | <b>741,395</b>    | <b>672,528</b>    | <b>-13.0%</b>  |



# Revenue Schedule by Fund

| Major Revenue Accounts               | FY 2017              | FY 2018              | FY 2019              |                      | FY 2020              | %<br>to Budget |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------|
|                                      | Actual               | Actual               | Budget               | Projected            | Budget               |                |
| <b>Stormwater Utility Fund</b>       |                      |                      |                      |                      |                      |                |
| State Grants:                        |                      |                      |                      |                      |                      |                |
| Miscellaneous State Grants           | -                    | -                    | 2,000,000            | -                    | 2,100,000            | 5.0%           |
| <b>Total State Grants</b>            | -                    | -                    | 2,000,000            | -                    | 2,100,000            | 5.0%           |
| Charges for Services:                |                      |                      |                      |                      |                      |                |
| Late Fees                            | 255                  | 1,488                | 1,500                | 2,157                | 1,500                | 0.0%           |
| Stormwater Utility Fee               | 1,314,502            | 1,384,324            | 1,405,500            | 1,407,000            | 1,420,500            | 1.1%           |
| <b>Total Charges for Services</b>    | 1,314,757            | 1,385,811            | 1,407,000            | 1,409,157            | 1,422,000            | 1.1%           |
| Interest Income:                     |                      |                      |                      |                      |                      |                |
| Interest - Investments               | 980                  | 5,916                | 2,000                | 1,300                | 1,000                | -50.0%         |
| <b>Total Interest Income</b>         | 980                  | 5,916                | 2,000                | 1,300                | 1,000                | -50.0%         |
| Miscellaneous:                       |                      |                      |                      |                      |                      |                |
| Miscellaneous                        | 30                   | 467                  | -                    | 210                  | -                    | 0.0%           |
| <b>Total Miscellaneous</b>           | 30                   | 467                  | -                    | 210                  | -                    | 0.0%           |
| <b>TOTAL STORMWATER UTILITY FUND</b> | <b>1,315,767</b>     | <b>1,392,195</b>     | <b>3,409,000</b>     | <b>1,410,667</b>     | <b>3,523,000</b>     | <b>3.3%</b>    |
| <b>TOTAL REVENUE - ALL FUNDS</b>     |                      |                      |                      |                      |                      |                |
|                                      | <b>\$ 80,259,631</b> | <b>\$ 81,797,298</b> | <b>\$ 95,334,498</b> | <b>\$ 84,513,720</b> | <b>\$ 94,414,389</b> | <b>-1.0%</b>   |

Note: Does not include Interfund Transfers or Carry-Forward Balances

# Revenue Sources

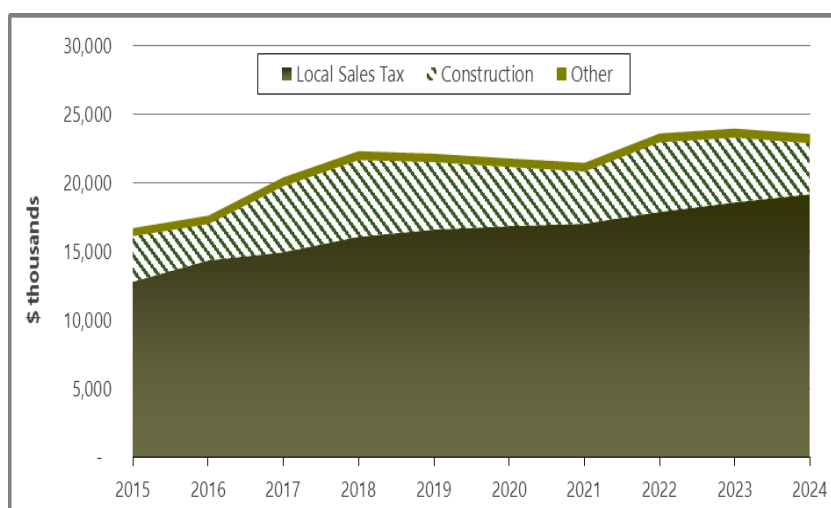
## Local Sales Tax

### Description

Arizona cities and towns under state law have the authority to establish certain taxes for revenue purposes. The local sales tax, as a means of financing municipal services, is the most important source of local revenue for most Arizona cities and towns. The Town of Oro Valley levies a 2.5% tax on sales collected within the town boundaries, with the exception of sales on utilities and construction activity, which are a 4% tax. The Town also levies an additional 6% tax on lodging. The sales tax is collected by the state and remitted to the Town on a weekly basis.

### Uses

Two percent of the 2.5% local sales tax, as well as the 4% utility sales tax, are used for various general governmental purposes. The additional 0.5% local sales tax was implemented in March of 2015 and is dedicated to funding the Town's Community Center operations. One quarter of the 6% tax on lodging is used to support economic development and tourism efforts. The Town's adopted financial policies dictate that a minimum of 5% of the Town's excise tax collections fund capital improvements, asset repair and maintenance needs.



### Projections

Local construction sales tax has declined significantly from its peak in 2008. This is due to slower economic growth and the town approaching build-out, as well as state legislation that has reduced collections for all Arizona cities and towns. Projected commercial activity for the Town consists mostly of infill projects and several larger projects deemed one-time in nature. Single family residential activity is expected to peak over the next three years, due to several one-time larger-scale projects underway. Retail and restaurant/bar sales tax collections continue to increase each year. The following assumptions were used in compiling the projections:

- A mild, brief economic downturn beginning late FY 19/20 through FY 20/21 causes declines in construction sales tax and a slight softening in the growth rates for other tax categories; growth rebounds thereafter
- After a rebound in FY 21/22, construction sales tax begins to decline in the outer years of the forecast as the pace of building activity slows with build-out
- Other tax categories projected to grow at a rate of 1-5% per year with varying economic growth patterns, potential utility rate increases, population growth and inflation

# Revenue Sources

|            |      | Local Sales Tax | Construction Sales Tax | Other   |
|------------|------|-----------------|------------------------|---------|
| ACTUAL     | 2014 | 11,753,525      | 3,523,966              | 580,185 |
|            | 2015 | 12,802,606      | 3,326,153              | 585,464 |
|            | 2016 | 14,381,381 *    | 2,613,683              | 624,946 |
|            | 2017 | 14,972,317      | 4,792,145              | 651,088 |
|            | 2018 | 16,109,834      | 5,553,450              | 657,864 |
| PROJECTION | 2019 | 16,622,682      | 4,889,653              | 620,500 |
|            | 2020 | 16,838,758      | 4,326,000              | 625,000 |
|            | 2021 | 17,037,146      | 3,793,902              | 637,500 |
|            | 2022 | 17,858,403      | 5,099,004              | 650,250 |
|            | 2023 | 18,540,915      | 4,762,470              | 663,255 |
|            | 2024 | 19,184,216      | 3,709,964              | 676,520 |

\* Includes first full fiscal year of new half-cent sales tax dedicated to Community Center Fund operations

## Fines, Licenses and Permits

### Description

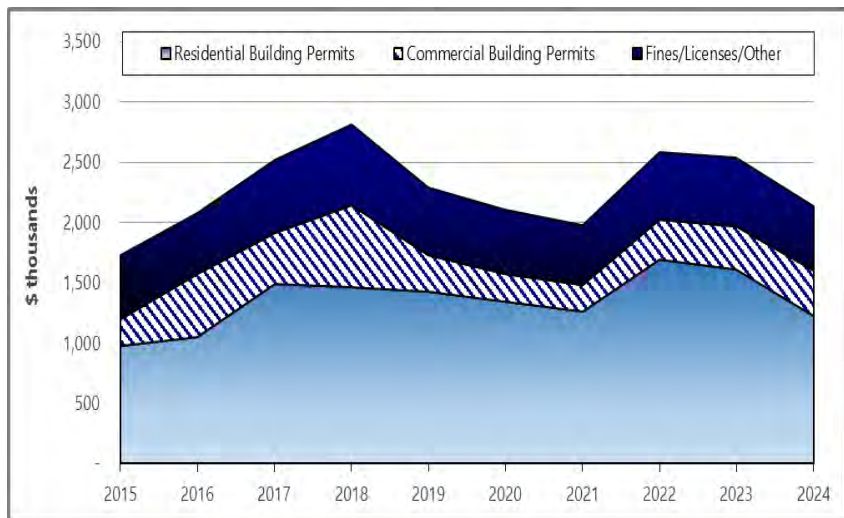
Revenue from court fines comes from traffic violations and other fines paid for the violation of municipal ordinances. License revenue includes fees charged for obtaining a business license to operate a business within town boundaries. Permit fee revenue includes fees collected from building permits, both residential and commercial, zoning permits and a variety of other programs.

### Uses

The revenue received from fines, licenses and permit fees is placed in the General Fund and used for various general governmental purposes.

### Projections

Revenues received from fines and business licenses are projected to grow gradually over the next five years. The growth in FY 2022 is due to an anticipated increase in permit activity, following a slight softening from a mild economic downturn.



As the Town continues to approach build-out, residential and commercial activity will decrease. The following assumptions were used in compiling the projections:

- Single family residential permits are budgeted at 300 for FY 2020, projected at 250 for FY 2021, 350 for FY 2022, then expected to gradually decline to 240 by FY 2024
- Forecast for commercial building activity includes one-time projects subject to fluctuation
- An average of 50K square feet of miscellaneous commercial development will be added each year for the next five years

# Revenue Sources

- Revenue from business licenses and fines grows gradually with population and the addition of new businesses within the town
- Development-related permit and fee revenues, such as grading, fire, etc. decline slightly through FY 2021, rebound in FY 2022 and FY 2023, then begin a gradual decrease

|            |      | Residential Building Permits | Commercial Building Permits | Business Licenses, Fines & Other |
|------------|------|------------------------------|-----------------------------|----------------------------------|
| ACTUAL     | 2014 | 1,409,442                    | 351,907                     | 527,582                          |
|            | 2015 | 973,190                      | 226,561                     | 531,429                          |
|            | 2016 | 1,052,162                    | 525,998                     | 496,986                          |
|            | 2017 | 1,490,966                    | 419,363                     | 610,258                          |
|            | 2018 | 1,463,401                    | 683,494                     | 664,489                          |
| PROJECTION | 2019 | 1,427,596                    | 305,621                     | 553,379                          |
|            | 2020 | 1,345,000                    | 232,818                     | 526,300                          |
|            | 2021 | 1,265,645                    | 218,849                     | 491,970                          |
|            | 2022 | 1,694,699                    | 328,273                     | 563,952                          |
|            | 2023 | 1,608,269                    | 361,101                     | 567,771                          |
|            | 2024 | 1,222,284                    | 379,156                     | 530,741                          |

## State Shared Revenue

### Description

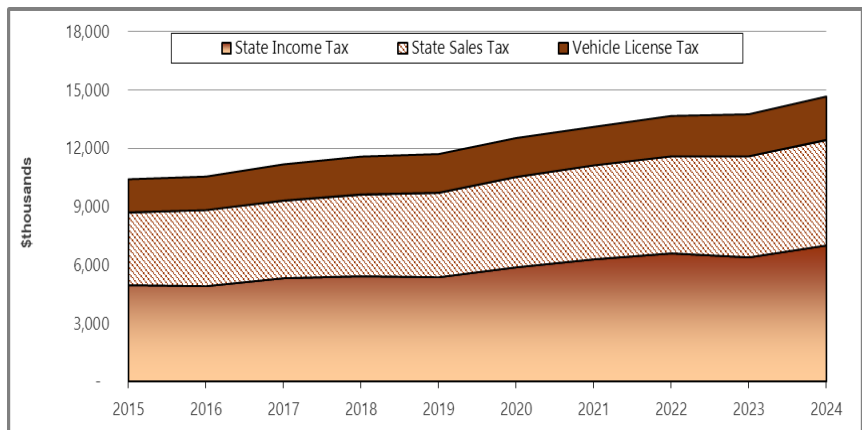
Cities and towns in the state receive a portion of the revenues collected by the state of Arizona. These sources consist of the state sales tax, income tax, and vehicle license tax. Oro Valley receives its share of the state sales and income tax based on the relation of its population to the total population of all incorporated cities and towns in the state based on U.S. Census population figures. The vehicle license tax is distributed to Oro Valley based on the relation of its population to the total population of all incorporated cities and towns in Pima County. Shared income tax revenues reflect state collections from two years prior.

### Uses

State Shared Revenue is collected in the General Fund and used for various general governmental purposes.

### Projections

State Shared Revenue is a significant source of funding and represents 32% of General Fund budgeted revenue for FY 2020. Due to economic growth, revenues are budgeted to increase about 7% in FY 2020 over the FY 2019 projection. Annual growth between 1-7% is anticipated thereafter.



# Revenue Sources

Budget and legislative tax law changes made at the state level have the potential to impact this revenue source. The following assumptions were used in compiling the projections:

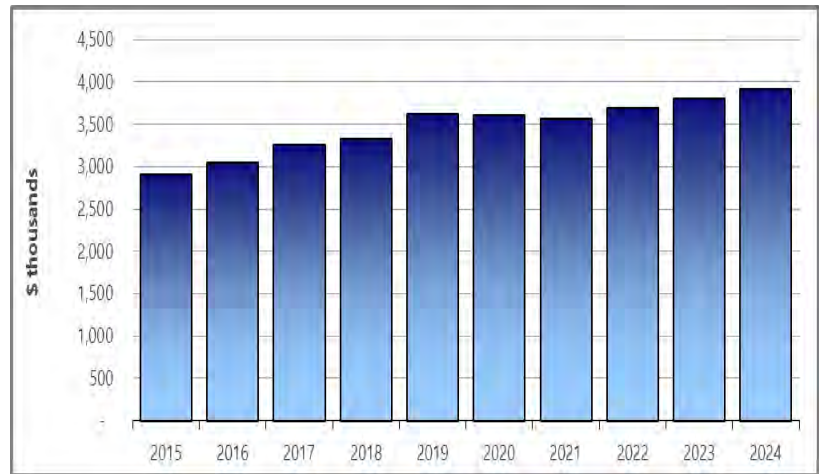
- 4.6% increase projected for FY 2021, due to economic growth
- Growth slows to 1% in FY 2023, due to slight economic downturn (delayed impact with state income tax, due to revenues reflecting collections from two years prior)
- Growth rebounds to nearly 7% for FY 2024

|            |      | State Income Tax | State Sales Tax | Vehicle License Tax |
|------------|------|------------------|-----------------|---------------------|
| ACTUAL     | 2014 | 4,571,196        | 3,569,711       | 1,495,999           |
|            | 2015 | 4,964,635        | 3,747,944       | 1,700,885           |
|            | 2016 | 4,937,719        | 3,886,852       | 1,724,625           |
|            | 2017 | 5,329,864        | 3,989,179       | 1,858,686           |
|            | 2018 | 5,422,693        | 4,210,168       | 1,944,973           |
| PROJECTION | 2019 | 5,374,593        | 4,345,225       | 1,988,757           |
|            | 2020 | 5,870,065        | 4,660,650       | 2,000,000           |
|            | 2021 | 6,310,320        | 4,814,451       | 1,980,000           |
|            | 2022 | 6,587,974        | 5,002,215       | 2,079,000           |
|            | 2023 | 6,390,335        | 5,202,304       | 2,162,160           |
|            | 2024 | 7,029,368        | 5,410,396       | 2,227,025           |

## Highway User Revenue (HURF)

### Description

HURF revenues are primarily generated from the state collected gasoline tax. Cities and towns receive 27.5% of highway user revenues. One-half of the monies that Oro Valley receives is based on its population in relation to the population of all cities and towns in the state. The remaining half is allocated on the basis of "county of origin" of gasoline sales and the relation of Oro Valley's population to the population of all cities and towns in Pima County. The



intent of this distribution formula is to spread a portion of the money across the state solely on the basis of population while the remaining money flows to those areas with the highest gasoline sales.

### Uses

There is a state constitutional restriction on the use of the highway user revenues which requires that these funds be used solely for street and highway purposes. The Town has a separate fund – Highway Fund – where this revenue is collected and distributed for such purposes.

# Revenue Sources

## Projections

HURF revenue collections are a major source of funding for roadway improvements and account for 95% of Highway Fund budgeted revenue for FY 2020. This revenue source is impacted by economic downturns, as well as actions taken by the state legislature to sweep these funds for state Department of Public Safety (DPS) or other purposes. The following assumptions were used in compiling the projections:

- Revenues roughly flat for FY 2020, based on projections from the Arizona Department of Transportation (ADOT)
- Economic downturn impact projected for FY 2021, with a 1% decrease
- Annual growth of 3% thereafter, based on ADOT projections

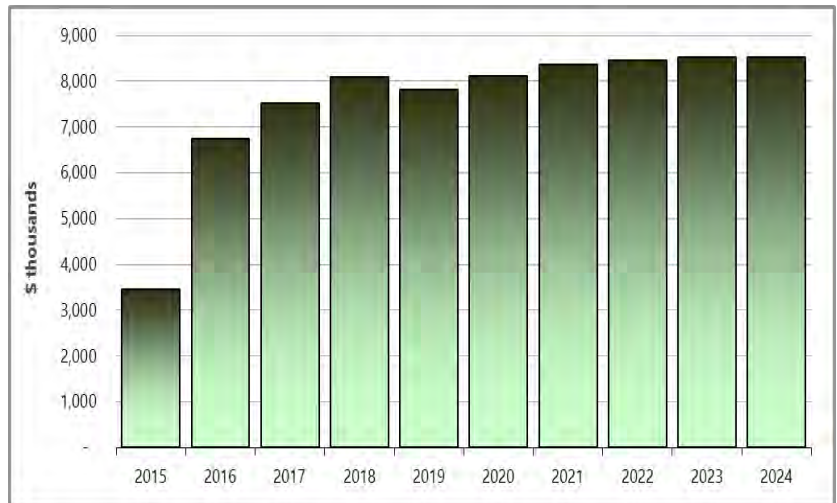
|            |      | HURF Revenue |
|------------|------|--------------|
| ACTUAL     | 2014 | 2,679,257    |
|            | 2015 | 2,912,780    |
|            | 2016 | 3,045,057    |
|            | 2017 | 3,252,020    |
|            | 2018 | 3,333,250    |
| PROJECTION | 2019 | 3,620,156 *  |
|            | 2020 | 3,604,407    |
|            | 2021 | 3,568,363    |
|            | 2022 | 3,686,119    |
|            | 2023 | 3,800,389    |
|            | 2024 | 3,918,201    |

*\* Increase partially attributable to new state-adopted public safety fee and subsequent decrease in amount swept from HURF to fund DPS operations*

## Charges for Services

### Description

Charges for Services are fees charged for specific services provided by the Town. They include recreation user fees, development services fees, stormwater fees, various water fees and fares received from transit services, to name a few. With the exception of development services fees and certain general services and water fees, the anticipated revenue generated from charges for services is generally tied to population and can be expected to increase with



population growth. New or added recreation facilities and amenities would also obviously cause these revenues to increase. Certain water fees and fees for development services are tied to development activity and will increase/decrease accordingly based on development growth within the town.



# Revenue Sources

## Projections

The significant increases in recreation fee revenue for FY 2015 and FY 2016 are attributable to the addition of the Community Center Fund operations. The Town is also experiencing regular growth in Aquatic Center revenues and other parks and recreation program revenues. The significant increase in Stormwater revenue for FY 2017 is attributable to a Council-approved fee increase. The following assumptions were used in compiling the projections:

- Revenue generated from development activity is tied to anticipated single family residential and commercial building permits
- Recreation fee revenues grow with near-term fee increases and population growth
- General services, transit farebox and stormwater utility fee revenues increase slightly each year, as town population increases

|            |      | General Services | Development Services | Recreation Fees * | Transit | Water   | Stormwater ** |
|------------|------|------------------|----------------------|-------------------|---------|---------|---------------|
| ACTUAL     | 2014 | 298,292          | 248,976              | 659,265           | 71,078  | 716,142 | 759,405       |
|            | 2015 | 269,130          | 312,482              | 1,370,971         | 72,783  | 660,636 | 771,578       |
|            | 2016 | 321,149          | 247,370              | 4,570,569         | 88,684  | 689,972 | 828,258       |
|            | 2017 | 299,184          | 253,867              | 4,809,323         | 100,052 | 747,346 | 1,314,757     |
|            | 2018 | 274,006          | 220,000              | 5,282,346         | 119,536 | 800,968 | 1,385,811     |
| PROJECTION | 2019 | 219,298          | 235,921              | 4,994,009         | 137,000 | 821,500 | 1,409,157     |
|            | 2020 | 233,439          | 200,000              | 5,262,653         | 140,000 | 862,200 | 1,422,000     |
|            | 2021 | 238,108          | 180,000              | 5,468,491         | 147,000 | 884,700 | 1,444,500     |
|            | 2022 | 242,870          | 216,000              | 5,513,776         | 154,350 | 871,000 | 1,462,500     |
|            | 2023 | 247,727          | 216,000              | 5,559,966         | 162,068 | 852,700 | 1,474,500     |
|            | 2024 | 252,682          | 194,400              | 5,607,080         | 170,171 | 827,400 | 1,474,500     |

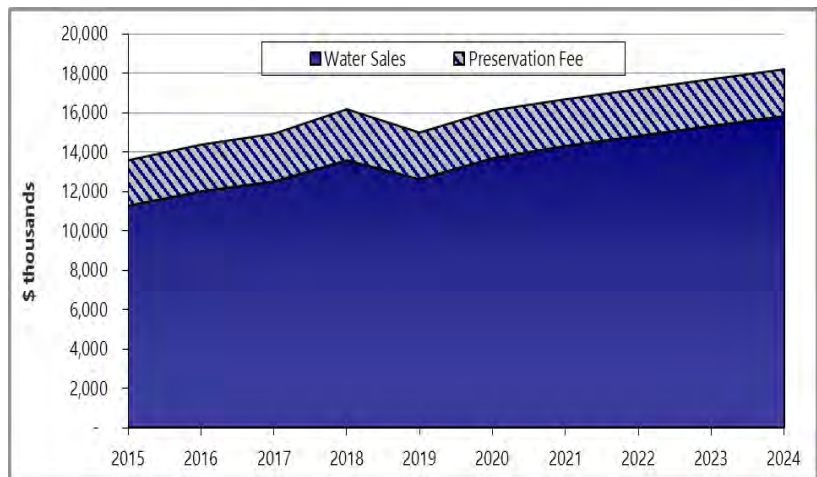
\* Increases in FY 2015 and FY 2016 are attributable to the addition of Community Center Fund operations

\*\* Increase in FY 2017 is attributable to a Council-approved fee increase

## Water Revenue

### Description

The Town’s Water Utility Fund is a self-sustaining fund with revenue generated from water sales, service fees and miscellaneous charges. Annually, the Oro Valley Water Utility Commission reviews and develops recommendations for water revenue requirements, water rates and fee structures.





# Revenue Sources

## Uses

The revenue collected from water sales is used for personnel, operations and maintenance, capital improvements to existing systems and debt service. Revenue collected from the groundwater preservation fee (GPF) is used for renewable water capital infrastructure costs and related debt service.

## Projections

Revenue projections relating to water sales and preservation fees are based on growth of the population as well as proposed rate increases. The following assumptions were used in compiling the projections:

- Growth is estimated at 245 to 355 new connections annually through FY 2024
- Water rate increases range from 2.6% to 4.6%
- No groundwater preservation fee increases over the next five years
- Average single family residential monthly water use projected at roughly 7,300 gallons

|            |      | Water Sales | Groundwater Preservation Fee |
|------------|------|-------------|------------------------------|
| ACTUAL     | 2014 | 12,169,374  | 2,599,718                    |
|            | 2015 | 11,280,574  | 2,330,231                    |
|            | 2016 | 12,018,429  | 2,371,099                    |
|            | 2017 | 12,493,557  | 2,440,045                    |
|            | 2018 | 13,586,668  | 2,611,075                    |
| PROJECTION | 2019 | 12,648,100  | 2,343,400                    |
|            | 2020 | 13,714,000  | 2,400,500                    |
|            | 2021 | 14,341,600  | 2,342,000                    |
|            | 2022 | 14,845,600  | 2,355,200                    |
|            | 2023 | 15,351,400  | 2,366,000                    |
|            | 2024 | 15,848,900  | 2,374,000                    |

*Note: Projections and assumptions used were for financial modeling purposes as related to proposed changes in water rates and fees to be reviewed and studied by Council at a future date. The actual rates and fees adopted and implemented may differ from budgeted projections.*

## Development Impact Fees

### Description

Development Impact Fees are fees assessed by the Town on new development for the purpose of financing infrastructure ultimately needed to support a growing community. State legislation has restricted the types of impact fees collected with increased limitations placed on their use. Commercial impact fees are assessed to support roadways, water facilities and police; residential impact fees are assessed to support roadways, water facilities, police, and parks & recreation facilities.

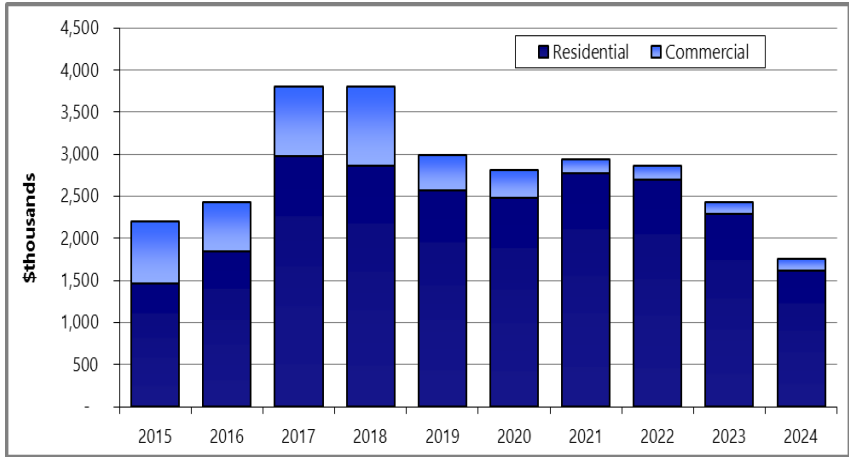
# Revenue Sources

## Uses

As mandated by state law, impact fee revenue can only be used to support new projects and expansion-related capital infrastructure.

## Projections

As the Town approaches build-out, residential and commercial construction activity can be expected to decrease. The following assumptions were used in compiling the projections:



- 300 single family residential permits will be issued in FY 2020, decreasing to 250 in FY 2021, followed by a rebound to 350 in FY 2022
- Single family residential permits begin a decline in FY 2023 at 330, then down to 240 in FY 2024
- Commercial fees tie to anticipated development activity within the town

|            |      | Residential Fees | Commercial Fees |
|------------|------|------------------|-----------------|
| ACTUAL     | 2014 | 2,691,678        | 1,665,183       |
|            | 2015 | 1,465,898        | 736,954         |
|            | 2016 | 1,843,450        | 591,334         |
|            | 2017 | 2,981,127        | 822,546         |
|            | 2018 | 2,867,325        | 933,296         |
| PROJECTION | 2019 | 2,572,314        | 420,520         |
|            | 2020 | 2,486,156        | 323,082         |
|            | 2021 | 2,770,840        | 168,507         |
|            | 2022 | 2,699,900        | 163,507         |
|            | 2023 | 2,295,948        | 138,507         |
|            | 2024 | 1,611,384        | 138,507         |

## Grants

### Description

The Town receives federal and state grant funding from various agencies and sources, mainly for roadway projects or to support public safety. Specific restrictions exist on all grants in regards to how the funds may be used or what they may be spent on. Grants provide the Town with critical funding for public infrastructure projects and Police Department task force operations and equipment.

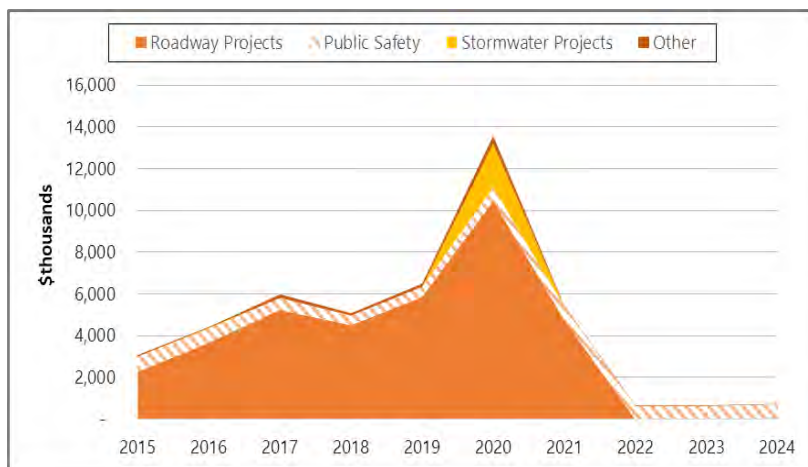
# Revenue Sources

## Uses

As mentioned above, the bulk of the Town’s grant funding is for roadway projects and public safety. Funding from the Pima Association of Governments and the Regional Transportation Authority provides for roadway expansion and improvement projects. Funding from agencies such as the Drug Enforcement Agency, Federal Bureau of Investigation, Arizona Governor’s Office of Highway Safety and Arizona Department of Homeland Security provides for salaries, overtime, benefits and equipment related to various multi-jurisdictional joint task forces participated in by the Town’s Police Department.

## Projections

Funding for roadway projects fluctuates widely, depending on current or planned projects and available funding. Funding beyond FY 2021 is not foreseen at this time. In recent years, the Town has also seen slight decreases in public safety funding, particularly towards the funding of employee benefits. The following assumptions were used in compiling the projections:



- Funding for roadway projects uncertain beyond FY 2021 following the completion of the La Cholla Boulevard roadway widening project
- Limited growth anticipated for public safety grants
- Stormwater grant funds budgeted in FY 2020 are for the Catalina Ridge channel repair project
- Other grant funding beyond FY 2020 is largely limited to a federal interest subsidy on the Town’s clean renewable energy bonds

|            |      | Roadway Projects | Public Safety | Stormwater Projects | Other   |
|------------|------|------------------|---------------|---------------------|---------|
| ACTUAL     | 2014 | 2,440,096        | 680,039       |                     | 89,077  |
|            | 2015 | 2,281,499        | 737,036       |                     | 69,324  |
|            | 2016 | 3,677,410        | 672,741       | 35,000              | 43,157  |
|            | 2017 | 5,256,383        | 564,825       |                     | 168,526 |
|            | 2018 | 4,515,098        | 456,412       |                     | 115,195 |
| PROJECTION | 2019 | 5,866,720        | 484,607       |                     | 147,578 |
|            | 2020 | 10,480,000       | 624,543       | 2,100,000           | 373,009 |
|            | 2021 | 4,775,000        | 630,788       |                     | 39,245  |
|            | 2022 |                  | 637,096       |                     | 34,787  |
|            | 2023 |                  | 643,467       |                     | 30,088  |
|            | 2024 |                  | 649,902       |                     | 100,147 |

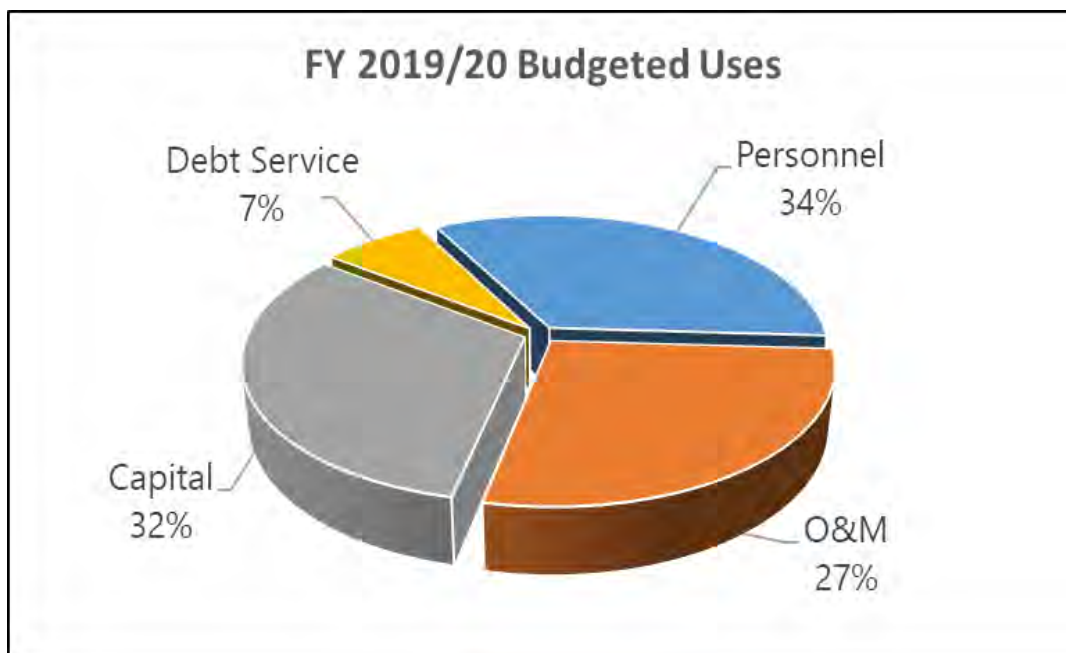
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## Expenditure Summary

The expenditure budget for FY 2019/20 totals \$105,722,650 and represents a \$2.2 million, or 2.1% increase over the prior fiscal year budgeted expenditures. The budget includes \$72.7 million to support daily operations and services and \$33.0 million in capital projects. The chart below reflects all budgeted uses and their portion of the overall expenditure budget.

A description of the changes in expenditure categories from budget year to budget year can be found on the following page. Please reference the Personnel section of the budget document for further explanations on personnel changes.

The capital budget for FY 19/20 is significant and addresses several areas of critical need, including roadway and street improvements, water and stormwater system improvements, public safety facilities and equipment, parks and recreation amenities and improvements, as well as fleet and technology replacements. Please reference the Capital Improvement Program (CIP) section of the budget document for further details on capital improvement projects.



## Expenditure Summary

| <b>Budgeted Uses</b>      |                      |                       |                      |                       |                     |             |
|---------------------------|----------------------|-----------------------|----------------------|-----------------------|---------------------|-------------|
|                           | <b>FY 2018</b>       | <b>FY 2018/19</b>     |                      | <b>FY 2019/20</b>     | <b>Variance</b>     |             |
|                           | <b>Actual</b>        | <b>Budget</b>         | <b>Projected</b>     | <b>Budget</b>         | <b>to Budget</b>    | <b>%</b>    |
| Personnel                 | 32,090,868           | 34,380,192            | 33,674,526           | 35,614,559            | 1,234,367           | 3.6%        |
| O&M                       | 26,093,215           | 27,625,077            | 26,235,620           | 28,992,601            | 1,367,524           | 5.0%        |
| Capital                   | 13,057,767           | 34,199,351            | 18,753,934           | 33,691,801            | (507,550)           | -1.5%       |
| Debt Service              | 6,642,692            | 7,358,065             | 7,095,071            | 7,423,689             | 65,624              | 0.9%        |
| <b>Total Expenditures</b> | <b>\$ 77,884,542</b> | <b>\$ 103,562,685</b> | <b>\$ 85,759,151</b> | <b>\$ 105,722,650</b> | <b>\$ 2,159,965</b> | <b>2.1%</b> |

*Does not include depreciation, amortization, interfund transfers or contingency amounts*

A brief description of the major changes in expenditure categories from budget year to budget year is as follows:

|                        |   |
|------------------------|---|
| Personnel<br>+\$1.2M   | <ul style="list-style-type: none"> <li>• \$500K increase for step and merit increases</li> <li>• \$400K increase for new positions</li> <li>• \$170K increase due to increased pension costs</li> <li>• \$100K increase for employee medical and dental insurance premiums</li> <li>• \$50K increase for minimum salary adjustments following a completed salary and benefit analysis</li> </ul>  |
| O&M<br>+\$1.4M         | <ul style="list-style-type: none"> <li>• \$800K budgeted in Water Utility Fund for purchase of groundwater extinguishment credits</li> <li>• \$255K increase for medical claim costs in the Benefit Self Insurance Fund</li> <li>• \$185K increase in building repair and maintenance costs due to implementation of a comprehensive facility repair and maintenance program</li> <li>• \$150K increase in software maintenance and licensing costs in the General Fund</li> </ul>  |
| Capital<br>-\$500K     | <ul style="list-style-type: none"> <li>• \$4.6M decrease in public safety facility projects due to nearly complete property/ID and southern substation building</li> <li>• \$2.8M increase in Water Utility system capital improvement projects</li> <li>• \$1.2M increase for parks and recreation amenities and improvements, due largely to the Naranja Park infrastructure and playground projects</li> <li>• \$400K decrease in roadway capital projects funded with grants and impact fees</li> <li>• \$300K increase for vehicle replacements, due mainly to new personnel</li> <li>• \$190K increase in Stormwater Utility system capital improvement projects</li> </ul> |
| Debt Service<br>+\$66K | <ul style="list-style-type: none"> <li>• Increase per principal and interest payments due on the Town's outstanding debt</li> </ul>   |

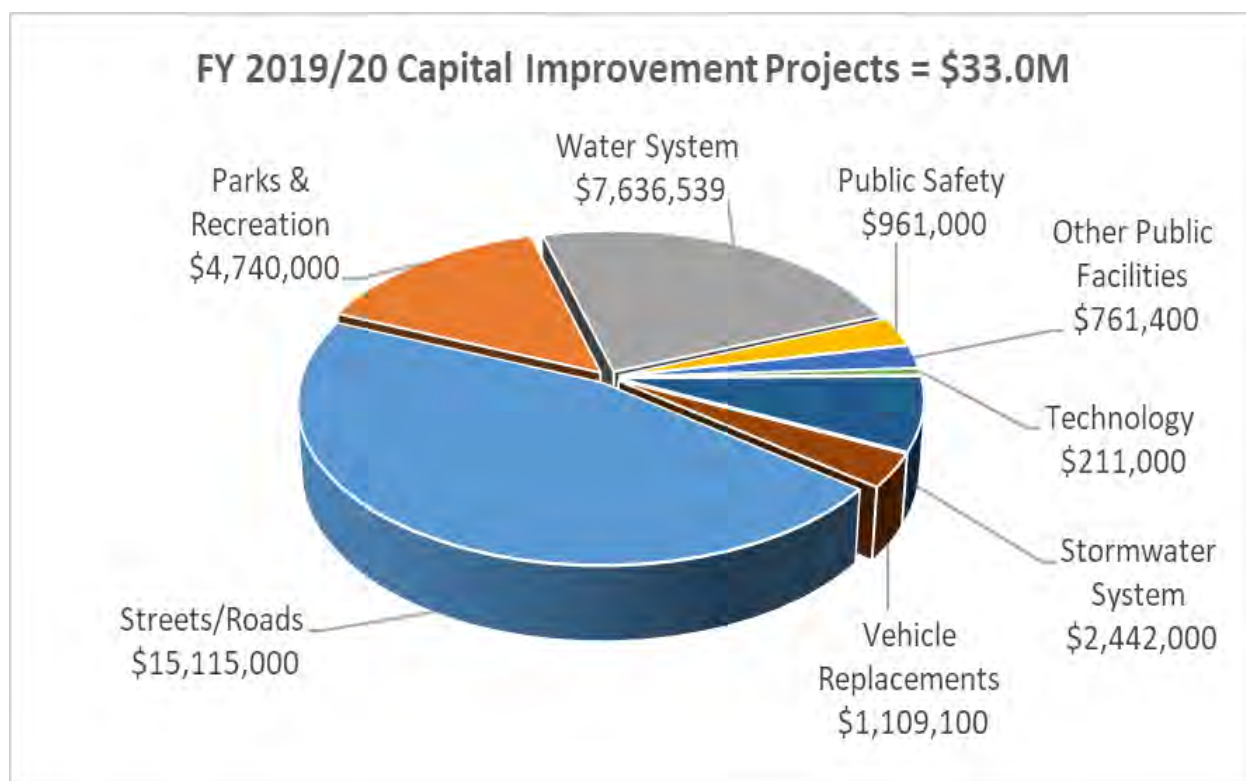
# Expenditure Summary

## Capital Improvement Program

The Capital Improvement Program (CIP) is a comprehensive, ten-year plan of capital projects that identifies priorities, methods of financing, costs, and associated revenues. It includes a one-year recommendation for the Town’s capital budget. The CIP is one of the mechanisms that implements the Town’s General Plan and Strategic Leadership Plan. It allocates funds to meet goals and strategies specified in both plans and implements these plans as part of the project evaluation criteria.

The FY 2019/20 adopted budget includes \$33.0 million in capital improvement projects, funded with a variety of sources. Budgeted projects include street and roadway improvements, water and stormwater utility system improvements, parks and recreation improvements and public safety facilities.

Further information on CIP projects and project descriptions can be found in the Capital Improvement section of the budget document.





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# Expenditure Schedule by Fund

| Major Expenditure Accounts                 | FY 2017              | FY 2018              | FY 2019               |                      | FY 2020               | %<br>to budget |
|--|----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------|
|  |                      | Actual               | Budget                | Projected            | Budget                |                |
| <b>General Fund</b>                        |                      |                      |                       |                      |                       |                |
| Administrative Services                    | 2,764,359            | 3,168,231            | 4,450,555             | 4,333,677            | 4,648,370             | 4.4%           |
| Clerk                                      | 371,545              | 469,826              | 444,559               | 414,826              | 366,336               | -17.6%         |
| Community & Economic Development Council   | 2,642,119            | 2,791,027            | 2,869,324             | 2,743,269            | 3,039,421             | 5.9%           |
| General Administration                     | 200,633              | 189,389              | 210,494               | 203,910              | 206,001               | -2.1%          |
| Legal                                      | 1,674,120            | 1,834,599            | 2,696,700             | 2,375,724            | 2,590,400             | -3.9%          |
| Magistrate Court                           | 726,321              | 730,858              | 793,567               | 773,423              | 874,057               | 10.1%          |
| Town Manager's Office                      | 824,234              | 875,275              | 884,385               | 873,266              | 923,561               | 4.4%           |
| Parks and Recreation                       | 771,071              | 821,783              | 1,251,370             | 1,247,577            | 1,314,145             | 5.0%           |
| Police                                     | 2,046,894            | 3,334,365            | 3,606,586             | 3,519,644            | 3,808,366             | 5.6%           |
| Public Works                               | 15,588,746           | 16,636,009           | 16,557,555            | 16,064,374           | 17,448,615            | 5.4%           |
|  | 3,033,904            | 2,040,528            | 3,518,946             | 3,363,846            | 4,826,507             | 37.2%          |
| <b>TOTAL GENERAL FUND</b>                  | <b>30,643,946</b>    | <b>32,891,890</b>    | <b>37,284,041</b>     | <b>35,913,536</b>    | <b>40,045,779</b>     | <b>7.4%</b>    |
| <b>Special Revenue Funds</b>               |                      |                      |                       |                      |                       |                |
| Highway User Revenue Fund                  | 4,395,979            | 3,959,398            | 4,626,036             | 4,162,204            | 4,123,148             | -10.9%         |
| Bed Tax Fund                               | 666,257              | 806,994              | -                     | -                    | -                     | 0.0%           |
| Community Center Fund                      | 6,566,873            | 6,522,943            | 6,314,152             | 5,944,851            | 6,182,387             | -2.1%          |
| Impound Fee Fund                           | 57,361               | 58,254               | -                     | -                    | -                     | 0.0%           |
| Seizures & Forfeitures Funds               | 98,749               | 266,324              | 86,665                | 437,137              | 82,846                | -4.4%          |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>         | <b>11,785,219</b>    | <b>11,613,913</b>    | <b>11,026,853</b>     | <b>10,544,192</b>    | <b>10,388,381</b>     | <b>-5.8%</b>   |
| <b>Debt Service Funds</b>                  |                      |                      |                       |                      |                       |                |
| Municipal Debt Service Fund                | 641,534              | 834,460              | 1,038,671             | 1,038,671            | 1,200,228             | 15.6%          |
| Oracle Road Improvement District Fund      | 175,926              | 178,340              | 187,428               | 177,313              | 179,912               | -4.0%          |
| <b>TOTAL DEBT SERVICE FUNDS</b>            | <b>817,460</b>       | <b>1,012,800</b>     | <b>1,226,099</b>      | <b>1,215,984</b>     | <b>1,380,140</b>      | <b>12.6%</b>   |
| <b>Capital Project Funds</b>               |                      |                      |                       |                      |                       |                |
| Recreation-In-Lieu Fee Fund                | -                    | -                    | -                     | -                    | -                     | 0.0%           |
| Parks and Recreation Impact Fee Fund       | -                    | -                    | 30,000                | 5,000                | 410,000               | 1266.7%        |
| Police Impact Fee Fund                     | -                    | -                    | 680,000               | 5,000                | 660,000               | -2.9%          |
| Library Impact Fee Fund                    | 199,680              | -                    | -                     | -                    | -                     | 0.0%           |
| Energy Efficiency Project Fund             | 1,431,663            | 568,251              | -                     | -                    | -                     | 0.0%           |
| Community Center Bond Fund                 | -                    | -                    | 3,000,000             | -                    | 3,000,000             | 0.0%           |
| Capital Fund                               | 790,157              | 1,857,849            | 6,952,192             | 6,790,988            | 3,309,100             | -52.4%         |
| Alternative Water Resource Dev. Impact Fee | 261,257              | 180,631              | 577,924               | 529,730              | 2,559,800             | 342.9%         |
| Potable Water System Dev. Impact Fee       | 329,916              | 352,193              | 1,083,828             | 989,296              | 1,135,996             | 4.8%           |
| PAG/RTA Fund                               | 4,783,048            | 4,763,392            | 12,287,000            | 5,753,006            | 10,300,000            | -16.2%         |
| Roadway Impact Fee Fund                    | 1,000,000            | 1,736,557            | 1,830,000             | 5,000                | 2,710,000             | 48.1%          |
| <b>TOTAL CAPITAL PROJECT FUNDS</b>         | <b>8,795,721</b>     | <b>9,458,873</b>     | <b>26,440,944</b>     | <b>14,078,020</b>    | <b>24,084,896</b>     | <b>-8.9%</b>   |
| <b>Enterprise Funds</b>                    |                      |                      |                       |                      |                       |                |
| Water Utility                              | 17,889,098           | 17,666,867           | 20,476,253            | 18,880,517           | 22,060,077            | 7.7%           |
| Stormwater Utility                         | 1,079,536            | 1,214,670            | 3,351,849             | 1,296,448            | 3,748,405             | 11.8%          |
| <b>TOTAL ENTERPRISE FUNDS</b>              | <b>18,968,634</b>    | <b>18,881,537</b>    | <b>23,828,102</b>     | <b>20,176,965</b>    | <b>25,808,482</b>     | <b>8.3%</b>    |
| <b>Internal Service Funds</b>              |                      |                      |                       |                      |                       |                |
| Fleet Fund                                 | 1,353,330            | 1,283,096            | -                     | -                    | -                     | 0.0%           |
| Benefit Self Insurance                     | 3,492,537            | 2,742,433            | 3,756,646             | 3,830,454            | 4,014,972             | 6.9%           |
| <b>TOTAL INTERNAL SERVICE FUNDS</b>        | <b>4,845,867</b>     | <b>4,025,529</b>     | <b>3,756,646</b>      | <b>3,830,454</b>     | <b>4,014,972</b>      | <b>6.9%</b>    |
| <b>TOTAL EXPENDITURES - ALL FUNDS</b>      | <b>\$ 75,856,847</b> | <b>\$ 77,884,542</b> | <b>\$ 103,562,685</b> | <b>\$ 85,759,151</b> | <b>\$ 105,722,650</b> | <b>2.1%</b>    |

Note: Does not include depreciation, amortization, interfund transfers or contingency amounts

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# Expenditures by Program

This table represents a summary of the adopted FY 2019 - 2020 budget and is structured around major program areas within departments which represent services and operations viable to the Town and to which resources are allocated on a fiscal year basis. Footnotes are provided to delineate the specific fund(s) that support(s) each program. The table also includes funding sources and full-time equivalent employees (FTEs) for each program. Further information on a specific program can be found in the Program Budgets Section of the budget document.

| Department/Program                   | FTE          | General Fund     | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Enterprise Funds | Internal Service Funds | Total             |
|--------------------------------------|--------------|------------------|-----------------------|--------------------|-----------------------|------------------|------------------------|-------------------|
| <b>Administrative Services</b>       |              |                  |                       |                    |                       |                  |                        |                   |
| Finance                              | 8.00         | 936,820          |                       |                    |                       |                  |                        | 936,820           |
| Human Resources                      | 4.00         | 463,048          |                       |                    |                       |                  |                        | 463,048           |
| Information Technology               | 9.00         | 3,248,502        |                       |                    |                       |                  |                        | 3,248,502         |
|                                      | <b>21.00</b> | <b>4,648,370</b> | -                     | -                  | -                     | -                | -                      | <b>4,648,370</b>  |
| <b>Clerk</b>                         | 4.73         | 366,336          |                       |                    |                       |                  |                        | 366,336           |
|                                      | <b>4.73</b>  | <b>366,336</b>   | -                     | -                  | -                     | -                | -                      | <b>366,336</b>    |
| <b>Community &amp; Economic Dev.</b> |              |                  |                       |                    |                       |                  |                        |                   |
| Administration                       | 1.60         | 314,113          |                       |                    |                       |                  |                        | 314,113           |
| Permitting                           | 10.48        | 1,068,982        |                       |                    |                       |                  |                        | 1,068,982         |
| Planning                             | 6.30         | 603,906          |                       |                    |                       |                  |                        | 603,906           |
| Inspection and Compliance            | 9.00         | 864,113          |                       |                    |                       |                  |                        | 864,113           |
| Economic Development                 | 1.00         | 188,307          |                       |                    |                       |                  |                        | 188,307           |
|                                      | <b>28.38</b> | <b>3,039,421</b> | -                     | -                  | -                     | -                | -                      | <b>3,039,421</b>  |
| <b>Council</b>                       | 7.00         | 206,001          |                       |                    |                       |                  |                        | 206,001           |
|                                      | <b>7.00</b>  | <b>206,001</b>   | -                     | -                  | -                     | -                | -                      | <b>206,001</b>    |
| <b>General Administration</b>        |              | 2,590,400        |                       |                    | 7,379,100 (C)         |                  | 4,014,972 (D)          | 13,984,472        |
|                                      | -            | <b>2,590,400</b> | -                     | -                  | <b>7,379,100</b>      | -                | <b>4,014,972</b>       | <b>13,984,472</b> |
| <b>Legal</b>                         | 6.00         | 874,057          |                       |                    |                       |                  |                        | 874,057           |
|                                      | <b>6.00</b>  | <b>874,057</b>   | -                     | -                  | -                     | -                | -                      | <b>874,057</b>    |
| <b>Magistrate Court</b>              | 8.48         | 923,561          |                       |                    |                       |                  |                        | 923,561           |
|                                      | <b>8.48</b>  | <b>923,561</b>   | -                     | -                  | -                     | -                | -                      | <b>923,561</b>    |
| <b>Town Manager's Office</b>         |              |                  |                       |                    |                       |                  |                        |                   |
| Administration                       | 4.88         | 688,045          |                       |                    |                       |                  |                        | 688,045           |
| Communications                       | 5.50         | 626,100          |                       |                    |                       |                  |                        | 626,100           |
|                                      | <b>10.38</b> | <b>1,314,145</b> | -                     | -                  | -                     | -                | -                      | <b>1,314,145</b>  |
| <b>Parks and Recreation</b>          |              |                  |                       |                    |                       |                  |                        |                   |
| Administration                       | 5.00         | 662,528          |                       |                    |                       |                  |                        | 662,528           |
| Parks Maintenance                    | 9.96         | 1,267,083        |                       |                    |                       |                  |                        | 1,267,083         |
| Recreation & Culture                 | 5.70         | 465,377          |                       |                    |                       |                  |                        | 465,377           |
| Aquatics                             | 20.89        | 1,413,378        |                       |                    |                       |                  |                        | 1,413,378         |
| Community Center                     | 21.55        |                  | 6,182,387 (E)         |                    |                       |                  |                        | 6,182,387         |
|                                      | <b>63.10</b> | <b>3,808,366</b> | <b>6,182,387</b>      | -                  | -                     | -                | -                      | <b>9,990,753</b>  |

# Expenditures by Program

| Department/Program                  | FTE           | General Fund      | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Enterprise Funds  | Internal Service Funds | Total              |
|-------------------------------------|---------------|-------------------|-----------------------|--------------------|-----------------------|-------------------|------------------------|--------------------|
| <b>Police</b>                       |               |                   |                       |                    |                       |                   |                        |                    |
| Administration                      | 5.00          | 1,452,336         |                       |                    |                       |                   |                        | 1,452,336          |
| Support Services                    | 55.21         | 6,568,381         |                       |                    |                       |                   |                        | 6,568,381          |
| Field Services                      | 75.44         | 9,054,821         | 82,846 (F)            |                    |                       |                   |                        | 9,137,667          |
| Professional Development & Training | 1.00          | 180,189           |                       |                    |                       |                   |                        | 180,189            |
| Professional Standards              | 1.48          | 192,888           |                       |                    |                       |                   |                        | 192,888            |
|                                     | <b>138.13</b> | <b>17,448,615</b> | <b>82,846</b>         | -                  | -                     | -                 | -                      | <b>17,531,461</b>  |
| <b>Public Works</b>                 |               |                   |                       |                    |                       |                   |                        |                    |
| Administration                      | 13.15         | 1,379,402         |                       |                    |                       |                   |                        | 1,379,402          |
| Transportation Engineering          | 15.00         |                   | 3,821,428 (A)         |                    |                       |                   |                        | 3,821,428          |
| Street Maintenance                  |               |                   | 301,720 (A)           |                    |                       |                   |                        | 301,720            |
| Facilities Maintenance              | 4.00          | 932,683           |                       |                    |                       |                   |                        | 932,683            |
| Fleet                               | 2.00          | 1,262,540         |                       |                    |                       |                   |                        | 1,262,540          |
| Stormwater Utility                  | 10.25         |                   |                       |                    |                       | 3,748,405 (B)     |                        | 3,748,405          |
| Transit Services                    | 25.89         | 1,251,882         |                       |                    |                       |                   |                        | 1,251,882          |
|                                     | <b>70.29</b>  | <b>4,826,507</b>  | <b>4,123,148</b>      | -                  | -                     | <b>3,748,405</b>  | -                      | <b>12,698,060</b>  |
| <b>Water Utility</b>                |               |                   |                       |                    |                       |                   |                        |                    |
| Administration                      | 9.48          |                   |                       |                    |                       | 12,344,005 (G)    |                        | 12,344,005         |
| Engineering & Planning              | 6.00          |                   |                       |                    |                       | 5,120,064 (G)     |                        | 5,120,064          |
| Operations                          | 24.00         |                   |                       |                    |                       | 4,596,008 (G)     |                        | 4,596,008          |
| Alternative Water Resources         |               |                   |                       |                    | 2,559,800 (H)         |                   |                        | 2,559,800          |
| Potable Water System                |               |                   |                       |                    | 1,135,996 (I)         |                   |                        | 1,135,996          |
|                                     | <b>39.48</b>  | -                 | -                     | -                  | <b>3,695,796</b>      | <b>22,060,077</b> | -                      | <b>25,755,873</b>  |
| <b>Debt Service</b>                 |               |                   |                       |                    |                       |                   |                        |                    |
|                                     | -             | -                 | -                     | 1,380,140 (J)      | -                     | -                 | -                      | 1,380,140          |
|                                     | -             | -                 | -                     | <b>1,380,140</b>   | -                     | -                 | -                      | <b>1,380,140</b>   |
| <b>Roadway Improvements</b>         |               |                   |                       |                    |                       |                   |                        |                    |
|                                     | -             | -                 | -                     | -                  | 13,010,000 (K)        | -                 | -                      | 13,010,000         |
|                                     | -             | -                 | -                     | -                  | <b>13,010,000</b>     | -                 | -                      | <b>13,010,000</b>  |
| <b>FY 2019/20 Adopted Budget</b>    | <b>396.97</b> | <b>40,045,779</b> | <b>10,388,381</b>     | <b>1,380,140</b>   | <b>24,084,896</b>     | <b>25,808,482</b> | <b>4,014,972</b>       | <b>105,722,650</b> |

Note: Does not include depreciation, amortization, interfund transfers or contingency amounts

- (A) Highway Fund
- (B) Stormwater Utility Fund
- (C) Capital Fund, Parks & Rec Impact Fee Fund, Police Impact Fee Fund and Community Center Bond Fund
- (D) Benefit Self Insurance Fund
- (E) Community Center Fund
- (F) Seizures & Forfeitures Funds
- (G) Water Utility Fund
- (H) Alternative Water Resources Dev Impact Fee Fund
- (I) Potable Water System Dev Impact Fee Fund
- (J) Municipal Debt Service Fund and Oracle Road Imp District Fund
- (K) Roadway Dev Impact Fee Fund and PAG/RTA Fund

# Personnel Summary

## Personnel and Employee Compensation

Personnel service represents 49% of the total operating budget, which is common in a service-based organization. Even so, since it is a significant portion of the budget, employee compensation, staffing levels and benefit costs are heavily scrutinized and closely managed.

As with the previous fiscal year, the FY 19/20 budget includes capacity for funding of employee merit and step increases. Benefit costs rose due to increased pension rates and a 5% increase in medical insurance premiums. Based on the financial scenario laid out for the next five years, the Town's recurring revenues will need to be re-analyzed each year to confirm and determine an affordable and feasible level of future increases in overall compensation and benefits.

## Staffing Level Changes

The following table summarizes the changes in staffing levels for the new fiscal year.

|                                  | FY 2018/19<br>Budget | FY 2019/20<br>Budget | +/-         |
|----------------------------------|----------------------|----------------------|-------------|
| Parks and Recreation             | 59.92                | 63.10                | +3.18       |
| Police                           | 135.13               | 138.13               | +3.00       |
| Community & Economic Development | 27.88                | 28.38                | +0.50       |
| Public Works                     | 70.79                | 70.29                | -0.50       |
| Magistrate Court                 | 8.00                 | 8.48                 | +0.48       |
| Water Utility                    | 39.48                | 39.48                | -           |
| Administration                   | 49.11                | 49.11                | -           |
| <b>Total Positions</b>           | <b>390.31</b>        | <b>396.97</b>        | <b>6.66</b> |

The FTE increase in the Parks and Recreation Department is attributable to increases in part-time seasonal staff at the Aquatic Center and Community Center to meet the programming and staffing needs of the facilities.

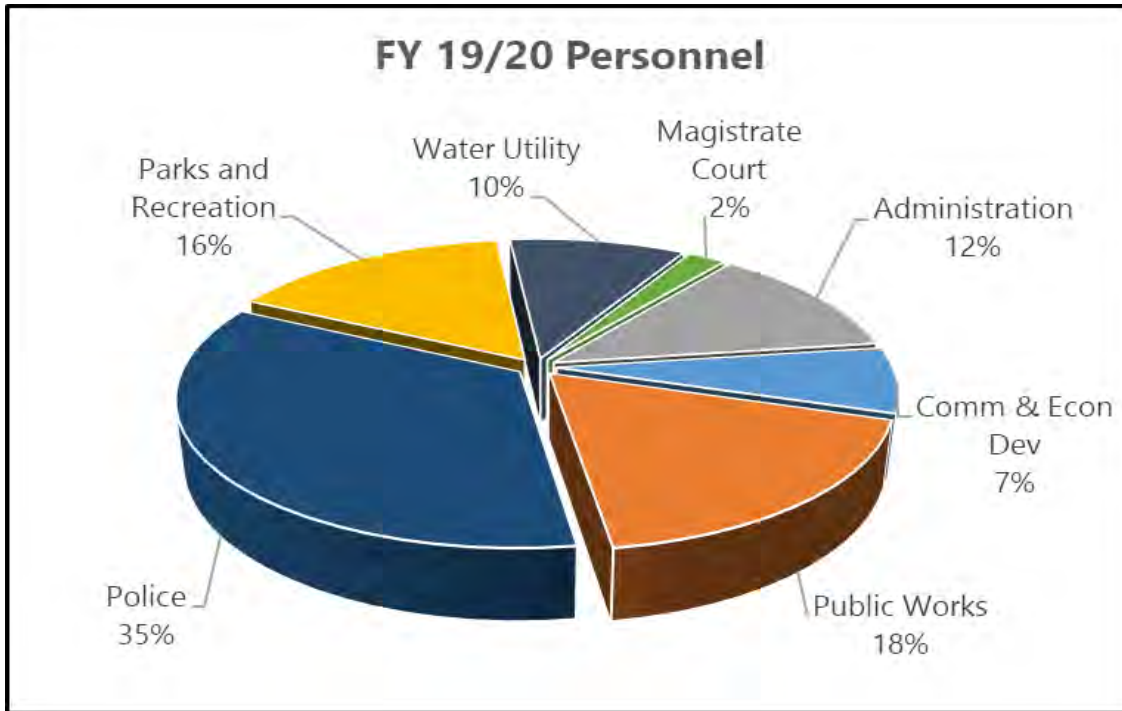
The full-time equivalent (FTE) increase in the Police Department is attributable to four new positions – a sergeant and three patrol officers, offset with a decrease of one school resource officer.

The FTE increase in Community and Economic Development is attributable to a full-time administrative position that was previously apportioned equally with the Public Works Department.

The FTE increase in Magistrate Court is attributable to a new, part-time, non-benefitted court clerk position that will be fully covered with court security fees.

Refer to the Personnel Schedule document for a detailed listing of positions by department and/or program.

# Personnel Summary



### Benefit Rates and Costs

For employee coverage of medical premiums, the Town pays 85% of the premium and the employee pays 15%. For employee coverage of dental premiums, the Town pays 100% of the premium. In FY 19/20, the Town’s PPO medical and dental plans for dependent coverage will begin a three-year transition from the Town paying no less than 80% for dependent coverage to the Town paying no less than 75% for dependent coverage. Premiums in FY 19/20 are increasing 5% for medical and 30% for dental. The contribution rate for the Arizona State Retirement System will increase slightly, from 11.80% to 12.11%. The rate for the Public Safety Personnel Retirement System will increase roughly 1.5%, while the Correction Officers Retirement Plan rate will decrease about 1.4%. The table below illustrates the changes to employee benefit rates over the last several years.

|   | Employer Matching Rates |          |          |          |
|---|-------------------------|----------|----------|----------|
|   | FY 16/17                | FY 17/18 | FY 18/19 | FY 19/20 |
| Arizona State Retirement System (ASRS)            | 11.48%                  | 11.50%   | 11.80%   | 12.11%   |
| Public Safety Personnel Retirement System (PSPRS) | 23.66%                  | 34.85%   | 37.04%   | 38.59%   |
| Correction Officers Retirement Plan (CORP)        | 33.27%                  | 43.63%   | 61.36%   | 59.94%   |
| Medical Premiums (per year)*                      | \$3,429                 | \$4,115  | \$4,270  | \$4,132  |
| Dental Premiums (per year)**                      | \$267                   | \$201    | \$201    | \$300    |

\* single (employee-only) PPO coverage

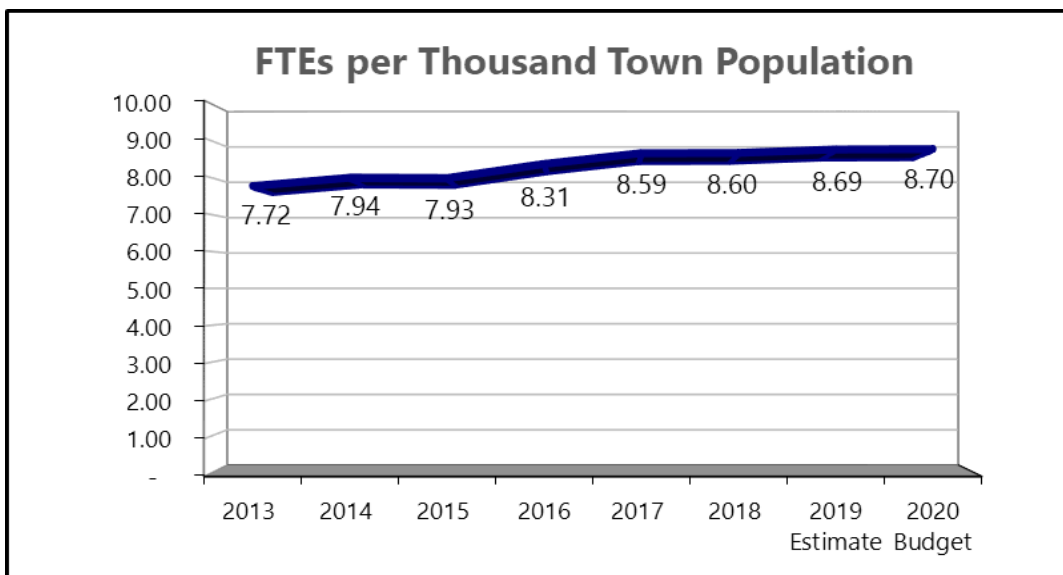
\*\* single (employee-only) base plan coverage



# Personnel Summary

## Employees per Capita

During the last economic recession, the Town reduced staff considerably. With recovery, continued population growth, as well as added facilities and amenities, the number of employees has grown gradually since that time. Looking at an employee per capita trend, full-time equivalent positions (FTEs) have increased slightly since 2015. The increases are due in part to the addition of the Community Center and temporary positions tied to capital projects. FTEs per capita may increase gradually with the town’s continued population growth, subject to available funding sources.



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# Personnel Summary by Fund

|   | FY 2017       | FY 2018       | FY 2019       |               | FY 2020       | +/-<br>to Budget |
|---|---------------|---------------|---------------|---------------|---------------|------------------|
|   | Actual        |               | Budget        | Projected     | Budget        |                  |
| <b>General Fund</b>                     |               |               |               |               |               |                  |
| Administrative Services                 | 17.48         | 18.48         | 21.00         | 21.00         | 21.00         | -                |
| Clerk                                   | 4.54          | 4.69          | 4.73          | 4.73          | 4.73          | -                |
| Community & Economic Dev.               | 29.70         | 26.88         | 27.88         | 28.38         | 28.38         | 0.50             |
| Council                                 | 7.00          | 7.00          | 7.00          | 7.00          | 7.00          | -                |
| Legal                                   | 6.00          | 6.00          | 6.00          | 6.00          | 6.00          | -                |
| Magistrate Court                        | 8.00          | 8.00          | 8.00          | 8.00          | 8.48          | 0.48             |
| Town Manager's Office                   | 7.38          | 7.38          | 10.38         | 10.38         | 10.38         | -                |
| Parks and Recreation                    | 28.20         | 38.31         | 39.31         | 41.55         | 41.55         | 2.24             |
| Police                                  | 131.13        | 133.13        | 134.13        | 132.13        | 137.13        | 3.00             |
| Public Works                            | 36.93         | 27.89         | 33.39         | 33.39         | 45.04         | 11.65            |
| <b>General Fund Personnel</b>           | <b>276.36</b> | <b>277.76</b> | <b>291.82</b> | <b>292.56</b> | <b>309.69</b> | <b>17.87</b>     |
| <b>Special Revenue Funds</b>            |               |               |               |               |               |                  |
| Highway Fund                            | 24.00         | 24.00         | 27.15         | 26.65         | 15.00         | (12.15)          |
| Bed Tax Fund                            | 3.00          | 3.00          | -             | -             | -             | -                |
| Community Center Fund                   | 19.82         | 22.47         | 20.61         | 21.55         | 21.55         | 0.94             |
| Impound Fee Fund                        | 1.00          | 1.00          | -             | -             | -             | -                |
| Seizure Funds                           | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | -                |
| <b>Special Revenue Funds Personnel</b>  | <b>48.82</b>  | <b>51.47</b>  | <b>48.76</b>  | <b>49.20</b>  | <b>37.55</b>  | <b>(11.21)</b>   |
| <b>Capital Project Funds</b>            |               |               |               |               |               |                  |
| PAG/RTA Fund                            | 2.48          | 2.50          | -             | -             | -             | -                |
| Capital Fund                            | 3.00          | 1.50          | -             | -             | -             | -                |
| <b>Capital Projects Funds Personnel</b> | <b>5.48</b>   | <b>4.00</b>   | <b>-</b>      | <b>-</b>      | <b>-</b>      | <b>-</b>         |
| <b>Enterprise Funds</b>                 |               |               |               |               |               |                  |
| Water Utility                           | 39.48         | 39.48         | 39.48         | 39.48         | 39.48         | -                |
| Stormwater Utility                      | 6.37          | 8.75          | 10.25         | 10.25         | 10.25         | -                |
| <b>Enterprise Funds Personnel</b>       | <b>45.85</b>  | <b>48.23</b>  | <b>49.73</b>  | <b>49.73</b>  | <b>49.73</b>  | <b>-</b>         |
| <b>Internal Service Funds</b>           |               |               |               |               |               |                  |
| Fleet Fund                              | 1.15          | 1.15          | -             | -             | -             | -                |
| <b>Internal Service Funds Personnel</b> | <b>1.15</b>   | <b>1.15</b>   | <b>-</b>      | <b>-</b>      | <b>-</b>      | <b>-</b>         |
| <b>Total Town Personnel</b>             | <b>377.66</b> | <b>382.61</b> | <b>390.31</b> | <b>391.49</b> | <b>396.97</b> | <b>6.66</b>      |

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# Personnel Schedule

|                               | FY 2017      | FY 2018      | FY 2019      |                      | FY 2020      | +/-<br>to Budget |
|-------------------------------|--------------|--------------|--------------|----------------------|--------------|------------------|
|                               | Actual       | Actual       | Budget       | Projected            | Budget       |                  |
| Building Inspector II         | 4.00         | 4.00         | 4.00         | 4.00                 | 4.00         | -                |
| Building Inspector I          | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Plans Examiner I              | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Code Compliance Specialist    | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Administrative Coordinator    | -            | -            | 0.60         | 0.60                 | 0.60         | -                |
| Zoning Technician             | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Building Permit Technician    | 2.00         | 2.00         | 2.00         | 2.00                 | 2.00         | -                |
| Senior Office Specialist      | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Office Specialist             | 0.48         | 1.08         | 0.48         | 0.48                 | 0.48         | -                |
| Senior Office Assistant       | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Office Assistant              | 1.92         | 0.50         | 0.50         | 1.00                 | 1.00         | 0.50             |
| Intern                        | 0.30         | 0.30         | 0.30         | 0.30                 | 0.30         | -                |
| <b>Total CED</b>              | <b>29.70</b> | <b>26.88</b> | <b>27.88</b> | <b>28.38</b>         | <b>28.38</b> | <b>0.50</b>      |
|                               |              |              |              | Full-time employees: | 28           |                  |
|                               |              |              |              | Part-time employees: | 2            |                  |
| <b>Council</b>                |              |              |              |                      |              |                  |
| Mayor                         | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Council Member                | 6.00         | 6.00         | 6.00         | 6.00                 | 6.00         | -                |
| <b>Total Council</b>          | <b>7.00</b>  | <b>7.00</b>  | <b>7.00</b>  | <b>7.00</b>          | <b>7.00</b>  | <b>-</b>         |
|                               |              |              |              | Full-time employees: | -            |                  |
|                               |              |              |              | Part-time employees: | 7            |                  |
| <b>Legal</b>                  |              |              |              |                      |              |                  |
| Legal Services Director       | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Chief Civil Deputy Attorney   | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Assistant Town Prosecutor     | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Senior Paralegal              | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Paralegal I                   | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Legal Secretary               | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| <b>Total Legal</b>            | <b>6.00</b>  | <b>6.00</b>  | <b>6.00</b>  | <b>6.00</b>          | <b>6.00</b>  | <b>-</b>         |
|                               |              |              |              | Full-time employees: | 6            |                  |
|                               |              |              |              | Part-time employees: | -            |                  |
| <b>Magistrate Court</b>       |              |              |              |                      |              |                  |
| Magistrate Judge              | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Court Administrator           | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Courtroom Clerk               | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Senior Court Clerk            | 3.00         | 3.00         | 3.00         | 3.00                 | 3.00         | -                |
| Court Clerk                   | 1.00         | 1.00         | 1.00         | 1.00                 | 1.48         | 0.48             |
| Bailiff                       | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| <b>Total Magistrate Court</b> | <b>8.00</b>  | <b>8.00</b>  | <b>8.00</b>  | <b>8.00</b>          | <b>8.48</b>  | <b>0.48</b>      |
|                               |              |              |              | Full-time employees: | 8            |                  |
|                               |              |              |              | Part-time employees: | 1            |                  |
| <b>Town Manager's Office</b>  |              |              |              |                      |              |                  |
| Town Manager                  | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Assistant Town Manager        | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |
| Executive Assistant           | 1.00         | 1.00         | 1.00         | 1.00                 | 1.00         | -                |







# Personnel Schedule

|   | FY 2017      | FY 2018      | FY 2019              |              | FY 2020      | +/-<br>to Budget |
|---|--------------|--------------|----------------------|--------------|--------------|------------------|
|   | Actual       | Actual       | Budget               | Projected    | Budget       |                  |
| Park Monitor/Janitor                    | 0.96         | -            | -                    | -            | -            | -                |
| Streets Maintenance Superintendent      | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Senior Traffic Technician               | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Construction Inspector                  | 2.00         | 2.00         | 3.00                 | 3.00         | 3.00         | -                |
| Construction Clerk                      | 0.48         | 0.50         | 0.50                 | -            | -            | (0.50)           |
| Administrative Coordinator              | 1.00         | 1.00         | 0.40                 | 0.40         | 0.40         | -                |
| Stormwater Utility Analyst              | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Stormwater Inspector Designer           | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Facilities Maintenance Crew Leader      | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Fleet Maintenance Mechanic III          | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Fleet Control Specialist                | -            | -            | 1.00                 | 1.00         | 1.00         | -                |
| Traffic Signs/Markings Crew Leader      | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Streets & Drainage Crew Leader          | 2.00         | 2.00         | 2.00                 | 2.00         | 2.00         | -                |
| Traffic Technician                      | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Facilities Maintenance Technician       | 1.00         | 1.00         | 3.00                 | 3.00         | 3.00         | -                |
| Heavy Equipment Operator III            | 2.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Heavy Equipment Operator II             | 7.00         | 7.00         | 7.00                 | 7.00         | 7.00         | -                |
| Heavy Equipment Operator I              | -            | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Senior Office Specialist                | -            | -            | 1.00                 | 1.00         | 1.00         | -                |
| Office Specialist                       | 2.00         | 1.40         | 1.00                 | 1.00         | 1.00         | -                |
| Traffic Signs/Markings Worker           | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Transit Specialist                      | 1.11         | 1.11         | 1.11                 | 1.11         | 1.11         | -                |
| Transit Dispatcher                      | 2.11         | 2.11         | 2.11                 | 2.11         | 2.11         | -                |
| Office Assistant                        | 1.48         | 1.96         | 1.96                 | 1.96         | 1.96         | -                |
| Transit Driver                          | 18.79        | 19.71        | 19.71                | 19.71        | 19.71        | -                |
| <b>Total Public Works</b>               | <b>73.93</b> | <b>65.79</b> | <b>70.79</b>         | <b>70.29</b> | <b>70.29</b> | <b>(0.50)</b>    |
|   |              |              | Full-time employees: |              | 48           |                  |
|   |              |              | Part-time employees: |              | 61           |                  |
| <b>Water Utility</b>                    |              |              |                      |              |              |                  |
| Water Utility Director                  | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Engineering & Planning Manager          | -            | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Water Resources & Planning Manager      | 1.00         | -            | -                    | -            | -            | -                |
| Water Utility Administrator             | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Water Operations Manager                | -            | -            | 1.00                 | 1.00         | 1.00         | -                |
| Water Production Superintendent         | 1.00         | 1.00         | -                    | -            | -            | -                |
| Water Distribution Superintendent       | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Water Engineer Project Manager          | 1.00         | 1.00         | 1.00                 | 1.00         | -            | (1.00)           |
| Water Production & Meter Ops. Superint. | -            | -            | 1.00                 | 1.00         | 1.00         | -                |
| Senior Engineering Associate            | -            | -            | -                    | -            | 2.00         | 2.00             |
| Meter Operations Supervisor             | 1.00         | 1.00         | -                    | 1.00         | 1.00         | 1.00             |
| Engineering Design Reviewer             | 1.00         | 1.00         | 1.00                 | 1.00         | -            | (1.00)           |
| Water Conservation Specialist           | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Lead Water Utility Operator             | 4.00         | 4.00         | 4.00                 | 3.00         | 3.00         | (1.00)           |
| Construction Inspector                  | 2.00         | 2.00         | 2.00                 | 2.00         | 2.00         | -                |
| Electric and Control Technician         | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Civil Engineer Tech                     | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Water Utility Operator III              | 7.00         | 7.00         | 7.00                 | 8.00         | 8.00         | 1.00             |
| Water Utility Operator II               | 4.00         | 4.00         | 4.00                 | 4.00         | 4.00         | -                |
| Senior Office Specialist                | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Customer Service Supervisor             | 1.00         | 1.00         | 1.00                 | 1.00         | 1.00         | -                |
| Water Utility Operator I                | 5.00         | 5.00         | 5.00                 | 4.00         | 4.00         | (1.00)           |

# Personnel Schedule

|                                 | FY 2017       | FY 2018       | FY 2019              |               | FY 2020       | +/-<br>to Budget |
|---------------------------------|---------------|---------------|----------------------|---------------|---------------|------------------|
|                                 | Actual        | Actual        | Budget               | Projected     | Budget        |                  |
| Customer Service Specialist     | 4.00          | 4.00          | 4.00                 | 4.00          | 4.00          | -                |
| Customer Service Representative | 0.48          | 0.48          | 0.48                 | 0.48          | 0.48          | -                |
| <b>Total Water Utility</b>      | <b>39.48</b>  | <b>39.48</b>  | <b>39.48</b>         | <b>39.48</b>  | <b>39.48</b>  | <b>-</b>         |
|                                 |               |               | Full-time employees: |               | 39            |                  |
|                                 |               |               | Part-time employees: |               | 1             |                  |
| <b>Total Personnel</b>          | <b>377.66</b> | <b>382.61</b> | <b>390.31</b>        | <b>391.49</b> | <b>396.97</b> | <b>6.66</b>      |

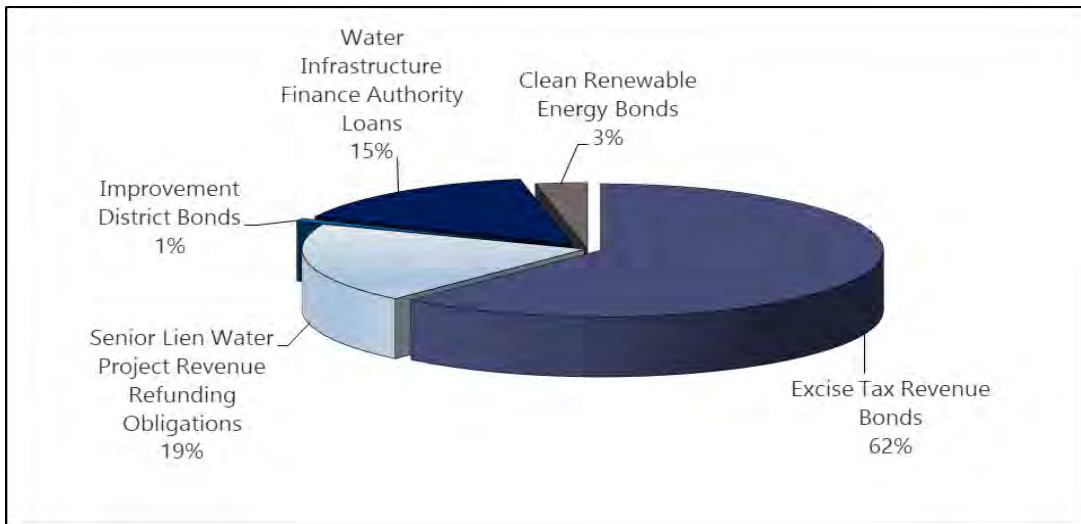
**Full-time employees: 321**  
**Part-time employees: 117**

# Debt Service

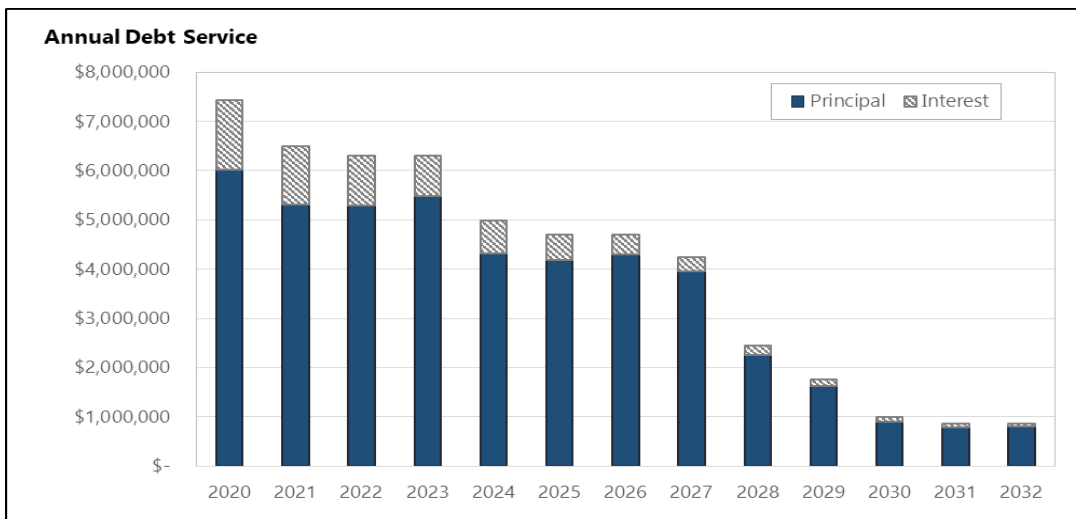
The Town of Oro Valley occasionally issues debt to provide funding for the construction of capital projects. The Town has adopted financial policies on debt capacity that set guidelines for issuing debt and provide guidance in the timing and structuring of long-term debt commitments. The general policy of the Town is to fund capital projects with new, dedicated streams of revenue or voter-approved debt. Non voter-approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenditures. The Town currently uses Excise Tax Revenue Bonds, Water Project Revenue Bonds, Improvement District Bonds, Clean Renewable Energy Bonds, and programs offered by the state as funding mechanisms for capital projects.

The chart below represents the percentage each type of bonded debt contributes to the total outstanding debt of the Town as of June 30, 2019.

**Outstanding Principal = \$46,548,179**



The following chart depicts total annual principal and interest requirements on the Town’s current outstanding debt.

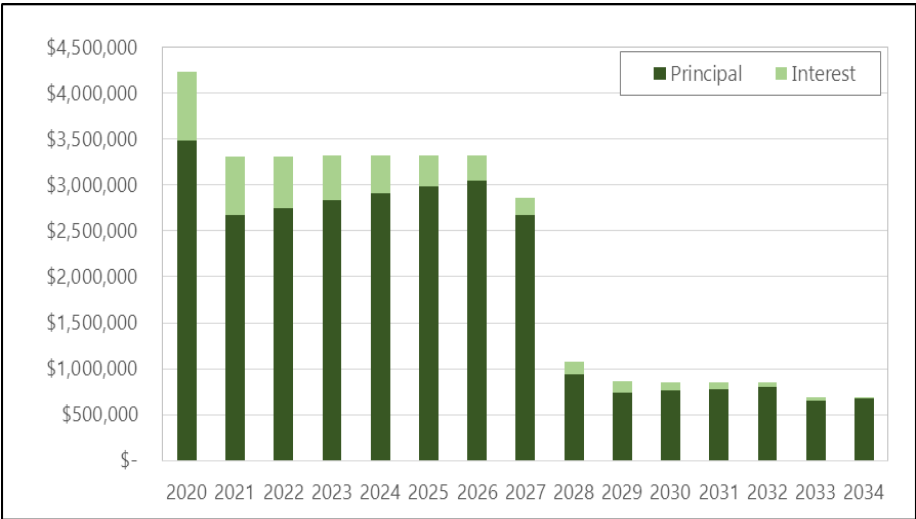


# Debt Service

## Financing Sources

### Excise Tax Revenue Bonds

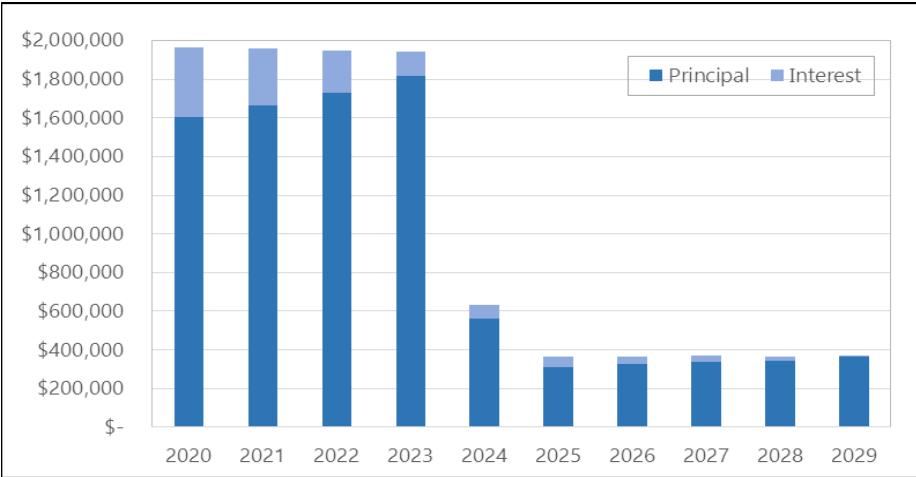
Excise Tax Revenue Bonds are issued by the Town for the purpose of financing the construction or acquisition of capital improvement projects. These bonds may be issued without voter approval. The Town of Oro Valley has issued excise tax revenue bonds for the construction and improvement of water facilities, and the acquisition of land and construction of buildings to support Town services. Repayment of the debt is pledged with excise sales tax, state shared revenue and other permit and fee revenues.



| Bond Rating       |      |
|-------------------|------|
| Standard & Poor's | AA   |
| Fitch             | AA - |

### Senior Lien Water Project Revenue Refunding Obligations

The Senior Lien Water Project Revenue Refunding Obligations were issued by the Town in 2012 for the purpose of refunding previously issued water revenue obligations. The previously issued obligations financed improvements to the Town's reclaimed and potable water systems. Water project revenue bonds may be issued without voter approval. Repayment of the debt is pledged with water system revenues.

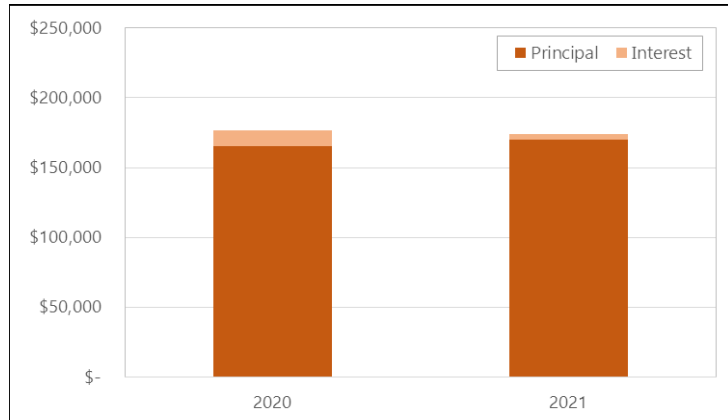


# Debt Service

## Improvement District Bonds

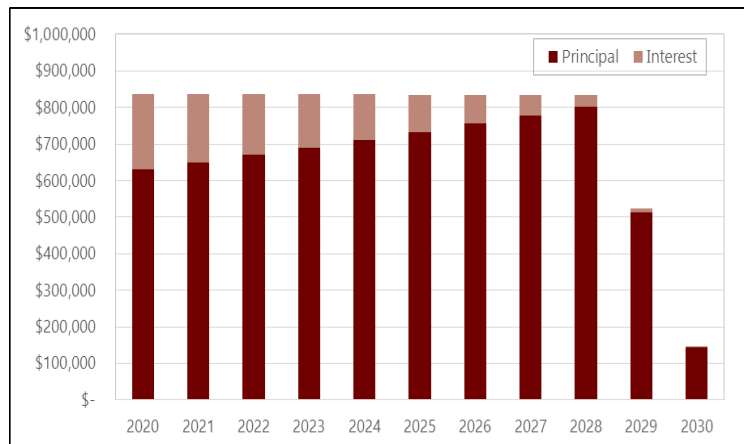
Improvement District Bonds are issued to finance projects in a designated area within a town or city. The majority of property owners in this district must approve the formation of the district and the amount of indebtedness. The bonds are then repaid by the assessments levied on the property in the district. The Town issued Improvement District Bonds in 2005 in the amount of \$3,945,000 to finance the widening of Oracle Road along the Rooney Ranch development.

(Note that in 2013, a large property owner within the district paid off their debt assessment).



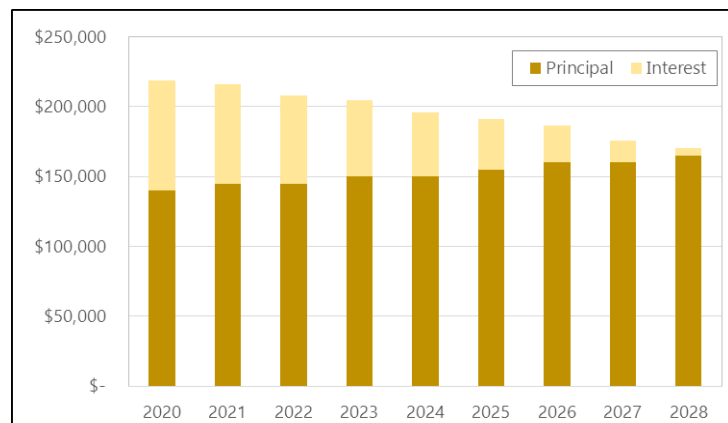
## Water Infrastructure Finance Authority Loans (WIFA)

WIFA is a state agency with specific programs that can improve a city or town’s ability to use bonding as a revenue source. WIFA has the ability to assist smaller to medium sized communities in pooling their bond issues to help lower the costs of issuing debt. They also have monies set aside to help secure the debt and allow the bonds to be issued at the lowest interest rate possible. WIFA’s charge is specifically with water and wastewater projects. In 2007, the Town received a \$4.6 million WIFA loan for infrastructure expansion of the reclaimed water system in the Town. In 2009, the Town received a \$2.3 million WIFA loan to finance existing water system infrastructure improvements. In 2014, the Town received a \$4.7 million WIFA to finance meter replacements.



## Clean Renewable Energy Bonds (CREBs)

In 2010, the Town issued Clean Renewable Energy Bonds in the amount of \$2.4 million to finance the construction of solar panel covered parking structures in the parking lot of Town hall. The bonds are secured by the Town’s excise tax revenues. The debt service is paid through a combination of energy savings, electricity rebates from Tucson Electric Power Company, and a 55% interest subsidy from the U.S. Treasury Department.



# Debt Service

## Debt Limit

The Arizona Constitution limits the Town's bonded debt capacity (outstanding principal) to a certain percentage of the Town's secondary assessed valuation for General Obligation (G.O.) bonds. The Constitution states that for general municipal purposes, the Town cannot incur a debt exceeding 6% of the assessed valuation of taxable property. Additional bonds amounting to 20% of the assessed valuation of taxable property can be issued for water, lighting and sewer projects, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities. The Town's current bond holdings do not include G.O. bonds and, therefore, are not subject to the debt limitation.

## Impact of Debt Levels on Government Operations

The issuance of debt commits the Town to a significant, long-term recurring cost; therefore, each new debt issuance must be heavily scrutinized to ensure the Town's ability to repay the debt. Debt service payments are contractual obligations that take legal precedence over most other Town expenditures. Heavy debt levels may consume a significant portion of an entity's ongoing revenues and could impact an entity's ability to provide services to citizens and residents, especially during economic downturns and revenue declines. When feasible, the Town may utilize cash reserves to fund a project, versus the issuance of debt. The Town's financial policies on debt issuance and management also emphasize minimal borrowing costs and affordability of future debt service obligations.

## Summary

The below information summarizes the total outstanding principal and interest on current Town debt obligations for the next twenty years. A measure of a community's financial soundness is its bond rating. The Town continues to maintain very strong coverage of debt service which contributes to the favorable bond ratings received from Standard & Poor's and Fitch Investors Service.

|      | Excise Tax Revenue Bonds | Water Project Revenue Bonds | Improvement District Bonds | WIFA Loans       | CREBs            | Total             |
|------|--------------------------|-----------------------------|----------------------------|------------------|------------------|-------------------|
| 2020 | 4,228,473                | 1,962,481                   | 176,911                    | 836,810          | 219,108          | 7,423,783         |
| 2021 | 3,305,654                | 1,957,081                   | 174,038                    | 836,509          | 216,354          | 6,489,636         |
| 2022 | 3,312,669                | 1,945,531                   |                            | 836,198          | 208,249          | 6,302,648         |
| 2023 | 3,319,678                | 1,941,906                   |                            | 835,878          | 204,706          | 6,302,168         |
| 2024 | 3,319,712                | 630,331                     |                            | 835,548          | 195,721          | 4,981,312         |
| 2025 | 3,320,298                | 362,931                     |                            | 835,207          | 191,318          | 4,709,753         |
| 2026 | 3,315,455                | 365,231                     |                            | 834,855          | 186,370          | 4,701,911         |
| 2027 | 2,862,901                | 368,631                     |                            | 834,493          | 176,066          | 4,242,091         |
| 2028 | 1,082,369                | 362,925                     |                            | 834,118          | 170,437          | 2,449,849         |
| 2029 | 858,479                  | 371,159                     |                            | 524,499          |                  | 1,754,137         |
| 2030 | 857,123                  |                             |                            | 146,758          |                  | 1,003,881         |
| 2031 | 857,161                  |                             |                            |                  |                  | 857,161           |
| 2032 | 856,564                  |                             |                            |                  |                  | 856,564           |
| 2033 | 684,230                  |                             |                            |                  |                  | 684,230           |
| 2034 | 684,177                  |                             |                            |                  |                  | 684,177           |
|      | <b>32,864,942</b>        | <b>10,268,210</b>           | <b>350,949</b>             | <b>8,190,874</b> | <b>1,768,327</b> | <b>53,443,302</b> |



# Debt Service Schedules

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**\$3,945,000**

## Roadway Improvement Assessment Bonds, Series 2005

- Date:** January 20, 2005
- Interest:** Payable semiannually commencing on July 1, 2005, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued for the improvement of Oracle Road along the Rooney Ranch development.
- Security:** The bonds are payable from and secured by special assessment proceeds.

**Debt Service:**

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|--------------|
| 2020               | 165,000          | 15,748          | 180,748      |
| 2021               | 170,000          | 8,075           | 178,075      |
| Total              | \$335,000        | \$23,823        | \$358,823    |

*Note: In 2013, a large property owner within the improvement district paid off their debt assessment*

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**\$4,584,652**

## Water Infrastructure Finance Authority Loan

- Date:** August 17, 2007
- Interest:** Payable semiannually commencing on July 1, 2008, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** This loan was secured to finance the construction of infrastructure to expand the reclaimed water system in the Town.
- Security:** Water Revenues

**Debt Service:**

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|--------------|
| 2020               | 230,255          | 80,472          | 310,727      |
| 2021               | 238,397          | 72,186          | 310,583      |
| 2022-2024          | 766,973          | 163,862         | 930,835      |
| 2025-2028          | 1,155,292        | 83,476          | 1,238,768    |
| Total              | \$2,390,918      | \$399,996       | \$2,790,913  |

# Debt Service Schedules

**\$2,343,981**

## Water Infrastructure Finance Authority Loan

**Date:** October 22, 2009

**Interest:** Payable semiannually commencing on July 1, 2010, and semiannually thereafter on January 1 and July 1 of each year.

**Purpose:** This loan was secured to finance existing water system infrastructure improvements.

**Security:** Water Revenues

**Debt Service:**

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u>  | <u>Total</u>       |
|--------------------|--------------------|------------------|--------------------|
| 2020               | 107,025            | 42,098           | 149,123            |
| 2021               | 110,419            | 38,650           | 149,069            |
| 2022-2023          | 231,453            | 66,517           | 297,970            |
| 2024-2026          | 375,437            | 71,070           | 446,507            |
| 2027-2030          | 556,764            | 35,917           | 592,681            |
| Total              | <u>\$1,381,098</u> | <u>\$254,252</u> | <u>\$1,635,350</u> |

**\$2,445,000**

## Clean Renewable Energy Bonds – Direct Payment

**Date:** July 22, 2010

**Interest:** Payable semiannually commencing on January 1, 2011, and semiannually thereafter on July 1 and January 1 of each year.

**Purpose:** The bonds were issued to finance the construction of solar panel covered parking structures in the parking lot of Town Hall.

**Security:** Excise Taxes

**Debt Service:**

| <u>Fiscal Year</u> | <u>Principal *</u> | <u>Interest *</u> | <u>Total</u>       |
|--------------------|--------------------|-------------------|--------------------|
| 2020               | 140,000            | 79,108            | 219,108            |
| 2021               | 145,000            | 71,354            | 216,354            |
| 2022-2024          | 445,000            | 163,676           | 608,676            |
| 2025-2028          | 640,000            | 84,189            | 724,189            |
| Total              | <u>\$1,370,000</u> | <u>\$398,327</u>  | <u>\$1,768,327</u> |

*\*Debt Service is subsidized by electricity rebates from Tucson Electric Power Co. and a 55% interest subsidy from the U.S. Treasury Department*

# Debt Service Schedules

**\$2,580,000**

## Excise Tax Revenue Obligations, Series 2012

**Date:** April 5, 2012

**Interest:** Payable semiannually commencing on January 1, 2013, and semiannually thereafter on July 1 and January 1 of each year.

**Purpose:** The bonds were issued to finance the construction of enhancements and upgrades to the Town's Aquatic Center.

**Security:** Excise Taxes

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u>  | <u>Total</u>       |
|--------------------|--------------------|------------------|--------------------|
| 2020               | 165,000            | 62,319           | 227,319            |
| 2021               | 170,000            | 55,619           | 225,619            |
| 2022-2023          | 360,000            | 90,238           | 450,238            |
| 2024-2025          | 390,000            | 60,738           | 450,738            |
| 2026-2028          | 640,000            | 35,903           | 675,903            |
| Total              | <u>\$1,725,000</u> | <u>\$304,816</u> | <u>\$2,029,816</u> |

**\$16,595,000**

## Senior Lien Water Project Revenue Refunding Obligations, Series 2012

**Date:** May 24, 2012

**Interest:** Payable semiannually commencing on January 1, 2013, and thereafter on July 1 and January 1 of each year.

**Purpose:** The bonds were issued to refund previously issued excise tax revenue bonds. The previously issued obligations financed improvements to the Town's reclaimed and potable water systems.

**Security:** Water Revenues

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u>    | <u>Total</u>        |
|--------------------|--------------------|--------------------|---------------------|
| 2020               | 1,605,000          | 357,481            | 1,962,481           |
| 2021               | 1,665,000          | 292,081            | 1,957,081           |
| 2022-2024          | 4,105,000          | 412,769            | 4,517,769           |
| 2025-2029          | 1,685,000          | 145,878            | 1,830,878           |
| Total              | <u>\$9,060,000</u> | <u>\$1,208,210</u> | <u>\$10,268,210</u> |

# Debt Service Schedules

**\$6,355,000**

## Excise Tax Revenue Refunding Obligations, Series 2013

- Date:** June 26, 2013
- Interest:** Payable semiannually commencing on January 1, 2014, and thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued to refund previously issued excise tax revenue refunding bonds. The previously issued obligations provided funding to refinance certain outstanding excise tax secured obligations.
- Security:** Excise Taxes

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u> | <u>Total</u>       |
|--------------------|--------------------|-----------------|--------------------|
| 2020               | 1,010,000          | 7,323           | 1,017,323          |
| Total              | <u>\$1,010,000</u> | <u>\$7,323</u>  | <u>\$1,017,323</u> |

**\$5,000,000**

## Water Infrastructure Finance Authority Loan

- Date:** January 22, 2014
- Interest:** Payable semiannually commencing on July 1, 2014, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** This loan was secured to finance the replacement of aging water meters with new technology electronic water meters.
- Security:** Water Revenues

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u>  | <u>Total</u>       |
|--------------------|--------------------|------------------|--------------------|
| 2020               | 293,140            | 83,819           | 376,959            |
| 2021-2022          | 609,809            | 143,797          | 753,607            |
| 2023-2025          | 976,710            | 152,878          | 1,129,588          |
| 2026-2029          | 1,427,504          | 76,953           | 1,504,457          |
| Total              | <u>\$3,307,164</u> | <u>\$457,447</u> | <u>\$3,764,611</u> |

# Debt Service Schedules

**\$3,775,000**

## Excise Tax Revenue Refunding Obligations, Series 2015

- Date:** November 2, 2015
- Interest:** Payable semiannually commencing on January 1, 2016, and semiannually thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued to refund previously issued excise tax revenue bonds. The previously issued obligations provided funding for the land acquisition, development costs and construction of a Municipal Operations Center.
- Security:** Excise Taxes

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u>  | <u>Total</u>       |
|--------------------|--------------------|------------------|--------------------|
| 2020               | 405,000            | 53,184           | 458,184            |
| 2021               | 409,000            | 45,410           | 454,410            |
| 2022-2023          | 842,000            | 67,003           | 909,003            |
| 2024-2026          | 1,331,000          | 38,381           | 1,369,381          |
| Total              | <u>\$2,987,000</u> | <u>\$203,978</u> | <u>\$3,190,978</u> |

**\$2,000,000**

## Excise Tax Revenue Obligations, Series 2016

- Date:** December 15, 2016
- Interest:** Payable semiannually commencing on July 1, 2017, and thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued to finance energy efficiency improvements at the Town's Community Center.
- Security:** Excise Taxes

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u>   | <u>Interest</u>  | <u>Total</u>       |
|--------------------|--------------------|------------------|--------------------|
| 2020               | 108,000            | 40,810           | 148,810            |
| 2021-2022          | 253,000            | 73,821           | 326,821            |
| 2023-2025          | 429,000            | 88,143           | 517,143            |
| 2026-2028          | 459,000            | 58,839           | 517,839            |
| 2029-2032          | 660,000            | 29,414           | 689,414            |
| Total              | <u>\$1,909,000</u> | <u>\$291,027</u> | <u>\$2,200,027</u> |

# Debt Service Schedules

**\$14,302,000**

## Excise Tax Revenue Refunding Obligations, Series 2017

- Date:** April 6, 2017
- Interest:** Payable semiannually commencing on January 1, 2018, and thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued to refund previously issued excise tax revenue refunding bonds. The previously issued obligations provided funding to refinance certain outstanding excise tax secured obligations.
- Security:** Excise Taxes

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|--------------|
| 2020               | 1,484,000        | 296,241         | 1,780,241    |
| 2021               | 1,520,000        | 259,743         | 1,779,743    |
| 2022-2024          | 4,786,000        | 551,246         | 5,337,246    |
| 2025-2027          | 5,143,000        | 189,479         | 5,332,479    |
| Total              | \$12,933,000     | \$1,296,709     | \$14,229,709 |

**\$8,140,000**

## Excise Tax Revenue Obligations, Series 2018

- Date:** October 23, 2018
- Interest:** Payable semiannually commencing on July 1, 2019, and thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued to finance Oro Valley Water Utility infrastructure improvements and the Town's new police evidence and substation facility.
- Security:** Excise Taxes

### Debt Service:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|--------------|
| 2020               | 309,000          | 287,596         | 596,596      |
| 2021               | 458,000          | 229,580         | 687,580      |
| 2022-2024          | 1,457,000        | 602,868         | 2,059,868    |
| 2025-2027          | 1,594,000        | 464,718         | 2,058,718    |
| 2028-2030          | 1,743,000        | 313,642         | 2,056,642    |
| 2031-2034          | 2,579,000        | 158,686         | 2,737,686    |
| Total              | \$8,140,000      | \$2,057,090     | \$10,197,090 |

# Long Term Forecast

Oro Valley continues to operate within its budgetary limits. A major area of focus by the Town Council is on the future financial sustainability of the Town. This type of long term planning involves aligning our General and Strategic Leadership Plans to our long term forecast, which in turn, drives our budget. A long term forecast allows the Town to determine how current spending plans will impact future budgets.



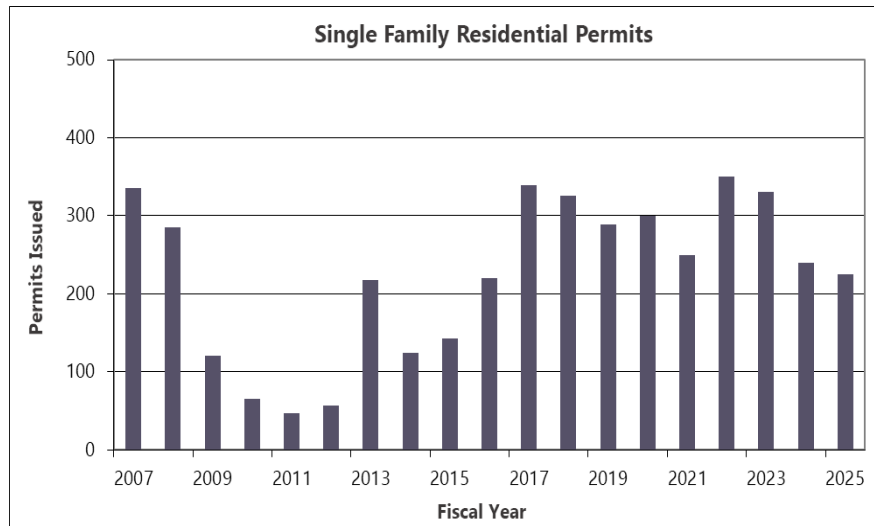
The base forecast is developed using the current services offered by the Town. Assumptions relating to inflation and growth rates are used to predict expenditure levels. Revenues are projected by trend or by specific information, when available. This information is used in conjunction with the impact of new commercial and residential development, future construction projects and economic conditions to develop a long term forecast.

Finance staff works in tandem with the Community and Economic Development Department when compiling projections for long range planning to ensure compatibility among all planning processes. When compiling the long range forecast, the focus is on the Town’s General Fund and Highway Fund.

## Economic and Financial Environment

In previous years, the Town relied heavily on residential and commercial development to fund the business of operating a community. As the Town approaches build-out and these sources begin to diminish, it is anticipated that other revenues sources will be needed to continue the viability of the Town.

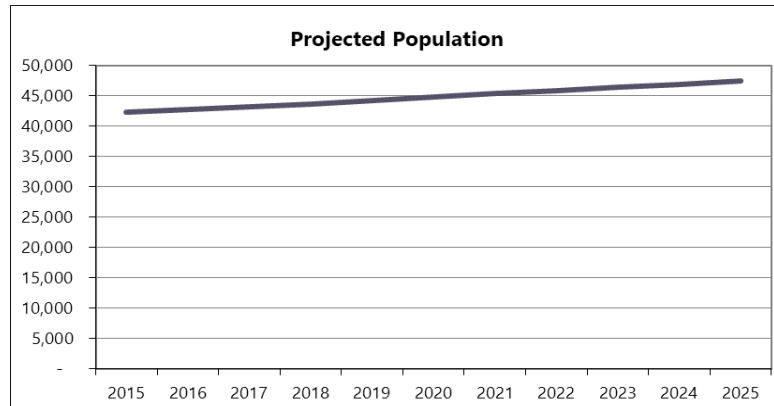
In early 2000, the Town of Oro Valley issued nearly 800 single family residential (SFR) permits, which was considerably higher than other communities in the area. In 2002, the number of permits began to gradually decline. This graph depicts historical SFR permit totals, as well as projected totals through FY 24/25.



# Long Term Forecast

Development and growth-related revenues such as these, as well as sales taxes and state shared revenues, are economically volatile and may experience steep declines during economic downturns, as was the case with the last economic recession. The Town does not levy a property tax, and is therefore extremely vulnerable to shifts in economic conditions. Furthermore, state legislation has impacted local tax collection, collection efforts and state shared revenues, and future attempts at further impacts are always possible.

The Town's population growth has slowed considerably from its historical trend and since the last economic recession, and is projected to increase at a slow pace over the next five years due in part to the limited amount of developable land within the incorporated boundaries of the town.



All this being said, the Town has been experiencing healthy economic growth, both at the local and state levels, since recovering from the great recession. The Town's retail and restaurant sales tax collections continue to increase, and residential and commercial building activity has been steady. Due to a doctrine of conservative budgeting practices, the Town's revenues frequently outperform expectations; coupled with prudent and judicious cost management, the Town is in a strong, solid financial position.

All economic indications and expert consensus suggest relatively stable, continued growth in the near-term. This comes with the understanding and caveat that the current economic expansion is officially the longest in the nation's history. The risk and discussion of a mild downturn in the economy has increased as of late. Therefore, the forecast incorporates this downturn into the revenue projections, thus requiring a corresponding management and alignment of future operating and capital costs in order to prepare for and ensure continued financial stability.

## Impacts of Future Capital Needs

In addition to personnel costs, the Capital Improvement Program makes up a significant portion of the Town's expenditure forecast, for both the one-time cost of the capital and the continued operational impacts of the new facilities or equipment. New or expanded parks and police facilities, for example, may require additional personnel and increased operations & maintenance (O&M) costs. Capital projects will continue to demand much of the Town's resources. Costs to support these projects, as well as any identified recurring costs, have been incorporated in the long-term forecast.

## Budget Impact

The Town's General and Strategic Leadership Plans, its financial policies and the long term forecast all have dramatic impact on the budget. The development of the budget is a process of resource allocation, and the resources available to be allocated are a direct output of the long term forecast. The long term forecast influences the Town's decision-making by projecting the effect that current spending decisions will have on the future and whether resources will be available to fund them. Financial policies, such as fund balance reserve policies, can have a visible impact on the budget, particularly during economic downturns and revenue declines, when resources become strained.



# Long Term Forecast

## Fund Forecasts

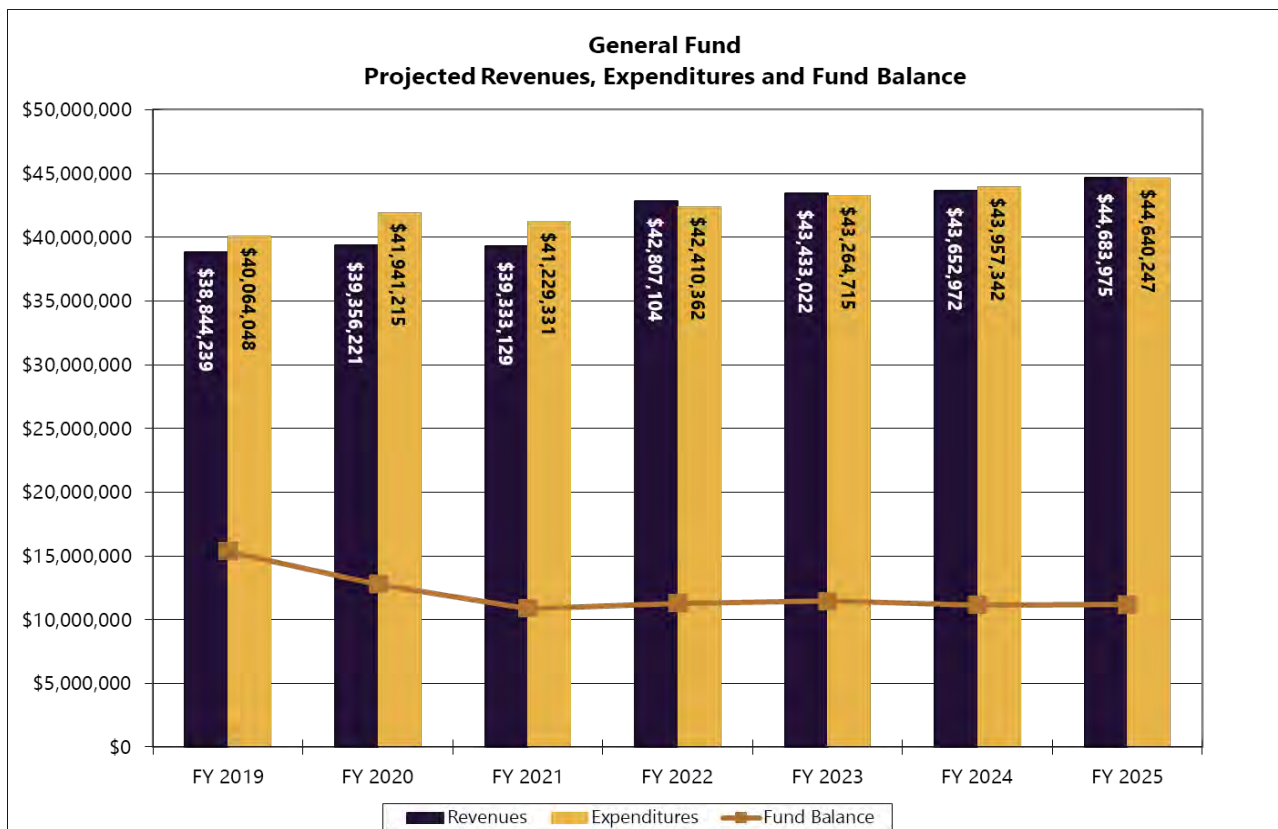
### General Fund

The General Fund forecast demonstrates slow, modest growth in total revenues over the next five years, and is balanced with expenditure levels that sustain programs and services, continue capital investments, dedicate funding towards the Town’s unfunded pension liability, and continue the commitment to reasonable employee compensation and benefits.

The forecast assumes an economic downturn in late FY 19/20 through FY 20/21, impacting local sales taxes, State-shared revenues and building permit revenues; however, there is a slight rebound forecasted in FY 21/22. The forecast assumes residential construction will peak in FY 21/22 with 350 single family residential (SFR) permits issued that year, declining to 225 in FY 24/25. Regarding commercial construction, the forecast assumes modest activity limited to smaller infill projects and potential development on remaining available parcels within Town. Construction sales tax collections and building permit revenues are expected to decline considerably into the final two years of the forecast.

Sales tax revenues (excluding construction) and State-shared revenues are projected to grow 1%-7% per year. Expenditures in the forecast reflect reduced merit increases for employees, health insurance premiums transitioning toward increased employee coverage of dependent costs, and no capacity added for new FTEs. The forecast also assumes downward pressure on operating costs, a continued \$500,000 annual payment toward the Town’s public safety pension unfunded liability, and continued funding for capital projects in compliance with the Town’s adopted financial policies.

The fund balance in the General Fund is maintained at or above the Town’s adopted policy requirement of 25% of expenditures each year, ranging from approximately \$11 million to \$13 million each year.

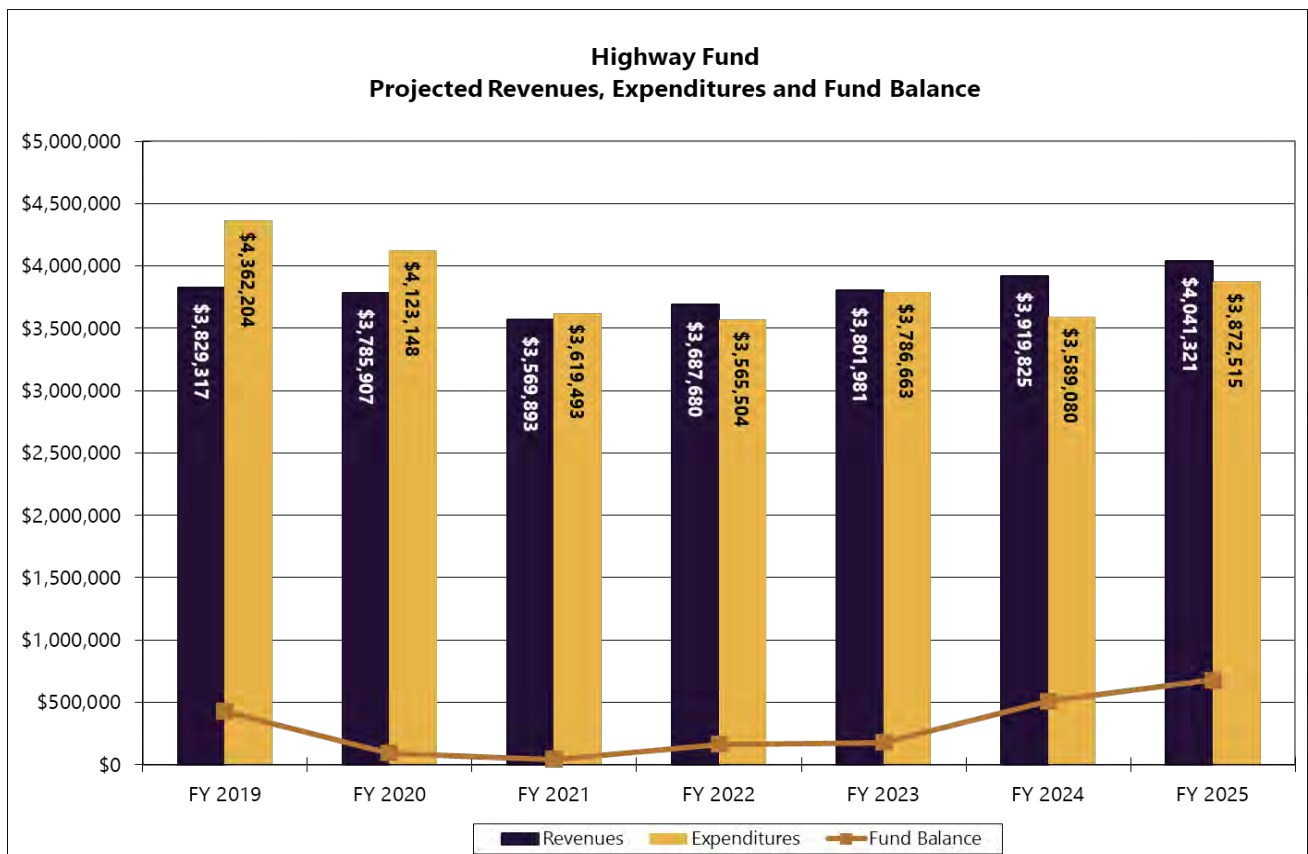


# Long Term Forecast

## Highway Fund

Highway Fund revenues are comprised primarily of State-shared highway user (gas tax) revenues. The State-shared highway user revenue projections are provided by the Arizona Department of Transportation and are projected to grow an average of 3% per year, with a slight decrease assumed in FY 20/21 for the economic downturn risk. Highway Fund expenditures reflect similar assumptions as those included in the General Fund forecast for personnel and operations and maintenance (O&M) costs. Funding for the Town’s pavement preservation program is included in the forecast at approximately \$1.4 million each year, in addition to modest annual capacity for street sign replacements and sidewalk improvements.

The fund balance in the Highway Fund is projected to increase to approximately \$678,000 by FY 24/25.



## Conclusion

Reliance on growth, development and volatile revenue sources leaves Oro Valley vulnerable to economic fluctuations. A delicate balance exists between community needs and the resources available to meet those needs. Major service level changes or added programs will require new revenue sources to fund such expansions. The goals and strategies outlined in the Town’s General and Strategic Leadership Plans, in the areas of economic vitality and Town finances, were developed with the intent to broaden and diversify the town’s workforce, economic base, and revenue sources, helping to ensure the Town’s long-term financial stability.

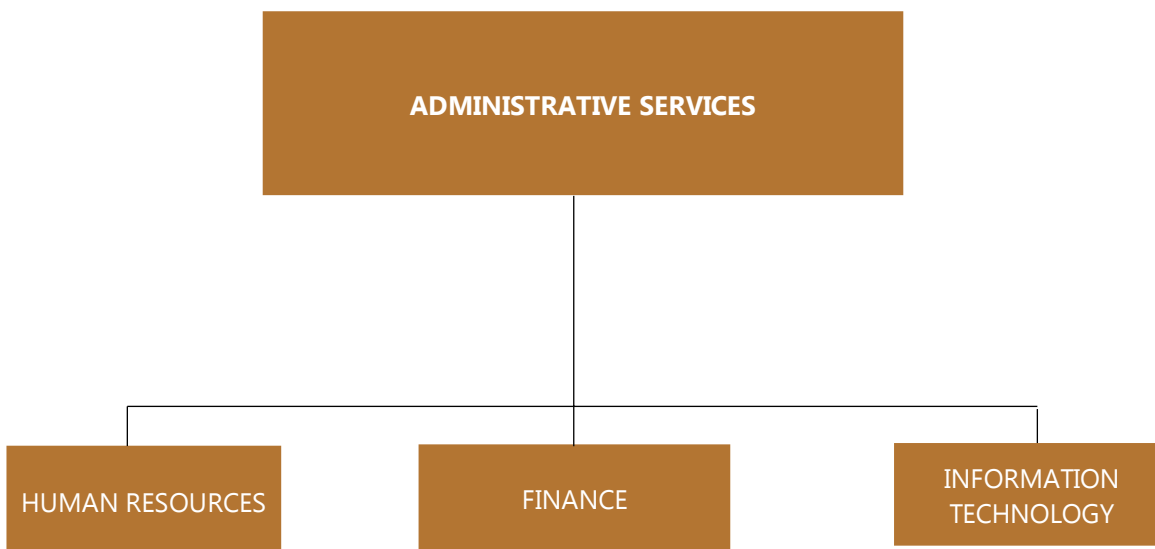


## PROGRAM BUDGETS

Administrative Services  
Clerk  
Community and Economic Development  
Council  
General Administration  
Legal  
Magistrate Court  
Town Manager's Office  
Parks and Recreation  
Police  
Public Works  
Water Utility



# Administrative Services



## OVERVIEW

The Administrative Services Department reflects the consolidation of the Finance, Human Resources and Information Technology Departments. This consolidation increases efficiencies by promoting more integration and cross-functional collaboration and communication among three formerly separate departments that serve the same internal customer base and often share overlapping areas of responsibility. *Please refer to the individual templates for Finance, Human Resources and Information Technology for accomplishments, goals and objectives, and performance measurement data.*

| Total FTEs        |              |              |                   |
|-------------------|--------------|--------------|-------------------|
| FY 2018<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                   | Budget       | Projected    |                   |
| <b>18.48</b>      | <b>21.00</b> | <b>21.00</b> | <b>21.00</b>      |

|                        | Expenditures       |                    |                    |                    | Variance<br>to Budget |
|------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
|                        | FY 2018<br>Actual  | FY 2019            |                    | FY 2020<br>Budget  |                       |
|                        |                    | Budget             | Projected          |                    |                       |
| Finance                | \$ 768,621         | \$ 910,367         | \$ 873,553         | \$ 936,820         | 2.9%                  |
| Human Resources        | 368,382            | 424,488            | 411,929            | 463,048            | 9.1%                  |
| Information Technology | 2,031,228          | 3,115,700          | 3,048,195          | 3,248,502          | 4.3%                  |
|                        | <b>\$3,168,231</b> | <b>\$4,450,555</b> | <b>\$4,333,677</b> | <b>\$4,648,370</b> | <b>4.4%</b>           |

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# Finance

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## OVERVIEW

Finance is responsible for Town financial activities, including accounting, payroll and accounts payable processing, budget development, coordination and analysis, financial statement preparation, audit coordination, debt management, managerial reporting, sales tax compliance, and participation in a variety of other administrative and special projects. Finance also coordinates the development of the Town's Capital Improvement Program and provides procurement administration for the Town.

## 2018-2019 ACCOMPLISHMENTS

- Increased resident understanding of the Town's financial structure, including revenue sources, operational costs and programs, facilities and capital investments through the following:
  - Received the Distinguished Budget Presentation award from the Government Finance Officers Association (GFOA) for the 11<sup>th</sup> consecutive year
  - Received the Certificate of Achievement for Financial Reporting Excellence from GFOA for the 26<sup>th</sup> consecutive year
  - Received the Popular Annual Financial Reporting award from GFOA for the 8<sup>th</sup> consecutive year
  - Received the Achievement of Excellence in Procurement award from the National Procurement Institute for the 12<sup>th</sup> consecutive year
  - Received an unmodified "clean" audit opinion for the Town's annual financial statements
  - Presented monthly financial updates to Town Council and Budget & Finance Commission
- Received a two-notch rating upgrade from Standard & Poor's on the Town's long-term excise tax revenue bonds, from AA- to AA+, attributable to strong financial management, low debt levels, healthy reserves and effective Council-adopted financial policies
- Issued \$8.1 million in excise tax revenue bonds to fund Water Utility system improvements and a new police evidence facility and southern substation building
- 100% of internal customers rated Procurement quality as excellent or good
- 93% of internal customers rated Procurement timeliness as excellent or good
- Worked with the Police Department, Information Technology and Human Resources to implement Peak Performance initiatives for fully electronic overtime reporting, benefits open enrollment and employee action forms
- Continued to align the Town's capital investments with Council's Strategic Leadership Plan and financial policies
- Continued to align the Town's annual budget and associated work plans with conservatively forecasted revenues

# Finance

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Ensure the Town’s financial future remains stable

| COUNCIL FOCUS AREA   | OBJECTIVE(S)   |                  |                               |                |   |
|--|--|------------------|-------------------------------|----------------|---|
| Town Finances  | <ul style="list-style-type: none"> <li>Explore opportunities to broaden revenue diversity to improve the Town’s long-term financial stability</li> <li>Adopt and implement a long-term strategy to adequately fund the Town’s Public Safety Pension Retirement System (PSPRS) liability</li> </ul> |                  |                               |                |   |
| PERFORMANCE MEASURES   | FY 2018 ACTUALS  | FY 2019 TARGET   | FY 2019 RESULT                | FY 2019 STATUS | FY 2020 TARGET                              |
| Assist in update of Town-wide development impact fees and increase cost recovery of Town services through assisting in update of development review, permitting, and parks & recreation fees |  |                  |                               | N/A            | Implement all updated fees by June 30, 2020 |
| Adopt annual PSPRS pension funding policy  |  | By June 30, 2019 | June 19, 2019                 |                | By June 30, 2020                            |
| Budget an additional payment toward the PSPRS unfunded liability debt as part of the annual budget process   |  |                  |                               | N/A            | \$500,000                                   |
| Maintain excise tax revenue bond ratings of AA- from Fitch and Standard & Poor’s (S&P)   | Fitch AA-S&P AA-   | Fitch AA-S&P AA- | Fitch AA-S&P AA+              |                | Fitch AA-S&P AA+                            |
| Maintain minimum General Fund reserve balance of 25% of General Fund expenditures  | 45.0%  | 25.0%            | 46.0% (preliminary unaudited) |                | 30.5%                                       |
| Maintain less than 5% variance between mid-year revenue forecast and actual fiscal year-end revenue for General Fund   | +1.6%  | <5%              | +7.0% (preliminary unaudited) |                | <5%   |

Target Met    
 Target Not Met    
 Informational Only    
 N/A - New/Previous Measure



# Finance

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES (continued)

### STRATEGIC LEADERSHIP PLAN GOAL

Enable greater transparency and more efficient community access to Town information and performance

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |                |                      |
|---|---|----------------|----------------|----------------|----------------------|
| Effective and Efficient Government  | Leverage technology to broaden electronic access to information and data on Town's finances and contracts |                |                |                |                      |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET       |
| Collaborate between Procurement, IT and Clerk's Office to seek, source and implement best solution for public access to Town procurement contracts      |   |                |                | N/A            | By June 30, 2020     |
| Research functions, feasibility, and request funding in FY 20/21 for an open books financial transparency solution that integrates with Town ERP system |   |                |                | N/A            | By June 30, 2020     |
| Implement Peak Performance initiative for employee travel and training expense reporting with utilization of ERP employee expense module                |   |                |                | N/A            | By December 31, 2019 |

 **Target Met**
 **Target Not Met**
 **Informational Only**
 **N/A - New/Previous Measure**



# Finance

| Personnel                         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-----------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Administrative Svcs. Director/CFO | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Finance Director                  | 1.00              | -                 | -                    | -                 | -                     |
| Chief Procurement Officer         | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Procurement Administrator         | 1.00              | -                 | -                    | -                 | -                     |
| Procurement Specialist            | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Finance Manager                   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Budget Analyst             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Accountant                 | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Accounting Specialist             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist          | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>                 | <b>7.00</b>       | <b>8.00</b>       | <b>8.00</b>          | <b>8.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 712,329        | \$ 835,767        | \$ 801,191           | \$ 862,220        | 3.2%                  |
| Operations & Maintenance  | 56,292            | 74,600            | 72,362               | 74,600            | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$768,621</b>  | <b>\$910,367</b>  | <b>\$873,553</b>     | <b>\$936,820</b>  | <b>2.9%</b>           |

## Expenditure and Staffing Changes

### Personnel

Personnel costs increased 3.2% due to merit increases.

# Human Resources

## OVERVIEW

Human Resources provides services and support in the following areas: policy and procedure administration and compliance, compensation and benefits, training and education, employee and labor relations, and performance management.

## 2018-2019 ACCOMPLISHMENTS

- Transitioned from paper files to electronic files in the areas of employee benefits open enrollment and personnel file maintenance, resulting in significant cost savings, dramatically reduced staff time, enhanced security and ease of record retrieval
- First year of three-year plan implemented on the Town salary grade plan
- First phase of three-year plan implemented for an enhanced new employee orientation program

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Recruit and retain talented employees to effectively carry out the Town’s mission

| COUNCIL FOCUS AREA  | OBJECTIVE(S)   |                |   |                |   |
|---|--|----------------|---|----------------|---|
| Effective & Efficient Government  | <ul style="list-style-type: none"> <li>• Benchmark workforce policies and practices and recommend and implement sustainable changes to the Town’s Personnel Policies and internal procedures as appropriate</li> <li>• Develop a robust on-going training program that supports delivery of quality services, strengthens employee engagement and builds leadership skills</li> <li>• Update and implement an effective employee onboarding program that builds employee knowledge of and connection with Town practices and supports a positive organizational culture</li> </ul> |                |   |                |   |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS  | FY 2019 TARGET | FY 2019 RESULT  | FY 2019 STATUS | FY 2020 TARGET  |
| Updated personnel rules, procedures and practices that reflect current trends in municipal government |  |                | Project underway; 1/3 complete                            | N/A            | By June 30, 2020  |
| Performance appraisal process improvement   |  |                | Web-based performance appraisal currently in beta testing | N/A            | From paper to fully electronic process by June 30, 2020 |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

# Human Resources

| PERFORMANCE MEASURES   | FY 2018 ACTUALS | FY 2019 TARGET | FY 2019 RESULT                 | FY 2019 STATUS | FY 2020 TARGET |
|--|-----------------|----------------|--------------------------------|----------------|----------------|
| Training program tailored for employees based on job classification.                                   |                 |                | Began examining options        | N/A            | 4/1/2020       |
| Improved employee orientation/onboarding program with enhanced transactional and strategic parameters. |                 |                | Project underway; 1/3 complete | N/A            | 6/30/2020      |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

| Personnel                | FY 2018 Actual | FY 2019 Budget | FY 2019 Projected | FY 2020 Budget | Variance to Budget |
|--------------------------|----------------|----------------|-------------------|----------------|--------------------|
| Human Resource Director  | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| Human Resource Analyst   | 2.00           | 2.00           | 2.00              | 2.00           | -                  |
| Human Resource Assistant | -              | 1.00           | 1.00              | 1.00           | -                  |
| Office Specialist        | 0.48           | -              | -                 | -              | -                  |
| <b>Total FTEs</b>        | <b>3.48</b>    | <b>4.00</b>    | <b>4.00</b>       | <b>4.00</b>    | -                  |

| Expenditures              | FY 2018 Actual    | FY 2019 Budget    | FY 2019 Projected | FY 2020 Budget    | Variance to Budget |
|---------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Personnel                 | \$ 316,361        | \$ 338,305        | \$ 334,364        | \$ 379,175        | 12.1%              |
| Operations & Maintenance  | 52,021            | 86,183            | 77,565            | 83,873            | -2.7%              |
| <b>Total Expenditures</b> | <b>\$ 368,382</b> | <b>\$ 424,488</b> | <b>\$ 411,929</b> | <b>\$ 463,048</b> | <b>9.1%</b>        |

## Expenditure and Staffing Changes

### Personnel

Personnel costs increased 12.1% due to a position refill and equity adjustment.

# Information Technology

## OVERVIEW

Information Technology (IT) identifies, implements and supports technology needs throughout all Town departments to support their business needs. Responsibilities include: management and security of the Town’s computer networks; Geographic Information System (GIS) maps; desktop and network technology acquisition; application development and support; database management; website support; and management of all Town voice and data systems.

## 2018-2019 ACCOMPLISHMENTS

- Upgraded 82% of Town computers to Windows 10
- Implemented CivicRec recreation management software
- Implemented Cartegraph asset management software in water
- Implemented electronic field reporting in the Police Department

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Implement strategies to improve opportunities to attract, grow and retain primary employers and expand local job opportunities

| COUNCIL FOCUS AREA  | OBJECTIVE(S)   |                |                |                |                |
|---|--|----------------|----------------|----------------|----------------|
| Economic Vitality   | Explore feasibility of a Town-owned fiber optic network to minimize reliance on third party carriers and increase technology capabilities at Town facilities |                |                |                |                |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS  | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET |
| Delivery of a proposal describing a model of Town-owned fiber optics plant, uses, and implementation plan |  |                |                | N/A            | 1/15/2021      |

 **Target Met**
 **Target Not Met**
 **Informational Only**
 **N/A** N/A - New/Previous Measure

### STRATEGIC LEADERSHIP PLAN GOAL

Enable greater transparency and more efficient community access to town information and performance

| COUNCIL FOCUS AREA               | OBJECTIVE(S)  |
|----------------------------------|---|
| Effective & Efficient Government | Leverage technology to broaden electronic access to information and data on Town finances and contracts |

# Information Technology

| PERFORMANCE MEASURES  | FY 2018 ACTUALS | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET |
|---|-----------------|----------------|----------------|----------------|----------------|
| Implementation of a publicly accessible reporting tool showing Town finance and contract information. |                 |                |                | N/A            | 1/15/2021      |



Target Met



Target Not Met



Informational Only



N/A - New/Previous Measure

| Personnel                       | FY 2018 Actual | FY 2019 Budget | FY 2019 Projected | FY 2020 Budget | Variance to Budget |
|---------------------------------|----------------|----------------|-------------------|----------------|--------------------|
| Chief Information Officer (CIO) | -              | 1.00           | 1.00              | 1.00           | -                  |
| IT Director                     | 1.00           | -              | -                 | -              | -                  |
| Network Administrator           | 2.00           | 2.00           | 2.00              | 2.00           | -                  |
| Systems Analyst                 | 1.00           | 2.00           | 2.00              | 2.00           | -                  |
| Database Analyst                | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| Senior GIS Administrator        | -              | -              | 1.00              | 1.00           | 1.00               |
| Senior GIS Specialist           | 1.00           | 1.00           | -                 | -              | (1.00)             |
| GIS Analyst                     | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| IT Analyst                      | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| <b>Total FTEs</b>               | <b>8.00</b>    | <b>9.00</b>    | <b>9.00</b>       | <b>9.00</b>    | <b>-</b>           |

| Expenditures              | FY 2018 Actual     | FY 2019 Budget     | FY 2019 Projected  | FY 2020 Budget     | Variance to Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Personnel                 | \$ 806,385         | \$ 934,832         | \$ 905,573         | \$ 942,627         | 0.8%               |
| Operations & Maintenance  | 1,079,030          | 1,912,323          | 1,874,077          | 2,053,875          | 7.4%               |
| Capital Outlay            | 145,813            | 268,545            | 268,545            | 252,000            | -6.2%              |
| <b>Total Expenditures</b> | <b>\$2,031,228</b> | <b>\$3,115,700</b> | <b>\$3,048,195</b> | <b>\$3,248,502</b> | <b>4.3%</b>        |

## Expenditure and Staffing Changes

### Operations & Maintenance

Operations & Maintenance increased 7.4% due to software maintenance and licensing costs.

### Capital Outlay

Capital decreased 6.2% due to equipment projects and purchases completed in FY 2019.

# Information Technology

| PERFORMANCE MEASURES  | FY 2018 ACTUALS | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET |
|---|-----------------|----------------|----------------|----------------|----------------|
| Implementation of a publicly accessible reporting tool showing Town finance and contract information. |                 |                |                | N/A            | 1/15/2021      |

 **Target Met**
 **Target Not Met**
 **Informational Only**
 **N/A** N/A - New/Previous Measure

| Personnel                       | FY 2018 Actual | FY 2019 Budget | FY 2019 Projected | FY 2020 Budget | Variance to Budget |
|---------------------------------|----------------|----------------|-------------------|----------------|--------------------|
| Chief Information Officer (CIO) | -              | 1.00           | 1.00              | 1.00           | -                  |
| IT Director                     | 1.00           | -              | -                 | -              | -                  |
| Network Administrator           | 2.00           | 2.00           | 2.00              | 2.00           | -                  |
| Systems Analyst                 | 1.00           | 2.00           | 2.00              | 2.00           | -                  |
| Database Analyst                | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| Senior GIS Administrator        | -              | -              | 1.00              | 1.00           | 1.00               |
| Senior GIS Specialist           | 1.00           | 1.00           | -                 | -              | (1.00)             |
| GIS Analyst                     | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| IT Analyst                      | 1.00           | 1.00           | 1.00              | 1.00           | -                  |
| <b>Total FTEs</b>               | <b>8.00</b>    | <b>9.00</b>    | <b>9.00</b>       | <b>9.00</b>    | <b>-</b>           |

| Expenditures              | FY 2018 Actual     | FY 2019 Budget     | FY 2019 Projected  | FY 2020 Budget     | Variance to Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Personnel                 | \$ 806,385         | \$ 934,832         | \$ 905,573         | \$ 942,627         | 0.8%               |
| Operations & Maintenance  | 1,079,030          | 1,912,323          | 1,874,077          | 2,053,875          | 7.4%               |
| Capital Outlay            | 145,813            | 268,545            | 268,545            | 252,000            | -6.2%              |
| <b>Total Expenditures</b> | <b>\$2,031,228</b> | <b>\$3,115,700</b> | <b>\$3,048,195</b> | <b>\$3,248,502</b> | <b>4.3%</b>        |

### Expenditure and Staffing Changes

#### Operations & Maintenance

Operations & Maintenance increased 7.4% due to software maintenance and licensing costs.

#### Capital Outlay

Capital decreased 6.2% due to equipment projects and purchases completed in FY 2019.

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# Clerk

## OVERVIEW

The Clerk's Office is the centralized information distribution point for our citizens, Town Council and staff. Responsibilities include preserving the legislative history of the Town, maintaining public records of the Town and conducting fair and impartial elections. The Clerk's Office provides staff support to Town Council; public records and information; business licensing; records management; elections; voter registration; and notary services. Functions of the Clerk's Office are performed in accordance with Arizona Revised Statutes, Oro Valley Town Code and the administrative policies and objectives of the Town.






## 2018-2019 ACCOMPLISHMENTS

- Completed Administration lobby safety improvements and remodel
- Added 605 documents consisting of 51,595 pages to the Town's electronic document database
- Conducted the August 28, 2018 Primary Election with a voter turnout of 53.4%
- Improved board/commission recruitment process by displaying upcoming vacancies on webpage

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Enable greater transparency and more efficient community access to Town information and performance

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |                     |
|---|---|----------------|----------------|---|---------------------|
| Effective & Efficient Government  | Leverage technology to broaden electronic access to information and data on Town's finances and contracts |                |                |   |                     |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET      |
| Issue 100% of business license renewals within 30 days  | 100%  | 100%           | 100%           |  | 100% within 25 days |
| Issue 100% of new business license requests within 3-5 days of application  | 100%  | 100%           | 100%           |  | 100%                |
| Initiate 100% of public record requests within 24 business hours of receipt   | 100%  | 100%           | 100%           |  | 100%                |
| Explore the feasibility of implementing a fully automated online business license application process through MUNIS |   |                |                |  | By Dec 31, 2019     |
| Develop and implement a solution to broaden electronic access to Town contracts                                     |   |                |                |  | By June 30, 2020    |



Target Met



Target Not Met



Informational Only



N/A - New/Previous Measure



# Clerk

|                          | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>         |                   |                   |                      |                   |                       |
| Town Clerk               | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Deputy Town Clerk        | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Office Assistant         | 1.44              | 1.48              | 1.48                 | 1.48              | -                     |
| Communications Intern    | 0.25              | 0.25              | 0.25                 | 0.25              | -                     |
| <b>Total FTEs</b>        | <b>4.69</b>       | <b>4.73</b>       | <b>4.73</b>          | <b>4.73</b>       | <b>-</b>              |

|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 297,875        | \$ 336,159        | \$ 321,661           | \$ 337,936        | 0.5%                  |
| Operations & Maintenance  | 166,827           | 108,400           | 72,900               | 28,400            | -73.8%                |
| Capital Outlay            | 5,124             | -                 | 20,265               | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$469,826</b>  | <b>\$444,559</b>  | <b>\$414,826</b>     | <b>\$366,336</b>  | <b>-17.6%</b>         |

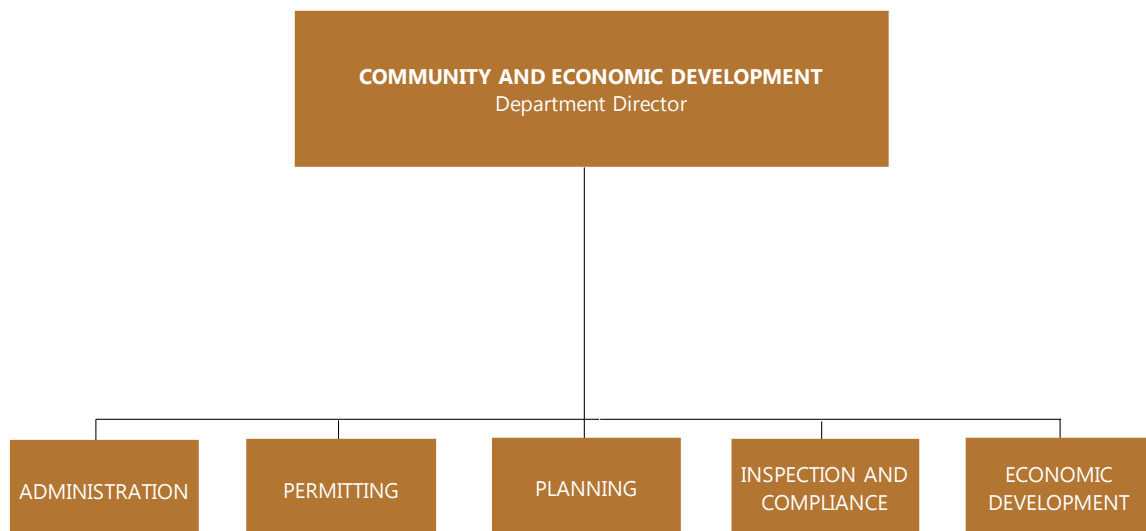
|                             | Revenue Sources   |                   |                      |                   | Variance<br>to Budget |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
|                             | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget |                       |
| Business Licenses & Permits | \$ 206,927        | \$ 204,000        | \$ 204,300           | \$ 206,300        | 1.1%                  |
| Public Record Request Fees  | 2,270             | 3,000             | 2,500                | 2,500             | -16.7%                |
| <b>Total Revenues</b>       | <b>\$209,197</b>  | <b>\$207,000</b>  | <b>\$206,800</b>     | <b>\$208,800</b>  | <b>0.9%</b>           |

## Expenditure and Staffing Changes

### Operations & Maintenance

Operations & Maintenance decreased 73.8% due to election costs, which are incurred every other year.

# Community & Economic Development(CED)



## OVERVIEW

The Community and Economic Development (CED) Department supports and welcomes new and expanded business and residential development in the Town of Oro Valley. The department provides excellent customer service in coordinating all facets of economic development, planning, permitting, inspection and compliance of both horizontal and vertical construction within the community we serve. Our team is dedicated to ensuring that development proceeds in a safe and efficient manner to meet today's business needs. The department encourages the use of best practices in both community and economic development including innovative design that supports a sustainable economy, diverse employment opportunities, expanded education and cultural experiences for local residents.

## 2018-2019 ACCOMPLISHMENTS

### ADMINISTRATION

- Provided expanded cross-training of department staff to further align functions
- Initiated a succession planning process to develop professional talent within the department
- Began the adoption of a Process-Based Leadership, Management and staffing system
- Initiated internal performance metrics and began uploading onto the Town's 'dashboard'

### PERMITTING

- Issued a total of 2,363 permits, including 296 single family residential permits, 111 grading permits, 46 commercial building permits, 244 photovoltaic permits, and 119 pool permits
- Initialized 126 new applications for new development related projects such as pre-applications, site and landscape plans, re-zonings, general plan amendments and final plats
- Collected over \$2 million in plan review and permit fees representing more than \$155 million in work valuation for new private construction
- Issued building permits for the Tohono Chul pavilion and new businesses such as Charred Pie, Miles Label Company, OVPD Evidence Facility, Just Kabab, Hilton El Conquistador Spa, Rosie's Barket and Ironwood Dermatology

# Community & Economic Development(CED)

## 2018-2019 ACCOMPLISHMENTS (continued)

- Bluebeam review software in use by staff; experienced continued growth of digitally submitted applications for all project types and corresponding digital review by staff

### PLANNING

- Provided Planning review comments within time standards for all development applications
- Processed 140 applications of various types, including 33 pre-applications
- Presented cases (including code amendments) before the Planning and Zoning Commission, Town Council and Board of Adjustment
- Provided 15 neighborhood meetings
- Represented the Town at various state and regional meetings (PAG, ASLA, APA)
- Conducted various board and commission trainings, including site tours for cases
- Organized and ran a successful Community Academy (over 40 participants)
- Researched saguaro preservation (best practices) and documented/catalogued state land plant inventory
- Completed Zoning Code updates for signs in the public rights of way
- Commenced all zoning update projects specified in the Strategic Leadership Plan, including improvements to the Economic Expansion Zone, Commercial Code/Tech Park standards, Noise and Odor ordinances, and the Environmentally Sensitive Lands Ordinance
- Comprehensively evaluated Your Voice, Our Future General Plan Action Item implementation
- Increased community understanding of development objectives and growth via media articles and website improvements

### INSPECTION & COMPLIANCE

- Successful adoption of the 2018 Building Codes, which has provided the Town with the most current editions of life-safety and energy codes available
- Successful in lowering the Town's Insurance Service Office (ISO) rating to an equitable level that benefits all property owners within the Town
- Performed approximately 29,000 inspections at 9,650 locations, including major projects such as Oro Valley Senior Living, Steam Pump Self-Storage, and Oro Valley Church of the Nazarene
- Responded to 93 complaints and generated 439 violations

### ECONOMIC DEVELOPMENT

- Conducted over 100 local business retention and expansion visitations
- Completed 90 high-level interviews for the Town's updated five-year Comprehensive Economic Development Strategy (CEDS)
- Created a new business development pipeline with more than 50 prospects
- Worked with the former and current owners of the Oro Valley Marketplace to help transition the site into a blended-use property
- Incorporated the Oro Valley Town Council Strategic Leadership Plan FY 19/20-FY 20/21 action items that pertain to economic vitality into the 2019-2024 CEDS
- Began expanding the economic development section of the Town's website
- Expanded collaborations with higher education, business and industry leaders to grow and house the community's entrepreneurial ecosystem

# Community & Economic Development(CED)

## 2018-2019 ACCOMPLISHMENTS (continued)

- Worked with multiple organizations to facilitate the development of a community business conference center and co-working space that will help enable the expansion of the start-up business economy in Oro Valley
- Created the five-year CEDS for Council adoption, a dynamic and transformational action plan that will drive economic expansion and help implement the economic development tactics in the *Your Voice, Our Future* General Plan. The CEDS will be updated annually to 'benchmark' the implementation plan, thereby ensuring public transparency and accountability regarding the Town's economic development programs

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Ensure quality development with integrated architecture and natural open space while maintaining and enhancing the character of the community







| COUNCIL FOCUS AREA | OBJECTIVE(S)   |
|--------------------|--|
| Land Use           | <ul style="list-style-type: none"> <li>• Review and evaluate effectiveness of the Environmentally Sensitive Land Ordinance (ESLO) against goals in which it was originally established, identify any unintended consequences, and recommend changes to the Planning and Zoning Commission and Town Council</li> <li>• Review and recommend to Planning and Zoning Commission and Town Council updates of Town Codes in the following key areas: signs in public right-of-way; residential design standards; noise and odor abatement; and the Economic Expansion Zone (EEZ)</li> </ul> |

| PERFORMANCE MEASURES  | FY 2018 ACTUALS | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET                  |
|---|-----------------|----------------|----------------|----------------|---------------------------------|
| Complete ESLO analysis, evaluate alignment with General Plan, conduct key outreach, address deficiencies with code updates, conduct Commission and Council study sessions and public hearings |                 |                |                | N/A            | Council adoption by Spring 2021 |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

## Community & Economic Development(CED)

| PERFORMANCE MEASURES<br>(CONTINUED)  | FY 2018<br>ACTUALS | FY 2019<br>TARGET | FY 2019<br>RESULT | FY 2019<br>STATUS   | FY 2020<br>TARGET                 |
|--|--------------------|-------------------|-------------------|---|-----------------------------------|
| Sign Code update – research, draft code, outreach, Commission and Council public hearings        |                    |                   |                   |  N/A | Council adoption by July 31, 2019 |
| Design Standards Update - research, draft code, outreach, Commission and Council public hearings |                    |                   |                   |  N/A | Council adoption by Spring 2020   |
| EEZ Update - research, draft code, outreach, Commission and Council public hearings              |                    |                   |                   |  N/A | Council adoption by Winter 2020   |
| Time from first zoning or building code violation complaint to investigation                     | 72 hours           | 72 hours          | 72 hours          |      | 72 hours                          |
| % of zoning or building code violations resolved through voluntary compliance                    | 95%                | 95%               | 95%               |    | 95%                               |
| % of inspections completed by end of next business day   | 97%                | 90%               | 98%               |    | 95%                               |



Target Met



Target Not Met



Informational Only








N/A - New/Previous Measure

# Community & Economic Development(CED)

## STRATEGIC LEADERSHIP PLAN GOAL

Improve Town responsiveness to commercial investments that better correlate to the speed of business

| COUNCIL FOCUS AREA  | OBJECTIVE(S)   |                                   |                |   |                      |
|---|--|-----------------------------------|----------------|---|----------------------|
| Economic Vitality   | <ul style="list-style-type: none"> <li>Complete transition to electronic plan submittal and review</li> <li>Benchmark similar planning and permitting processes and procedures in highly successful local governments, prioritize improvements and implement improvement plan</li> </ul> |                                   |                |   |                      |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS  | FY 2019 TARGET                    | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET       |
| Implement review software for customer digital/electronic submittals  | Staff software training completed June 2018  | Implement software September 2019 | September 2019 |    |                      |
| Begin utilizing MUNIS Citizen Self-Service website for electronic plan submittals                               |  |                                   |                |    | By March 30, 2020    |
| Analyze existing processes and compare to other jurisdictions to identify opportunities for improvement         |  |                                   |                |  | By Spring 2020       |
| Promote digital program and solicit feedback and implement adjustments where necessary for greater efficiencies |  |                                   |                |  | By December 31, 2020 |
| Prioritize opportunities for process improvement and implement improvement plan                                 |  |                                   |                |  | By December 31, 2020 |



Target Met



Target Not Met



Informational Only



N/A - New/Previous Measure

# Community & Economic Development(CED)

## STRATEGIC LEADERSHIP PLAN GOAL

Implement strategies to improve opportunities to attract, grow and retain primary employers and expand local job opportunities

| COUNCIL FOCUS AREA                                  | OBJECTIVE(S)  |  |   |                |   |
|---|---|--|---|----------------|---|
| Economic Vitality                                   | <ul style="list-style-type: none"> <li>Develop and present a business incentive program to Town Council</li> <li>Analyze and develop strategies to expand available properties for primary employment</li> <li>Support local and regional collaborative initiatives that help attract and grow start-up businesses in key target sectors within Oro Valley, including an incubator/accelerator at Innovation Park</li> <li>Identify ways in which Town can support collaborative efforts between educational institutions, business, government and non-profits to continue improving student knowledge, skills and abilities in preparation for workforce entry</li> </ul> |  |   |                |   |
| PERFORMANCE MEASURES                                | FY 2018 ACTUALS   | FY 2019 TARGET   | FY 2019 RESULT  | FY 2019 STATUS | FY 2020 TARGET  |
| Incubator/accelerator initiative at Innovation Park |   | IGA with Pima County<br><br>Operating Agreement with Oro Valley Innovation Lab Board<br><br>\$10,000 funding in budget | Both documents prepared and signed<br><br>\$10,000 distributed  |                | \$50K seed funding approved in budget for distribution by June 30, 2020                             |
| Business incentive program                          |   |  | Analyzed incentives offered by Arizona communities; developed draft policy to present to Town Council |                | Gather historical data about previous Town incentives; formal policy adoption by Council April 2020 |

Target Met    
 Target Not Met    
 Informational Only    
 N/A - New/Previous Measure

# Community & Economic Development(CED)

| PERFORMANCE MEASURES (CONTINUED)   | FY 2018 ACTUALS | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET                          |
|--|-----------------|----------------|----------------|----------------|---|
| Implement strategy to expand available properties for primary employment                 |                 |                |                | N/A            | By January 2021                         |
| Collaboration meetings with educational institutions, business, government & non-profits |                 |                |                | N/A            | Meet with six agencies by June 30, 2021 |
| Number of active business prospects in business development pipeline                     |                 |                | 56             | N/A            | At least 50                             |
| Number of local business visitations   | 243             | 100            | 136            |                | At least 100                            |

## STRATEGIC LEADERSHIP PLAN GOAL

Implement strategies to attract retail and restaurant investment and expansion in primary commercial centers within the community

| COUNCIL FOCUS AREA | OBJECTIVE(S)   |
|--------------------|--|
| Economic Vitality  | <ul style="list-style-type: none"> <li>Conduct an external retail market assessment by a qualified firm to provide targeted data designed to assist the town in attracting and retaining retail</li> <li>Partner with Greater Oro Valley Chamber of Commerce to convene annual business summit focused on increasing town and community’s understanding of challenges and opportunities associated with a thriving retail and restaurant market</li> <li>Develop and begin implementation of a robust economic development marketing strategy that provides targeted and expected information for business and retail prospects</li> </ul> |

| PERFORMANCE MEASURES              | FY 2018 ACTUALS | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET                                      |
|-----------------------------------|-----------------|----------------|----------------|----------------|---|
| External retail market assessment |                 |                |                | N/A            | RFP by December 2019; Work complete by May 30, 2020 |

Target Met    
 Target Not Met    
 Informational Only    
 N/A - New/Previous Measure



# Community & Economic Development(CED)

| PERFORMANCE MEASURES<br>(CONTINUED)   | FY 2018<br>ACTUALS | FY 2019<br>TARGET | FY 2019<br>RESULT   | FY 2019<br>STATUS | FY 2020<br>TARGET                      |
|---|--------------------|-------------------|---|-------------------|--|
| Annual business summit in partnership with Greater Oro Valley Chamber of Commerce |                    |                   |   | N/A               | By June 30, 2020                       |
| Comprehensive Economic Development Strategy (CEDs)                                |                    |                   | 90 interviews conducted<br><br>CEDs presented to Council March 20, 2019 | N/A               | Council adoption by September 30, 2019 |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

# Community & Economic Development(CED)

| Total FTEs        |              |              |                   |
|-------------------|--------------|--------------|-------------------|
| FY 2018<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                   | Budget       | Projected    |                   |
| <b>26.88</b>      | <b>27.88</b> | <b>28.38</b> | <b>28.38</b>      |

|                           | Expenditures by Division |                     |                     |                     |                       |
|---------------------------|--------------------------|---------------------|---------------------|---------------------|-----------------------|
|                           | FY 2018<br>Actual        | FY 2019             |                     | FY 2020<br>Budget   | Variance<br>to Budget |
|                           |                          | Budget              | Projected           |                     |                       |
| Administration            | \$ 330,089               | \$ 275,431          | \$ 256,272          | \$ 314,113          | 14.0%                 |
| Permitting                | 1,137,476                | 1,038,195           | 978,042             | 1,068,982           | 3.0%                  |
| Planning                  | 522,710                  | 599,188             | 557,999             | 603,906             | 0.8%                  |
| Inspection and Compliance | 800,752                  | 842,822             | 841,137             | 864,113             | 2.5%                  |
| Economic Development      | -                        | 113,688             | 109,819             | 188,307             | 65.6%                 |
|                           | <b>\$ 2,791,027</b>      | <b>\$ 2,869,324</b> | <b>\$ 2,743,269</b> | <b>\$ 3,039,421</b> | <b>5.9%</b>           |

|                              | Revenue Sources     |                     |                     |                     |                       |
|------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
|                              | FY 2018<br>Actual   | FY 2019             |                     | FY 2020<br>Budget   | Variance<br>to Budget |
|                              |                     | Budget              | Projected           |                     |                       |
| Residential Building Permits | \$ 1,463,401        | \$ 1,271,000        | \$ 1,427,596        | \$ 1,345,000        | 5.8%                  |
| Commercial Building Permits  | 683,494             | 506,596             | 305,621             | 232,818             | -54.0%                |
| Special Inspection Fees      | 7,821               | 4,500               | 12,332              | 8,000               | 77.8%                 |
| Zoning and Subdivision Fees  | 137,224             | 150,000             | 168,220             | 145,000             | -3.3%                 |
| Sign Permits                 | 29,709              | 20,000              | 20,517              | 20,000              | 0.0%                  |
| Grading Permit Fees          | 162,012             | 75,000              | 108,672             | 90,000              | 20.0%                 |
| Engineer Plan Review Fees    | 78,356              | 50,000              | 64,723              | 55,000              | 10.0%                 |
| Fire Permits and Fees        | 81,211              | 55,000              | 57,058              | 55,000              | 0.0%                  |
| Grading Review Fees          | 1,300               | -                   | 1,078               | -                   | 0.0%                  |
|                              | <b>\$ 2,644,528</b> | <b>\$ 2,132,096</b> | <b>\$ 2,165,817</b> | <b>\$ 1,950,818</b> | <b>-8.5%</b>          |

## CED – Administration

### OVERVIEW

The primary function of the Community and Economic Development Director is to ensure harmonious growth as well as the health, safety, and welfare of the public in the built environment. The director, with support of the division managers and administrators, provides leadership, direction and support to the department's staff. Responsibilities include: establishing departmental policy; leadership direction and support of the department's staff; preparation and management of the department's operating and capital budget; code interpretation and enforcement; revisions to the Town Code; Council support; Town Manager's Executive Leadership Team; customer service including effective public outreach and communication; and resolution of personnel and legal issues.

| Personnel                  | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| CED Director               | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Director, CDPW             | 1.00              | -                 | -                    | -                 | -                     |
| Administrative Coordinator | -                 | 0.60              | 0.60                 | 0.60              | -                     |
| Office Specialist          | 0.60              | -                 | -                    | -                 | -                     |
| <b>Total FTEs</b>          | <b>1.60</b>       | <b>1.60</b>       | <b>1.60</b>          | <b>1.60</b>       | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 230,344        | \$ 202,856        | \$ 208,788           | \$ 217,263        | 7.1%                  |
| Operations & Maintenance  | 99,745            | 72,575            | 47,484               | 96,850            | 33.4%                 |
| <b>Total Expenditures</b> | <b>\$ 330,089</b> | <b>\$ 275,431</b> | <b>\$ 256,272</b>    | <b>\$ 314,113</b> | <b>14.0%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 7.1% due to a position refill and merit increases.

#### Operations & Maintenance

Operations & Maintenance increased 33.4% due to outside consulting services, as well as memberships and subscriptions.

## CED – Permitting

### OVERVIEW

The Permitting division coordinates all facets of plan review for permitting and development by assessing compliance with the codes and ordinances adopted by the Town. Plan review and coordination of projects include conceptual and final site plans, improvement plans, grading, building, walls, pools, spas, signs, equipment and miscellaneous projects for both residential and commercial development.

| Personnel                   | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Division Mgr, Permitting    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Civil Engineer       | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Engineering Design Reviewer | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Plans Examiner II           | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Plans Examiner I            | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Planning Technician  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Building Permit Tech        | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Office Specialist           | 0.48              | 0.48              | 0.48                 | 0.48              | -                     |
| Office Assistant            | 0.50              | 0.50              | 1.00                 | 1.00              | 0.50                  |
| <b>Total FTEs</b>           | <b>9.98</b>       | <b>9.98</b>       | <b>10.48</b>         | <b>10.48</b>      | <b>0.50</b>           |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 890,286          | \$ 919,785          | \$ 932,605           | \$ 967,597          | 5.2%                  |
| Operations & Maintenance  | 247,190             | 118,410             | 45,437               | 101,385             | -14.4%                |
| <b>Total Expenditures</b> | <b>\$ 1,137,476</b> | <b>\$ 1,038,195</b> | <b>\$ 978,042</b>    | <b>\$ 1,068,982</b> | <b>3.0%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 5.2% due to the reallocation of a full-time office assistant position that was previously apportioned equally with the Public Works Department.

#### Operations & Maintenance

Operations & Maintenance decreased 14.4% due to outside plan review services, as well as printing and binding.

## CED – Planning

### OVERVIEW

The Planning division administers the General Plan and Zoning Code for the harmonious growth of the town. The division is responsible for providing planning and zoning services to the community, Town Council, Planning and Zoning Commission, Board of Adjustment, and project teams. The division's current work plan focuses on updates to the sign code, zoning code, general plan and associated guidelines and standards.

| Personnel                | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Division Mgr, Planning   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Principal Planner        | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Senior Planner           | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Planner                  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Intern                   | 0.30              | 0.30              | 0.30                 | 0.30              | -                     |
| <b>Total FTEs</b>        | <b>6.30</b>       | <b>6.30</b>       | <b>6.30</b>          | <b>6.30</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 480,692        | \$ 544,478        | \$ 503,289           | \$ 549,196        | 0.9%                  |
| Operations & Maintenance  | 42,018            | 54,710            | 54,710               | 54,710            | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 522,710</b> | <b>\$ 599,188</b> | <b>\$ 557,999</b>    | <b>\$ 603,906</b> | <b>0.8%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 0.9%, due to merit increases, which were largely offset with employee changes in insurance coverage.

## CED – Inspection & Compliance

### OVERVIEW

The Inspection and Compliance division is responsible for inspecting all new and altered, commercial and residential, vertical and horizontal construction within the town to assess their compliance with the codes and ordinances adopted by the Town. The division is also responsible for the monitoring and enforcement of the zoning, building and Town codes and ordinances, including all construction, plant salvage, landscape, signage, and development performance standards.

| Personnel                   | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Division Mgr, Insp. & Comp. | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Building Inspector II       | 4.00              | 4.00              | 4.00                 | 4.00              | -                     |
| Building Inspector I        | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Code Compliance Specialist  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Zoning Technician           | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Assistant     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>           | <b>9.00</b>       | <b>9.00</b>       | <b>9.00</b>          | <b>9.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 784,647        | \$ 824,827        | \$ 824,827           | \$ 850,558        | 3.1%                  |
| Operations & Maintenance  | 16,105            | 17,995            | 16,310               | 13,555            | -24.7%                |
| <b>Total Expenditures</b> | <b>\$ 800,752</b> | <b>\$ 842,822</b> | <b>\$ 841,137</b>    | <b>\$ 864,113</b> | <b>2.5%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 3.1% due to merit increases.

#### Operations & Maintenance

Operations & Maintenance decreased 24.7% due to printing and binding costs.

# CED – Economic Development

## OVERVIEW

Beginning FY 2019, Economic Development was a new General Fund division within the Community and Economic Development Department. These costs were previously budgeted in the Bed Tax Fund. Economic Development is responsible for business recruitment, retention and expansion.

| Personnel                | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Economic Dev. Specialist | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>        | -                 | <b>1.00</b>       | <b>1.00</b>          | <b>1.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | -                 | 81,062            | 81,062               | 83,729            | 3.3%                  |
| Operations & Maintenance  | -                 | 32,626            | 28,757               | 104,578           | 220.5%                |
| <b>Total Expenditures</b> | -                 | <b>113,688</b>    | <b>109,819</b>       | <b>\$ 188,307</b> | <b>65.6%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 3.3% due to merit increases.

#### Operations & Maintenance

Operations & Maintenance costs increased 220.5% due to budgeted funding for targeted tourism and economic development efforts, as well as travel and training.

# Council

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## OVERVIEW

Town Council consists of seven officials elected by residents of the town. The Mayor is directly elected by the citizens while the Vice Mayor is selected by the Council annually. Councilmembers serve four-year overlapping terms in the manner prescribed by state law. The Mayor and councilmembers of Oro Valley are committed to high quality municipal services and responsible development. Through the Town Manager, the Town Council provides policy direction by adopting rules, regulations, and procedures to meet community needs. The Mayor and councilmembers remain accountable and accessible to the residents through their commitment to full, honest, and timely communication and exchange promoting responsive, responsible governance.

## 2018-2019 ACCOMPLISHMENTS

- Accepted a \$200,000 2018 Land and Water Conservation Fund grant for the purpose of ball field rehabilitation at James D. Kriegh Park
- Issued proclamation Celebrating Oro Valley as a Romantic Destination in conjunction with TripAdvisor's including the town in a list of "Ridiculously Romantic Weekend Getaways in Arizona"
- Adopted two year Strategic Leadership Plan which included input from the community, Town Council and Town staff
- Established a Budget and Finance Commission which began meeting in March 2019
- Adopted a balanced budget for FY 19/20 totaling just over \$111 million, reflecting our community's values and priorities
- Approved an intergovernmental agreement with Pima County to jointly fund the business incubator/accelerator known as UA Center for Innovation at Oro Valley

## 2019-2020 GOALS

- Economic Vitality
  - Implement strategies to improve opportunities to attract, grow and retain primary employers and expand local job opportunities
  - Implement strategies to attract retail and restaurant investment and expansion in primary commercial centers within the community
  - Develop a comprehensive annexation blueprint to guide the Town's strategic growth and economic expansion
  - Improve Town responsiveness to commercial investments that better correlate to the speed of business
  - Identify opportunities to increase sustainable tourism investment in the community
- Culture and Recreation
  - Invest in and maintain a high quality parks, recreation and trail system that is accessible, comprehensive, connected and serves the community's needs
- Public Safety
  - Support strategies that result in a safe community with low crime, safe neighborhoods and positive relationships between law enforcement and community members
- Roads, Water and Town Assets
  - Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community
  - Provide a high quality, safe and reliable water supply that meets the long-term needs of the community while considering the natural environment



# Council

## 2019-2020 GOALS (continued)

- Land Use
  - Ensure quality development with integrated architecture and natural open space while maintaining and enhancing the character of the community
- Effective and Efficient Government
  - Strengthen community engagement and citizen outreach
  - Enable greater transparency and more efficient community access to Town information and performance
  - Identify internal efficiency opportunities for continuous improvement to effect a high performing organization and culture
  - Recruit and retain talented employees to effectively carry out the Town's mission
- Town Finances
  - Ensure the Town's financial future remains stable

| Personnel         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Mayor             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Councilmember     | 6.00              | 6.00              | 6.00                 | 6.00              | -                     |
| <b>Total FTEs</b> | <b>7.00</b>       | <b>7.00</b>       | <b>7.00</b>          | <b>7.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 78,840         | \$ 78,819         | \$ 78,819            | \$ 78,801         | 0.0%                  |
| Operations & Maintenance  | 110,549           | 131,675           | 125,091              | 127,200           | -3.4%                 |
| <b>Total Expenditures</b> | <b>\$ 189,389</b> | <b>\$ 210,494</b> | <b>\$ 203,910</b>    | <b>\$ 206,001</b> | <b>-2.1%</b>          |

### Expenditure and Staffing Changes

#### Operations & Maintenance

Operations & Maintenance decreased 3.4% due to Oro Valley Youth Advisory Council costs, which were moved to the Town Manager's Office.

# General Administration

## OVERVIEW

The General Administration budget accounts for certain overhead costs such as utility expenses, general liability insurance and vehicle reserves. It also allocates monetary transfers to subsidize various funds, i.e. debt service and capital projects.

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Operations & Maintenance  | \$ 1,712,692        | \$ 2,676,700        | \$ 2,275,983         | \$ 2,570,400        | -4.0%                 |
| Capital Outlay            | 121,907             | 20,000              | 99,741               | 20,000              | 0.0%                  |
| Use of Contingency        | 56,250              | -                   | -                    | -                   | 0.0%                  |
| Other Financing Uses      | 2,524,667           | 4,700,514           | 4,150,514            | 1,895,436           | -59.7%                |
| <b>Total Expenditures</b> | <b>\$ 4,415,516</b> | <b>\$ 7,397,214</b> | <b>\$ 6,526,238</b>  | <b>\$ 4,485,836</b> | <b>-39.4%</b>         |

### Expenditure Changes

#### Operations & Maintenance

Operations and Maintenance decreased 4.0% due to expiration of a retail sales tax agreement, and a reduced budget for tourism & economic development regional partnerships, as partial funding was completed in FY 2019. These decreases are offset with increased vehicle reserve set-aside funding, as well as a budgeted \$500,000 payment to the Public Safety Personnel Retirement System towards the Town's unfunded liability.

#### Other Financing Uses

Other Financing Uses decreased 59.7% due to planned transfers to the Capital Fund for one-time capital improvements, as well as a \$1.5 million transfer made to the Capital Fund in FY 2019 as a set-aside for future capital improvements.

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# Legal

## OVERVIEW

The Legal Services Department is managed by the Legal Services Director. A contract attorney is hired by the Mayor and Council to act as their chief legal advisor. The Legal Services Department is committed to providing the highest quality representation possible to meet the present and future needs of the Town in an efficient and effective manner.



## 2018-2019 ACCOMPLISHMENTS

- Received 2018 Prosecutor of the Year award from Governor’s Office of Highway Safety
- Provided statewide training to police officers and prosecutors
- Responded to legal claims against the Town
- Reviewed policies, contracts and ordinances

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Support strategies that result in a safe community with low crime, safe neighborhoods and positive relationships between law enforcement and community members

| COUNCIL FOCUS AREA  |                 | OBJECTIVE(S)  |                       |   |                |  |
|---|-----------------|---|-----------------------|---|----------------|--|
| Public Safety   |                 | Provide the highest quality representation possible to meet the present and future needs of the Town in an efficient and effective manner |                       |   |                |  |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS | FY 2019 TARGET  | FY 2019 RESULT        | FY 2019 STATUS  | FY 2020 TARGET |  |
| Fulfill 100% of all legal requests within 14 days                     | 97%             | 100%  | 98%                   |  | 100%           |  |
| Number of criminal cases handled by prosecution staff (calendar year) | 878             | 828   | 551 as of Sep 1, 2019 | Trending to Target Met  | 778            |  |
| Provide local or statewide officer training at least 2X a year        | 3               | 2   | 3                     |  | 2              |  |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A**    
 N/A - New/Previous Measure

# Legal

|                             | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>            |                   |                   |                      |                   |                       |
| Legal Services Director     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Chief Civil Deputy Attorney | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Assistant Town Prosecutor   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Paralegal            | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Paralegal I                 | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Legal Secretary             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>           | <b>6.00</b>       | <b>6.00</b>       | <b>6.00</b>          | <b>6.00</b>       | <b>-</b>              |

|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 672,406        | \$ 702,847        | \$ 702,847           | \$ 733,322        | 4.3%                  |
| Operations & Maintenance  | 58,452            | 88,220            | 70,576               | 140,735           | 59.5%                 |
| Capital Outlay            | -                 | 2,500             | -                    | -                 | -100.0%               |
| <b>Total Expenditures</b> | <b>\$ 730,858</b> | <b>\$ 793,567</b> | <b>\$ 773,423</b>    | <b>\$ 874,057</b> | <b>10.1%</b>          |

|                       | Revenue Sources   |                   |                      |                   |                       |
|-----------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
|                       | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
| State Grants          | \$ -              | \$ 2,500          | \$ -                 | \$ -              | -100.0%               |
| <b>Total Revenues</b> | <b>\$ -</b>       | <b>\$ 2,500</b>   | <b>\$ -</b>          | <b>\$ -</b>       | <b>-100.0%</b>        |

## Expenditure and Staffing Changes

### Personnel

Personnel costs increased 4.3% due to merit increases and employee changes in insurance coverage.

### Operations & Maintenance

Operations & Maintenance increased 59.5% due to contracted attorney services.

# Magistrate Court

## OVERVIEW

The Oro Valley Magistrate Court is charged with the processing and adjudication by trial, hearing or otherwise, of all cases filed in the Court. This includes misdemeanor criminal and traffic cases, civil traffic cases and Town Code violations. The Court is also responsible for the collection of; fines, surcharges, restitution and other fees, issuing domestic violence orders of protection and injunctions against harassment, taking applications for and issuing marriage licenses, and performing weddings. Services rendered by the Court are governed by rules set by the Arizona Supreme Court, statutes and/or ordinances enacted by the Arizona Legislature and/or the Oro Valley Town Council.

## 2018-2019 ACCOMPLISHMENTS

- Completed basic remodel of courtroom to improve safety, basic functionality and ADA improvements
- Completed Peak Performance assessment in three targeted areas within the court to help improve court processes
- Completed Court Security Assessment to identify areas needing security enhancements within the court building
- Completed Minimum Accounting Standards triennial audit to review compliance with Supreme Court accounting standards
- Completed Drug Court feasibility analysis; will move forward with implementation of plan establishing a Drug Court program as part of the Town's Municipal Court, per Council approval
- Completed over 159 hours of professional development and training for judicial officers and court employees

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Support strategies that result in a safe community with low crime, safe neighborhoods and positive relationships between law enforcement and community members

| COUNCIL FOCUS AREA | OBJECTIVE(S)  |
|--------------------|---|
| Public Safety      | Explore the feasibility of establishing a "Drug Court" within the Town's Municipal Court to provide opportunities for individuals convicted of certain crimes to address substance abuse issues |

# Magistrate Court

| PERFORMANCE MEASURES   | FY 2018 ACTUALS | FY 2019 TARGET  | FY 2019 RESULT  | FY 2019 STATUS | FY 2020 TARGET   |
|--|-----------------|-----------------|-----------------|----------------|------------------|
| Move forward with implementation of Drug Court program with proposal and requested funding brought to Town Council                             |                 |                 |                 | N/A            | By April 1, 2020 |
| Maintain Compliance with AOC Minimum Accounting Standards  | 100% Compliance | 100% Compliance | 100% Compliance |                | 100% Compliance  |
| Continue the warrant program for outstanding warrants that establishes accountability for defendants and enforces compliance with court orders | Yes             | Yes             | Yes             |                | Yes              |
| Each full-time judicial officer and Court employee to complete at least 16 credit hours of judicial education each year                        | Yes             | Yes             | Yes             |                | Yes              |
| Each Court employee to complete ethics, diversity and computer network security training annually  | Yes             | Yes             | Yes             |                | Yes              |



Target Met



Target Not Met



Informational Only



N/A - New/Previous Measure

# Magistrate Court

| Personnel           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Magistrate Judge    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Court Administrator | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Courtroom Clerk     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Court Clerk  | 3.00              | 3.00              | 3.00                 | 3.00              | -                     |
| Court Clerk         | 1.00              | 1.00              | 1.00                 | 1.48              | 0.48                  |
| Bailiff             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>   | <b>8.00</b>       | <b>8.00</b>       | <b>8.00</b>          | <b>8.48</b>       | <b>0.48</b>           |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 748,059        | \$ 756,565        | \$ 745,446           | \$ 788,291        | 4.2%                  |
| Operations & Maintenance  | 127,216           | 127,820           | 127,820              | 135,270           | 5.8%                  |
| <b>Total Expenditures</b> | <b>\$875,275</b>  | <b>\$884,385</b>  | <b>\$873,266</b>     | <b>\$923,561</b>  | <b>4.4%</b>           |

| Revenue Sources       |                   |                   |                      |                   |                       |
|-----------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
|                       | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
| Court Costs           | \$ 146,042        | \$ 130,000        | \$ 126,000           | \$ 130,000        | 0.0%                  |
| Court Security Fee    | -                 | -                 | 45,000               | 20,000            | 0.0%                  |
| Public Defender Fees  | 6,557             | 5,000             | 2,400                | 2,400             | -52.0%                |
| Fines                 | 131,393           | 120,000           | 120,000              | 120,000           | 0.0%                  |
| <b>Total Revenues</b> | <b>\$283,992</b>  | <b>\$255,000</b>  | <b>\$293,400</b>     | <b>\$272,400</b>  | <b>6.8%</b>           |

## Expenditure and Staffing Changes

### Personnel

Personnel costs increased 4.2% due to merit increases and pension costs.

### Operations & Maintenance

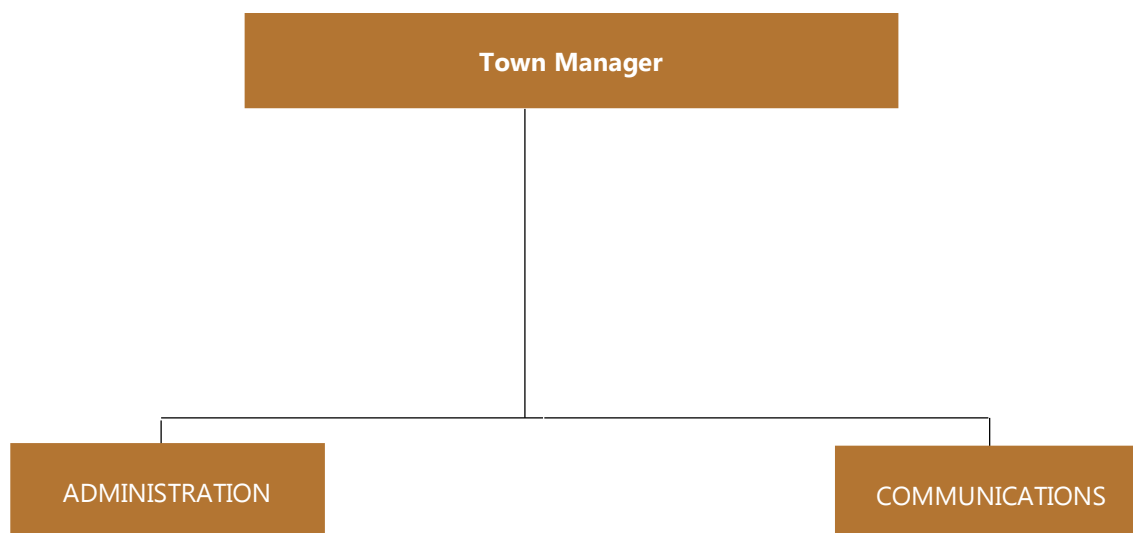
Operations & Maintenance increased 5.8% due to court appointed attorney fees and insurance costs.



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# Town Manager's Office

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## OVERVIEW

The Town Manager is responsible for the proper management and administration of the Town and serves as the Chief Administrative Officer of the government under the direction of the Town Council. The Town Manager is further responsible for tourism promotion, intergovernmental programs, communications, and for coordination of the administrative functions of the various departments, divisions, boards, and services of the Town government. The Town of Oro Valley is made up of the following departments and/or offices: Town Manager; Town Clerk; Administrative Services; Legal Services; Police; Water Utility; Community and Economic Development; Public Works; Parks and Recreation; and Magistrate Court.

## 2018-2019 ACCOMPLISHMENTS






- Implemented OV Peak Performance Initiative, which is a process improvement program to deliver better value to our customers and eliminate waste. The initiative resulted in a cost savings of more than \$50K for the fiscal year from 28 implemented process improvements
- Facilitated the adoption of the FY 19/20 – FY 20/21 Council Strategic Leadership Plan
- Staff served on the Visit Tucson Metro Tucson 10-Year Tourism Plan Steering Committee
- Created a 2020 Census Complete Count Committee to assist with outreach efforts to the community
- Issued 24 Special Event permits
- Increased Youth Advisory Council from 17 to 23 students representing all five high schools in Oro Valley
- Provided four FlashVote surveys with a 70% increase in participation from the first to last survey
- Developed, designed and published more than 100 print advertisements in three local newspapers
- Wrote, co-wrote or edited more than 30 print articles in local publications
- Made the monthly Town Manager's Executive Report publicly available on the Town's website

# Town Manager's Office

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

- Strengthen community engagement and citizen outreach
- Enable greater transparency and more efficient community access to town information and performance
- Identify internal efficiency opportunities for continuous improvement to effect a high performing organization and culture

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |   |
|---|---|----------------|----------------|---|---|
| Effective and Efficient Government  | <ul style="list-style-type: none"> <li>• Effectively maximize the use of communication tools such as social media, the town website and other marketing avenues to keep residents informed of Town services, programs and events</li> <li>• Develop and implement a strategy to enhance Council interaction with residents</li> <li>• Design and begin implementation of a multi-faced strategy to more effectively seek citizen input, especially underrepresented segments of the community</li> <li>• Expand employees training and use of process improvement tools through the Town's internal OV Peak Performance initiative</li> </ul> |                |                |   |   |
| PERFORMANCE MEASURES  | FY 2018 ACTUAL  | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET                                |
| Increase average monthly engagement (view, likes, comments on posted information) on the Town's Facebook page | 2,578   | 4,000*         | 2,598          |  | 2,800   |
| Develop community engagement strategy for Council to connect with residents and visitors                      |   |                |                |  | Attend at least 8 community engagement events |
| Increase engagement in the Ask Portal by 5%   | 387   | 489            | 513            |  | 539   |
| Peak Performance initiative cost savings  |   | \$52,000       | \$54,000       |  | \$75,000                                      |
| Peak Performance initiatives implemented  |   |                | 28             |  | 25  |

\* Prior to Facebook Business Pages algorithm change

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

# Town Manager's Office

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| Total FTEs        |              |              |                   |
|-------------------|--------------|--------------|-------------------|
| FY 2018<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                   | Budget       | Projected    |                   |
| <b>10.38</b>      | <b>10.38</b> | <b>10.38</b> | <b>10.38</b>      |

| Expenditures by Program - General Fund |                   |                    |                    |                    |                       |
|--|-------------------|--------------------|--------------------|--------------------|-----------------------|
|  | FY 2018<br>Actual | FY 2019            |                    | FY 2020<br>Budget  | Variance<br>to Budget |
|  |                   | Budget             | Projected          |                    |                       |
| Administration                         | \$ 472,019        | \$ 649,205         | \$ 656,143         | \$ 688,045         | 6.0%                  |
| Communications                         | 349,764           | 602,165            | 591,434            | 626,100            | 4.0%                  |
|  | <b>\$ 821,783</b> | <b>\$1,251,370</b> | <b>\$1,247,577</b> | <b>\$1,314,145</b> | <b>5.0%</b>           |

| Expenditures by Program - Bed Tax Fund |                   |             |             |                   |                       |
|--|-------------------|-------------|-------------|-------------------|-----------------------|
|  | FY 2018<br>Actual | FY 2019     |             | FY 2020<br>Budget | Variance<br>to Budget |
|  |                   | Budget      | Projected   |                   |                       |
| Economic Development                   | \$ 710,671        | \$ -        | \$ -        | \$ -              | 0.0%                  |
|  | <b>\$ 710,671</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>       | <b>0.0%</b>           |

## Town Manager's Office – Administration

### OVERVIEW

The Town Manager's office is responsible for the fiscal health of the Town government, and for direction and coordination of the administrative functions of the various departments, divisions, boards, and services of the Town Government. The Town Manager's office provides staff support to the Town Council, handles media relations, promotes the Town's legislative agenda through intergovernmental programs, promotes tourism, and seeks opportunities for partnerships and financial assistance at the county, state and federal levels through grants, legislation and federal appropriation requests. The Town Manager's office also maintains citizen and community relations, as well as Oro Valley representation on regional boards and quasi-governmental councils to keep the Town's needs and interests considered in regional decision-making.

| Personnel                     | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Town Manager                  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Assistant Town Manager        | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Strategic Initiatives Manager | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Executive Assistant           | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist      | 0.50              | 0.50              | 0.50                 | 0.50              | -                     |
| Management Intern             | 0.38              | 0.38              | 0.38                 | 0.38              | -                     |
| <b>Total FTEs</b>             | <b>3.88</b>       | <b>4.88</b>       | <b>4.88</b>          | <b>4.88</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 445,207        | \$ 583,875        | \$ 597,821           | \$ 623,525        | 6.8%                  |
| Operations & Maintenance  | 26,812            | 65,330            | 58,322               | 64,520            | -1.2%                 |
| <b>Total Expenditures</b> | <b>\$ 472,019</b> | <b>\$ 649,205</b> | <b>\$ 656,143</b>    | <b>\$ 688,045</b> | <b>6.0%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 6.8% due to merit and pension increases.

## Town Manager's Office – Communications

### OVERVIEW

The Communications Administrator manages and facilitates all media relations on behalf of the Town (with the exception of the Police Department, which has a designated public information officer). The Communications Division is responsible for internal and external communications and publications, the Town's website and employee intranet, oversight of the Town's social media accounts, graphic design and photography. Additionally, the Communications Division, in partnership with Economic Development, manages and facilitates the Town's marketing and advertising efforts. The division also plans, develops and produces publications and services designed to facilitate communication between Town leadership and residents in order to keep residents informed about Town services, activities and programs.

Staff also provide administrative support to the Town leadership through the Constituent Services Coordinator where concerns, complaints, inquiries, and referrals are addressed with excellent customer service and a common sense approach. The Constituent Services Coordinator facilitates public education efforts, coordinates departmental responses, and ensures that constituent voices and perspectives are consistently captured and transmitted to Town leadership. Constituent issues are tracked to monitor changing community needs and desires, allowing the Town leadership to adjust policies and budget options in order to better serve town residents.

| Personnel                        | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|----------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Communications Administrator     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| New Media Developer              | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Constituent Services Coordinator | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Marketing & Comm. Specialist     | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Public Information Officer       | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist         | 0.50              | 0.50              | 0.50                 | 0.50              | -                     |
| <b>Total FTEs</b>                | <b>3.50</b>       | <b>5.50</b>       | <b>5.50</b>          | <b>5.50</b>       | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 327,029        | \$ 477,877        | \$ 469,632           | \$ 501,562        | 5.0%                  |
| Operations & Maintenance  | 22,735            | 124,288           | 121,802              | 124,538           | 0.2%                  |
| <b>Total Expenditures</b> | <b>\$ 349,764</b> | <b>\$ 602,165</b> | <b>\$ 591,434</b>    | <b>\$ 626,100</b> | <b>4.0%</b>           |

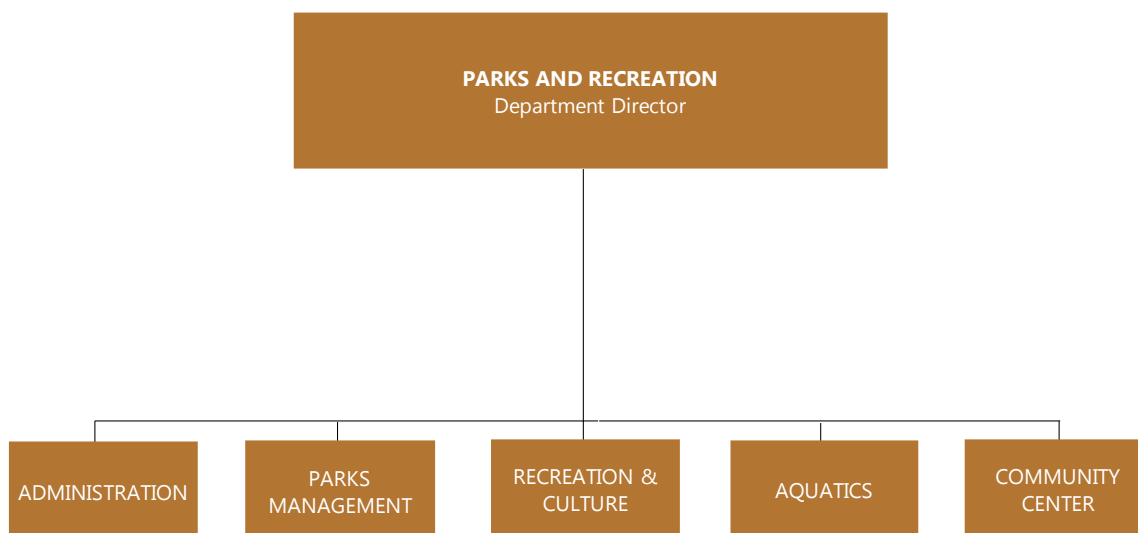
### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 5% due to a new position filled in 2019, as well as merit and pension increases.

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# Parks and Recreation



## OVERVIEW

The Parks and Recreation Department is comprised of the following divisions: Administration, Parks Management, Recreation and Culture, Aquatics, and Community Center. The department is further responsible for providing staff support to the Parks and Recreation Advisory Board and the Historic Preservation Commission.

## 2018-2019 ACCOMPLISHMENTS

### ADMINISTRATION

- Recruited and hired a high-quality Deputy Director
- Began developing a department Master Plan and crafted Request for Qualifications for services
- Implemented new recreation management software system (CivicRec) after developing competitive Request for Proposal

### PARKS MANAGEMENT

- Renovated five sport fields at James D. Kriegh Park with irrigation, valves, infield material and sod
- Installed new target backstops at archery range
- Implemented landscape planting plan and installed pavers at Steam Pump Ranch
- Installed Cartegraph asset management software system to manage parks facilities

### RECREATION & CULTURE

- Expanded programming options at 4<sup>th</sup> of July event including new location and activities
- Continued to develop recreational opportunities for all ages
- Increased cultural and recreational opportunities with programming and multiple special events

### AQUATICS

- Continued to support and attract special events that are linked to economic impact
- Completed facility entryway shade project
- Installed aerator and new O2 system to improve facility functions and efficiencies
- Completed facility improvements, including restroom floor and deck maintenance



# Parks and Recreation

## 2018-2019 ACCOMPLISHMENTS (continued)

### COMMUNITY CENTER

- Continued to provide new and innovative programming for member recruitment and retention
- Upgraded the lobby for better customer service functionality and controlled access for staff safety
- Successfully transitioned tennis operations previously managed by an outside contractor


## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Invest in and maintain a high quality parks, recreation and trail system that is accessible, comprehensive, connected and serves the community's needs




| COUNCIL FOCUS AREA  | OBJECTIVE(S)   |                |                |                |                  |
|---|--|----------------|----------------|----------------|------------------|
| Culture and Recreation                                    | <ul style="list-style-type: none"> <li>• Conduct a comprehensive, community-wide needs assessment for parks and recreation amenities and programs</li> <li>• Implement the Town Council's decision regarding the Town's golf course property and Community Center</li> <li>• Install a new playground and related amenities (e.g. shade structure, parking lot and lighting) at Naranja Park</li> <li>• Explore opportunities to partner with the Amphitheater Unified School District to utilize school amenities within the Town limits and expand the intergovernmental agreement as appropriate</li> <li>• Using the needs assessment information, develop a comprehensive, Town-wide Parks and Recreation Master Plan with input from the community, including individual plans for the Community Center, James D. Kriegh Park, Riverfront Park and Naranja Park</li> <li>• Review the Steam Pump Master Plan and Needs Assessment and reprioritize capital investments and programming opportunities consistent with community and Town Council input</li> </ul> |                |                |                |                  |
| PERFORMANCE MEASURES                                      | FY 2018 ACTUALS  | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET   |
| Complete a Parks and Recreation needs assessment          |  |                |                | N/A            | By Feb 2020      |
| Complete a comprehensive Parks and Recreation Master Plan |  |                |                | N/A            | By June 30, 2020 |

## Parks and Recreation

| PERFORMANCE MEASURES<br>(CONTINUED)  | FY 2018<br>ACTUALS | FY 2019<br>TARGET | FY 2019<br>RESULT | FY 2019<br>STATUS   | FY 2020<br>TARGET     |
|--|--------------------|-------------------|-------------------|---|-----------------------|
| Implement the Town Council's decision regarding the Town's golf course property and Community Center |                    |                   |                   | N/A   | Per Council direction |
| Install playground at Naranja Park   |                    |                   |                   | N/A   | By Feb 2021           |
| Explore partnerships with Amphitheater School District   |                    |                   |                   | N/A   | By Dec 31, 2020       |
| "Likes" on the Town's Parks and Recreation Facebook page   | 3,526              | 3,700             | 4,797             |  | 6,000                 |

### STRATEGIC LEADERSHIP PLAN GOAL

Ensure the Town's financial future remains stable

| COUNCIL FOCUS AREA                                | OBJECTIVE(S)   |                   |                   |   |                   |
|---|--|-------------------|-------------------|---|-------------------|
| Town Finances                                     | Explore opportunities to broaden revenue diversity to improve the Town's long-term financial stability |                   |                   |   |                   |
| PERFORMANCE MEASURES                              | FY 2018<br>ACTUALS   | FY 2019<br>TARGET | FY 2019<br>RESULT | FY 2019<br>STATUS   | FY 2020<br>TARGET |
| % Cost recovery for Aquatics division             | 50.6%  | 53.2%             | 49.0%             |  | 50.4%             |
| % Cost recovery for Recreation & Culture division | 47.7%  | 27.3%             | 41.2%             |  | 35.4%             |
| No. of Community Center memberships               | 1,112  | 1,250             | 1,127             |  | 1,150             |

 Target Met     Target Not Met     Informational Only     N/A - New/Previous Measure

# Parks and Recreation

| Total FTEs        |              |              |                   |
|-------------------|--------------|--------------|-------------------|
| FY 2018<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                   | Budget       | Projected    |                   |
| <b>60.78</b>      | <b>59.92</b> | <b>63.10</b> | <b>63.10</b>      |

|                       | Expenditures by Fund |                      |                     |                      | Variance<br>to Budget |
|-----------------------|----------------------|----------------------|---------------------|----------------------|-----------------------|
|                       | FY 2018<br>Actual    | FY 2019              |                     | FY 2020<br>Budget    |                       |
|                       |                      | Budget               | Projected           |                      |                       |
| General Fund          | \$ 3,334,365         | \$ 3,606,586         | \$ 3,519,644        | \$ 3,808,366         | 5.6%                  |
| Community Center Fund | 6,688,899            | 6,568,151            | 6,198,850           | 6,451,197            | -1.8%                 |
|                       | <b>\$ 10,023,264</b> | <b>\$ 10,174,737</b> | <b>\$ 9,718,494</b> | <b>\$ 10,259,563</b> | <b>0.8%</b>           |

|                       | Revenues by Fund    |                     |                     |                     | Variance<br>to Budget |
|-----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
|                       | FY 2018<br>Actual   | FY 2019             |                     | FY 2020<br>Budget   |                       |
|                       |                     | Budget              | Projected           |                     |                       |
| General Fund          | \$ 916,208          | \$ 917,145          | \$ 906,386          | \$ 992,600          | 8.2%                  |
| Community Center Fund | 6,714,491           | 6,657,148           | 6,518,536           | 6,748,605           | 1.4%                  |
|                       | <b>\$ 7,630,699</b> | <b>\$ 7,574,293</b> | <b>\$ 7,424,922</b> | <b>\$ 7,741,205</b> | <b>2.2%</b>           |

## Parks and Recreation – General Fund

|                        | Expenditures by Division |                     |                     |                     | Variance<br>to Budget |
|------------------------|--------------------------|---------------------|---------------------|---------------------|-----------------------|
|                        | FY 2018<br>Actual        | FY 2019             |                     | FY 2020<br>Budget   |                       |
|                        |                          | Budget              | Projected           |                     |                       |
| Administration         | \$ 493,958               | \$ 528,408          | \$ 515,156          | \$ 662,528          | 25.4%                 |
| Parks Management       | 1,139,869                | 1,315,787           | 1,242,097           | 1,267,083           | -3.7%                 |
| Recreation and Culture | 380,551                  | 486,348             | 486,348             | 465,377             | -4.3%                 |
| Aquatics               | 1,319,987                | 1,276,043           | 1,276,043           | 1,413,378           | 10.8%                 |
|                        | <b>\$ 3,334,365</b>      | <b>\$ 3,606,586</b> | <b>\$ 3,519,644</b> | <b>\$ 3,808,366</b> | <b>5.6%</b>           |

|                           | Revenue Sources   |                   |                   |                   | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|
|                           | FY 2018<br>Actual | FY 2019           |                   | FY 2020<br>Budget |                       |
|                           |                   | Budget            | Projected         |                   |                       |
| Aquatics User Fees        | \$ 615,111        | \$ 627,500        | \$ 628,500        | \$ 681,000        | 8.5%                  |
| Concession Sales          | 25,942            | 30,000            | 30,000            | 30,000            | 0.0%                  |
| Fields & Courts User Fees | 97,704            | 129,800           | 90,501            | 119,800           | -7.7%                 |
| Miscellaneous User Fees   | 161,001           | 129,845           | 157,385           | 161,800           | 24.6%                 |
| State Grants              | 16,450            | -                 | -                 | -                 | 0.0%                  |
|                           | <b>\$ 916,208</b> | <b>\$ 917,145</b> | <b>\$ 906,386</b> | <b>\$ 992,600</b> | <b>8.2%</b>           |

# Parks and Recreation – General Fund

## Administration

### OVERVIEW

The Parks and Recreation Administration Division is responsible for program registrations, processing fees and making deposits, coordinating facility reservations, grant writing and management for the department, responding to all phone, walk-in and email inquiries, and clerical and organizational support to the entire department. Additionally, this division provides administrative support to the Parks and Recreation Advisory Board.

| Personnel                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Parks & Recreation Director  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Deputy Parks & Rec. Director | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Multimodal Planner           | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Office Assistant             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>            | <b>4.00</b>       | <b>5.00</b>       | <b>5.00</b>          | <b>5.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 323,608        | \$ 446,695        | \$ 435,894           | \$ 462,395        | 3.5%                  |
| Operations & Maintenance  | 164,350           | 81,713            | 79,262               | 200,133           | 144.9%                |
| Capital Outlay            | 6,000             | -                 | -                    | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 493,958</b> | <b>\$ 528,408</b> | <b>\$ 515,156</b>    | <b>\$ 662,528</b> | <b>25.4%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 3.5% due to merit and pension increases.

#### Operations & Maintenance

Operations & Maintenance increased 144.9% primarily to conduct a comprehensive Parks and Recreation needs assessment. In addition, costs previously allocated among divisions, such as travel and training, have been consolidated in Administration.

# Parks and Recreation – General Fund

## Parks Management

### OVERVIEW

The Parks Management Division is responsible for janitorial services, turf management, landscape maintenance and property upkeep for all parks, natural trails, and bicycle/pedestrian oasis facilities. Parks Management is also responsible for the landscape maintenance at the Town Hall campus.

| Personnel                     | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Parks Maint Superintendent    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Parks Maintenance Coordinator | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Parks Maintenance Crew Leader | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Parks Maintenance Worker II   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Parks Maintenance Worker I    | 5.00              | 5.00              | 5.00                 | 5.00              | -                     |
| Park Monitor                  | 0.96              | 0.96              | 0.96                 | 0.96              | -                     |
| <b>Total FTEs</b>             | <b>9.96</b>       | <b>9.96</b>       | <b>9.96</b>          | <b>9.96</b>       | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 532,462          | \$ 583,787          | \$ 542,947           | \$ 566,133          | -3.0%                 |
| Operations & Maintenance  | 523,048             | 657,000             | 624,150              | 600,850             | -8.5%                 |
| Capital Outlay            | 84,359              | 75,000              | 75,000               | 100,100             | 33.5%                 |
| <b>Total Expenditures</b> | <b>\$ 1,139,869</b> | <b>\$ 1,315,787</b> | <b>\$ 1,242,097</b>  | <b>\$ 1,267,083</b> | <b>-3.7%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 3.0% due to position refills and employee changes in insurance coverage.

#### Operations & Maintenance

Operations & Maintenance decreased 8.5% due to savings in water costs and field supplies.

#### Capital

Capital increased 33.5% for a number of budgeted improvements to park facilities, including renovation of exercise equipment and replacement of drinking fountains, tables and benches.

# Parks and Recreation – General Fund

## Recreation & Culture

### OVERVIEW

The Recreation and Culture Division is a consolidation of the previous Recreation and Cultural Resources Divisions. The Recreation and Culture Division is responsible for providing recreational programs, activities, classes, hikes, and special events for all ages, as well as ball field management and contracts. It is also responsible for management of all town historic and cultural properties, such as Steam Pump Ranch. Additionally, this division is responsible for implementation and follow-through of master plans for town historic sites and cultural resources.

|                              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>             |                   |                   |                      |                   |                       |
| Recreation & Culture Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Assistant Recreation Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Recreation Leader            | 1.95              | 1.95              | 1.95                 | 1.95              | -                     |
| Recreation Aide              | 1.75              | 1.75              | 1.75                 | 1.75              | -                     |
| <b>Total FTEs</b>            | <b>5.70</b>       | <b>5.70</b>       | <b>5.70</b>          | <b>5.70</b>       | <b>-</b>              |

|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 232,708        | \$ 280,338        | \$ 280,338           | \$ 297,607        | 6.2%                  |
| Operations & Maintenance  | 127,836           | 196,010           | 196,010              | 159,770           | -18.5%                |
| Capital                   | 20,007            | 10,000            | 10,000               | 8,000             | -20.0%                |
| <b>Total Expenditures</b> | <b>\$ 380,551</b> | <b>\$ 486,348</b> | <b>\$ 486,348</b>    | <b>\$ 465,377</b> | <b>-4.3%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 6.2% due to merit increases and minimum wage adjustments for seasonal staff.

#### Operations & Maintenance

Operations & Maintenance decreased 18.5% due to savings in special event costs and consolidation of travel and training to the Administration Division.

# Parks and Recreation – General Fund

## Aquatics

### OVERVIEW

The Aquatics Division is responsible for the safe operation, maintenance and management of the Oro Valley Aquatic Center. This facility includes an Olympic-sized swimming pool, a 25-yard pool, a splash pad for children and other family-friendly amenities. The facility serves as one of Southern Arizona's premier, competition-level facilities.

| Personnel                  | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Aquatics Manager           | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Assistant Aquatics Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist   | -                 | -                 | -                    | 1.00              | 1.00                  |
| Office Specialist          | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Facility Supervisor        | 1.50              | 1.50              | 2.25                 | 2.25              | 0.75                  |
| Shift Leader               | 2.39              | 2.39              | 0.96                 | 0.96              | (1.43)                |
| Facility Attendant         | 5.76              | 5.76              | 4.80                 | 4.80              | (0.96)                |
| Lifeguard/Swim Instructor  | 6.00              | 6.00              | 9.88                 | 9.88              | 3.88                  |
| <b>Total FTEs</b>          | <b>18.65</b>      | <b>18.65</b>      | <b>20.89</b>         | <b>20.89</b>      | <b>2.24</b>           |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 667,961          | \$ 690,753          | \$ 690,753           | \$ 805,138          | 16.6%                 |
| Operations & Maintenance  | 600,025             | 543,990             | 543,990              | 604,240             | 11.1%                 |
| Capital Outlay            | 52,000              | 41,300              | 41,300               | 4,000               | -90.3%                |
| <b>Total Expenditures</b> | <b>\$ 1,319,987</b> | <b>\$ 1,276,043</b> | <b>\$ 1,276,043</b>  | <b>\$ 1,413,378</b> | <b>10.8%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 16.6% due primarily to an increase in lifeguard hours based on facility needs and minimum wage adjustments for seasonal staff.

#### Operations and Maintenance

Operations and maintenance increased 11.1% due to contracted personnel.

#### Capital

Capital decreased 90.3% due to projects completed in FY 2019.



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# Community Center Fund

## OVERVIEW

This fund is used to manage the operations of the Town's Community Center, golf, food & beverage and tennis facilities. Revenues include a dedicated 0.5% sales tax, as well as revenues from golf, tennis, food and beverage, fitness and recreation activities. Expenditures include personnel, operating and capital improvement costs for the facilities. Golf, as well as food and beverage, are managed by an outside contractor.

| Personnel                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Recreation Facility Manager  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Assistant Recreation Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Facilities Maint. Technician | 2.00              | -                 | -                    | -                 | -                     |
| Custodian                    | 0.48              | 0.48              | 0.48                 | 0.48              | -                     |
| Facility Attendant           | 5.00              | 5.00              | 5.00                 | 5.00              | -                     |
| Aquatics Shift Leader        | 1.44              | 1.58              | 1.58                 | 1.58              | -                     |
| Lifeguard                    | 2.96              | 2.96              | 3.65                 | 3.65              | 0.69                  |
| Recreation Leader            | 0.96              | 0.96              | 0.96                 | 0.96              | -                     |
| Recreation Aide              | 4.88              | 4.88              | 4.88                 | 4.88              | -                     |
| Fitness Instructor           | 1.75              | 1.75              | 2.00                 | 2.00              | 0.25                  |
| <b>Total FTEs</b>            | <b>22.47</b>      | <b>20.61</b>      | <b>21.55</b>         | <b>21.55</b>      | <b>0.94</b>           |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 799,508          | \$ 769,329          | \$ 723,206           | \$ 850,734          | 10.6%                 |
| Operations & Maintenance  | 5,677,971           | 5,493,873           | 5,170,695            | 5,225,153           | -4.9%                 |
| Capital Outlay            | 45,464              | 50,950              | 50,950               | 106,500             | 109.0%                |
| Other Financing Uses      | 165,956             | 253,999             | 253,999              | 268,810             | 5.8%                  |
| <b>Total Expenditures</b> | <b>\$ 6,688,899</b> | <b>\$ 6,568,151</b> | <b>\$ 6,198,850</b>  | <b>\$ 6,451,197</b> | <b>-1.8%</b>          |

| Revenue Sources       |                     |                     |                      |                     |                       |
|-----------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
|                       | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
| Local Sales Taxes     | \$ 2,330,941        | \$ 2,384,558        | \$ 2,431,038         | \$ 2,478,552        | 3.9%                  |
| Charges for Services  | 4,382,588           | 4,272,590           | 4,087,623            | 4,270,053           | -0.1%                 |
| Miscellaneous         | 963                 | -                   | (125)                | -                   | 0.0%                  |
| <b>Total Revenues</b> | <b>\$ 6,714,491</b> | <b>\$ 6,657,148</b> | <b>\$ 6,518,536</b>  | <b>\$ 6,748,605</b> | <b>1.4%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 10.6%, due primarily to minimum wage adjustments and hours for seasonal staff.

#### Operations and Maintenance

Operations and maintenance decreased 4.9% due to contract personnel for tennis operations, which instead post as rental payments to the Town.

#### Capital

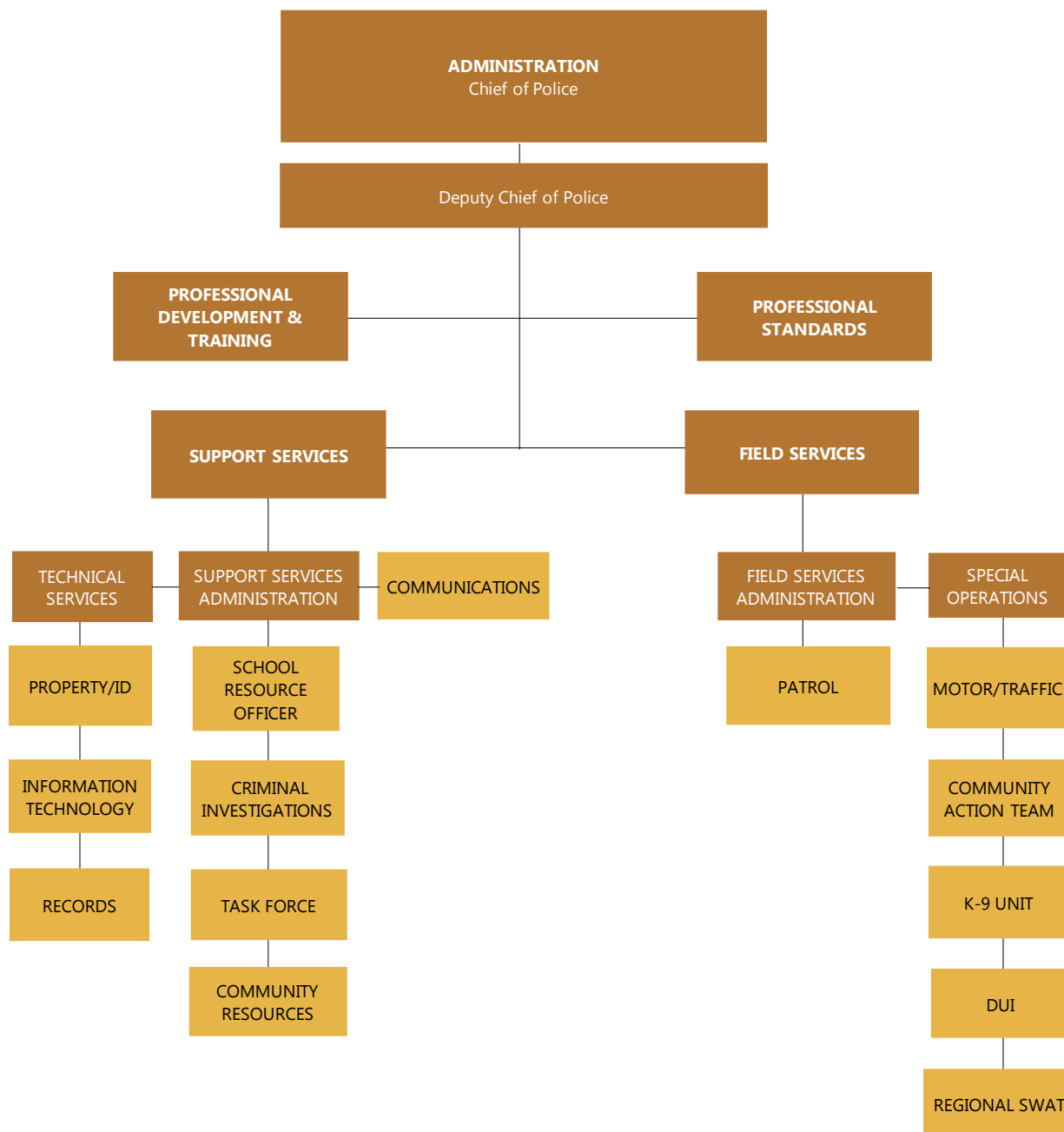
Capital increased 109.0% for tennis court improvements.

#### Other Financing Uses

Other Financing Uses increased 5.8% for debt service on bonds issued for an energy efficiency project at the facility.

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# Police



## OVERVIEW

The Oro Valley Police Department (OVPD) is committed to providing public safety services to ensure a safe environment. This is accomplished through collaborative partnerships between our organization, our citizens, business owners/managers, schools, community organizations, media, and other government partners. OVPD members seek the highest amount of professional development with one S.E.R.V.I.C.E. vision in mind:

**Seek Excellence Remain Vigilant Involve Community Enforcement**

# Police

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## 2018-2019 ACCOMPLISHMENTS






- Ranked by "Safewise" as the safest city in Arizona for 2019
- 100 certified personnel trained in mental health first aid; SRO Unit trained in first aid for juveniles
- Provided 43 active shooter response trainings and threat vulnerability risk assessments to non-profits, business, schools and other community groups
- Established a fully functional back-up Emergency Communications Center at Marana Police Department that was utilized for a week
- Developed the Community Assistance Program (CAP), which provides follow-up after the initial call to ensure our aging population has continued support. The program has thwarted fraud efforts against our senior population and connects seniors to a multitude of support services.
- Collaborated with 3M Products and 5.11 Tactical Gear to test an innovative prototype uniform designed to increase nighttime visibility and enhance officer safety during roadside investigations
- All three Property & Evidence Personnel were trained in the operation of the National Integrated Ballistic Information Network (NIBIN), a database that allows a search of cartridge casings against evidence from our own jurisdiction and others across the nation to determine if a particular weapon has been used in a crime
- 97 certified personnel were trained in Verbal De-Escalation: Surviving Verbal Conflict, providing our officers the communication skills proven to help de-escalate volatile situations
- Conducted a two week Explorer Academy, hosting Explorer Posts from outside jurisdictions
- Continued to support back to school and 'Shop with a Cop' programs
- Continued hosting Coffee with a Cop program at multiple Oro Valley restaurants and extended care facilities
- Citizen Volunteer Assistants Program (CVAP) members contributed 13,077 volunteer hours
- Explorers contributed 776 volunteer hours
- Received funding of \$30,000 from Governor's Office of Highway Safety for overtime to support DUI enforcement and participation with the Southern Arizona DUI Task Force
- Received funding of \$82,000 from Operation Stonegarden for overtime/mileage to combat illegal contraband/ human smuggling, and apprehend terrorists entering the country
- Taught nine Rape Aggression Defense (R.A.D.) classes, educating 168 students
- OVPD officers participated in all 8 Southern Arizona DUI Task Force deployments
- Completed all four International Association of Chiefs of Police (IACP) "One Mind" strategies to ensure successful interactions between Oro Valley police officers and persons affected by mental illness

# Police

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES





### STRATEGIC LEADERSHIP PLAN GOAL

Support strategies that result in a safe community with low crime, safe neighborhoods and positive relationships between law enforcement and community members

| COUNCIL FOCUS AREA   | OBJECTIVE(S)   |                             |                             |   |                             |
|--|--|-----------------------------|-----------------------------|---|-----------------------------|
| Public Safety  | <ul style="list-style-type: none"> <li>Implement officer training in Interdiction for the Protection of Children (IPC), with a focus on applying to the Oracle Road corridor to protect endangered children</li> <li>Provide Rescue Task Force (RTF) training to partnering fire departments and continue regional approach to Active Shooter preparedness</li> <li>Explore the expansion of the Police Department’s body camera program</li> <li>Deploy the High Visibility Enforcement (HiVE) in high collision areas to address the increasing volume of traffic and associated issues in and around Oro Valley roadways</li> <li>Adopt new businesses as they open to create positive relationships and educate them on safety trends locally and regionally</li> <li>Analyze Police call, response and service trends/data and develop a responsible short and long-term plan to ensure the community continues to receive high quality public safety services</li> </ul> |                             |                             |   |                             |
| PERFORMANCE MEASURES   | FY 2018 ACTUALS  | FY 2019 TARGET              | FY 2019 RESULT              | FY 2019 STATUS  | FY 2020 TARGET              |
| HiVE deployments conducted   | 9  | -                           | 4                           |  | 2 per month for total of 24 |
| % of Priority I calls responded to in under five minutes               | 83%  | 90%                         | 79%                         |  | 90% of the time             |
| % of Priority II calls responded to in under eight minutes             | 86%  | 90%                         | 88%                         |  | 90% of the time             |
| Interdiction for the Protection of Children (IPC)                      |  |                             |                             |  | Implement by June 30, 2020  |
| Rescue Task Force (RTF) and Active Shooter Preparedness trainings held | -  | 6 RTF;<br>10 Active Shooter | 6 RTF;<br>43 Active Shooter |  | Ongoing                     |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

# Police

| PERFORMANCE MEASURES (CONTINUED)                | FY 2018 ACTUALS                 | FY 2019 TARGET                 | FY 2019 RESULT                  | FY 2019 STATUS  | FY 2020 TARGET                       |
|---|---------------------------------|--------------------------------|---------------------------------|---|--------------------------------------|
| Adopt-A-Business Program                        | 135 Businesses                  | -                              | 138 Businesses                  |  | Ongoing                              |
| Verbal De-Escalation: Surviving Verbal Conflict | -                               | 101 certified officers         | 97 certified officers           |  | Ongoing                              |
| Axon Body Worn Camera Program                   | All Patrol                      | High School SROs and CAT Squad | CAT Squad                       |  | Full implementation by June 30, 2020 |
| OVPD Social Media – Likes/Followers             | 5,495 Facebook<br>3,989 Twitter | -                              | 7,023 Facebook<br>4,582 Twitter |  | Revive Instagram                     |



Target Met



Target Not Met



Informational Only



N/A - New/Previous Measure

# Police

| Total FTEs        |               |               |                   |
|-------------------|---------------|---------------|-------------------|
| FY 2018<br>Actual | FY 2019       |               | FY 2020<br>Budget |
|                   | Budget        | Projected     |                   |
| <b>135.13</b>     | <b>135.13</b> | <b>133.13</b> | <b>138.13</b>     |

|                              | Expenditures by Division |                      |                      |                      |                       |
|------------------------------|--------------------------|----------------------|----------------------|----------------------|-----------------------|
|                              | FY 2018<br>Actual        | FY 2019              |                      | FY 2020<br>Budget    | Variance<br>to Budget |
|                              |                          | Budget               | Projected            |                      |                       |
| Administration               | \$ 1,589,627             | \$ 1,374,138         | \$ 1,378,940         | \$ 1,452,336         | 5.7%                  |
| Support Services             | 6,883,530                | 6,558,530            | 6,184,632            | 6,568,381            | 0.2%                  |
| Field Services               | 7,935,346                | 8,345,018            | 8,297,405            | 9,137,667            | 9.5%                  |
| Professional Dev. & Training | 182,935                  | 198,467              | 198,467              | 180,189              | -9.2%                 |
| Professional Standards       | 159,388                  | 168,067              | 168,067              | 192,888              | 14.8%                 |
|                              | <b>\$ 16,750,826</b>     | <b>\$ 16,644,220</b> | <b>\$ 16,227,511</b> | <b>\$ 17,531,461</b> | <b>5.3%</b>           |

|                        | Revenue Sources   |                     |                   |                   |                       |
|------------------------|-------------------|---------------------|-------------------|-------------------|-----------------------|
|                        | FY 2018<br>Actual | FY 2019             |                   | FY 2020<br>Budget | Variance<br>to Budget |
|                        |                   | Budget              | Projected         |                   |                       |
| Federal Grants         | \$ 387,097        | \$ 596,162          | \$ 409,607        | \$ 549,543        | -7.8%                 |
| Intergovernmental      | 186,022           | 308,900             | 81,139            | 180,000           | -41.7%                |
| State Grants           | 69,315            | 71,500              | 75,000            | 75,000            | 4.9%                  |
| Seizures & Forfeitures | 56,562            | 86,665              | 163,137           | 82,846            | -4.4%                 |
| Fingerprinting         | 14,640            | 14,000              | 14,000            | 14,000            | 0.0%                  |
| Report Copying         | 6,592             | 5,600               | 6,400             | 6,400             | 14.3%                 |
| Impound Processing     | 36,750            | 35,000              | 27,000            | 15,000            | -57.1%                |
| Other                  | 27,616            | 21,488              | 31,029            | 26,210            | 22.0%                 |
|                        | <b>\$ 784,594</b> | <b>\$ 1,139,315</b> | <b>\$ 807,312</b> | <b>\$ 948,999</b> | <b>-16.7%</b>         |



# Police - Administration

## OVERVIEW

The Oro Valley Police Department (OVPD) is a true community policing organization and understands community policing is a "way of life" for an organization. In Oro Valley, community policing is considered a core value that underlies all programs and initiatives. The Police Department Administration embodies this philosophy and guides all staff towards embracing this philosophy throughout the entire organization.

| Personnel                       | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Police Chief                    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Deputy Police Chief             | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Lieutenant                      | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Public Info. Officer - Sergeant | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Administrative Services Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>               | <b>5.00</b>       | <b>5.00</b>       | <b>5.00</b>          | <b>5.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 955,423          | \$ 897,418          | \$ 902,220           | \$ 896,916          | -0.1%                 |
| Operations & Maintenance  | 624,687             | 476,720             | 476,720              | 555,420             | 16.5%                 |
| Capital Outlay            | 9,517               | -                   | -                    | -                   | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 1,589,627</b> | <b>\$ 1,374,138</b> | <b>\$ 1,378,940</b>  | <b>\$ 1,452,336</b> | <b>5.7%</b>           |

### Expenditure and Staffing Changes

#### Operations & Maintenance

Operations & Maintenance increased 16.5% due to utility costs for the new property/ID and southern substation building, as well as travel, training and insurance costs.

# Police – Support Services

## OVERVIEW

The Support Services Division (SSD) provides the necessary support and enhancement to the Field Services Division and Administration. SSD personnel are specially trained in law enforcement functions specific to the organization and community, which enhance our ability to provide service. SSD must consistently evaluate the service efforts of the department and make changes based upon these efforts. This is accomplished through technology, expertise, resource allocation, intelligence gathering and education.

| Personnel                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Commander                    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Lieutenant                   | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Emerg. Mgmt. & Safety Coord. | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Senior Office Specialist     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Reserve Officer              | -                 | 0.48              | 0.48                 | 0.48              | -                     |
| <b>Total FTEs</b>            | <b>5.00</b>       | <b>5.48</b>       | <b>5.48</b>          | <b>4.48</b>       | <b>(1.00)</b>         |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 655,998        | \$ 720,702        | \$ 720,702           | \$ 664,971        | -7.7%                 |
| Operations & Maintenance  | 852               | 500               | 500                  | 1,230             | 146.0%                |
| <b>Total Expenditures</b> | <b>\$ 656,850</b> | <b>\$ 721,202</b> | <b>\$ 721,202</b>    | <b>\$ 666,201</b> | <b>-7.6%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 7.7% due to the reallocation of a position to field services.

#### Operations and Maintenance

Operations and maintenance increased 146.0% due to memberships and subscriptions.

## Police – School Resource Officer

### OVERVIEW

The School Resource Officer (SRO) program is designed upon the "basic triad concept" of being a law enforcement officer, teacher, and counselor to the school community. This "community" includes the school administration, faculty and staff, parents, students, and the schools surrounding the Oro Valley community. An SRO provides this service in many ways while always taking a personal interest in students' lives, activities and problems. Officers are assigned to: Canyon del Oro High School, Ironwood Ridge High School, Copper Creek Elementary, Painted Sky Elementary, Wilson K-8 and Innovation Academy. (Capacity is also included for an SRO assigned to Lemay Academy, subject to grant funding).

Within the SRO Unit is the Explorers Program, which consists of young men and women, ages 14 to 20, who are interested in a career in law enforcement. Police officers are the Explorer advisors and assist in weekly instruction and training. Explorers dedicate themselves to community service and assist the department during special events.

| Personnel               | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Sergeant                | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| School Resource Officer | 9.00              | 10.00             | 8.00                 | 9.00              | (1.00)                |
| <b>Total FTEs</b>       | <b>10.00</b>      | <b>11.00</b>      | <b>9.00</b>          | <b>10.00</b>      | <b>(1.00)</b>         |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 1,228,931        | \$ 1,388,401        | \$ 1,187,417         | \$ 1,259,057        | -9.3%                 |
| Operations & Maintenance  | 10,044              | 14,250              | 14,250               | 11,850              | -16.8%                |
| <b>Total Expenditures</b> | <b>\$ 1,238,975</b> | <b>\$ 1,402,651</b> | <b>\$ 1,201,667</b>  | <b>\$ 1,270,907</b> | <b>-9.4%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 9.3% due to a contract discontinuance for one outside-funded SRO.

#### Operations & Maintenance

Operations & Maintenance decreased 16.8% due to savings in uniform costs.

# Police - Communications

## OVERVIEW

The Communications Center is the primary answering point for all 9-1-1 emergency calls in Oro Valley. The center operates 24 hours a day, 7 days a week. Public Safety Communications is skilled emergency service work that involves receiving emergency and non-emergency requests for police assistance, determining the nature and the urgency of calls, initiating police or other emergency service personnel action and maintaining close contact with field units to monitor response and needed support requirements.

| Personnel                     | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Telecommunications Manager    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Telecommunications Supervisor | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Telecommunicator              | 10.00             | 10.00             | 10.00                | 10.00             | -                     |
| <b>Total FTEs</b>             | <b>13.00</b>      | <b>13.00</b>      | <b>13.00</b>         | <b>13.00</b>      | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 1,006,178        | \$ 1,069,193        | \$ 1,069,193         | \$ 1,057,531        | -1.1%                 |
| Operations & Maintenance  | 2,584               | 6,570               | 6,570                | 3,500               | -46.7%                |
| <b>Total Expenditures</b> | <b>\$ 1,008,763</b> | <b>\$ 1,075,763</b> | <b>\$ 1,075,763</b>  | <b>\$ 1,061,031</b> | <b>-1.4%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 1.1% due to savings in overtime costs and position refills at lower salaries.

#### Operations & Maintenance

Operations & Maintenance decreased 46.7% due to savings in non-capitalized equipment.

## Police – Records

### OVERVIEW

The Records Unit is responsible for processing, distributing, and maintaining all public law enforcement records generated by OVPD. The Records Unit adheres to the release policy mandated by state law. The Unit is also responsible for the handling of impound releases of vehicles, verifying the required documentation through the Motor Vehicle Division, preparing the proper paperwork, and collecting the necessary fees.

|                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>   |                   |                   |                      |                   |                       |
| Records Supervisor | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Records Specialist | 5.00              | 5.00              | 5.00                 | 5.00              | -                     |
| Office Assistant   | 1.25              | 1.25              | 1.25                 | 1.25              | -                     |
| <b>Total FTEs</b>  | <b>7.25</b>       | <b>7.25</b>       | <b>7.25</b>          | <b>7.25</b>       | <b>-</b>              |

|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 439,943        | \$ 455,065        | \$ 451,624           | \$ 475,308        | 4.4%                  |
| Operations & Maintenance  | 2,907             | 2,800             | 2,800                | 3,050             | 8.9%                  |
| <b>Total Expenditures</b> | <b>\$ 442,850</b> | <b>\$ 457,865</b> | <b>\$ 454,424</b>    | <b>\$ 478,358</b> | <b>4.5%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 4.4% due to merit increases and benefit costs.

#### Operations & Maintenance

Operations & Maintenance increased 8.9% for memberships and subscriptions.

## Police – Criminal Investigations

### OVERVIEW

The Criminal Investigations Unit (CIU) is the primary investigative arm of the OVPD and is responsible for investigating all major crimes that occur in Oro Valley. These crimes include crimes against person(s) - homicide, sexual assault, aggravated assault, etc., and crimes against property - burglary, larceny, auto theft, etc.

Detectives are cross-trained to investigate the various types of crimes committed in Oro Valley and many of them network with task force groups outside Oro Valley to enhance service within our community.

| Personnel         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Sergeant          | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Detective         | 6.00              | 7.00              | 7.00                 | 7.00              | -                     |
| <b>Total FTEs</b> | <b>7.00</b>       | <b>8.00</b>       | <b>8.00</b>          | <b>8.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|-------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 908,853        | \$ 1,056,950        | \$ 1,056,950         | \$ 1,111,228        | 5.1%                  |
| Operations & Maintenance  | 4,865             | 11,900              | 11,900               | 25,250              | 112.2%                |
| <b>Total Expenditures</b> | <b>\$ 913,718</b> | <b>\$ 1,068,850</b> | <b>\$ 1,068,850</b>  | <b>\$ 1,136,478</b> | <b>6.3%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 5.1% due to step increases and pension costs.

#### Operations & Maintenance

Operations & Maintenance increased 112.2% for one-time, non-capitalized equipment costs.

# Police – Information Technology

## OVERVIEW

The Information Technology Unit (ITU) provides support service to the department and is responsible for planning, acquiring, implementing and developing information technology solutions to facilitate the department's mission. The ITU also evaluates and acquires emerging technologies, information systems and networks that have law enforcement applications.

| Personnel         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Systems Analyst   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b> | <b>1.00</b>       | <b>1.00</b>       | <b>1.00</b>          | <b>1.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 87,123         | \$ 92,585         | \$ 92,585            | \$ 96,338         | 4.1%                  |
| Operations & Maintenance  | 143,103           | 14,400            | 14,400               | 16,245            | 12.8%                 |
| Capital Outlay            | 17,167            | -                 | -                    | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 247,393</b> | <b>\$ 106,985</b> | <b>\$ 106,985</b>    | <b>\$ 112,583</b> | <b>5.2%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 4.1% due to merit increases.

#### Operations & Maintenance

Operations & Maintenance increased 12.8% due to equipment repair and maintenance.

# Fleet

## OVERVIEW

*Beginning FY 2019, these costs were consolidated with the Public Works Department Fleet Maintenance program.*

| Personnel                | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Fleet Control Specialist | 1.00              | -                 | -                    | -                 | -                     |
| Reserve Officer          | 0.48              | -                 | -                    | -                 | -                     |
| <b>Total FTEs</b>        | <b>1.48</b>       | <b>-</b>          | <b>-</b>             | <b>-</b>          | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 109,316        | \$ -              | \$ -                 | \$ -              | 0.0%                  |
| Operations & Maintenance  | 687,452           | -                 | -                    | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 796,768</b> | <b>\$ -</b>       | <b>\$ -</b>          | <b>\$ -</b>       | <b>0.0%</b>           |

## Police – Community Resources

### OVERVIEW

The Community Resource Unit (CRU) is dedicated to preventing crime through public education and offers a wide range of presentations and programs.

**Neighborhood Watch Program** - Consists of a cohesive body of concerned citizens addressing issues that affect their neighborhood. OVPD has two officers who organize, train, and provide valuable information to these neighborhoods in order to reduce and prevent crime. Neighborhood Watch provides communities a direct liaison with the OVPD and quarterly newsletters are distributed.

**Crime Free Multi-Housing Program** - This program is similar to Neighborhood Watch but for apartment complexes. It encourages neighbors to interact with one another but also holds apartment managers to strict criteria when signing new tenants.

**Citizen Volunteer Assistants Program (C.V.A.P.)** - This program provides the opportunity for citizens to serve their community by assisting the Police Department. The volunteers become an extra set of eyes and ears and assist in many different areas. Volunteers patrol residential neighborhoods, business complexes, shopping centers and assist with scene security at accidents or crime scenes.

| Personnel                     | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Sergeant                      | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Officer/Special Events Coord. | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Officer                       | 1.00              | 2.00              | 1.00                 | 1.00              | (1.00)                |
| <b>Total FTEs</b>             | <b>3.00</b>       | <b>4.00</b>       | <b>3.00</b>          | <b>3.00</b>       | <b>(1.00)</b>         |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 355,932        | \$ 485,434        | \$ 387,706           | \$ 404,515        | -16.7%                |
| Operations & Maintenance  | 46,590            | 58,500            | 58,500               | 57,100            | -2.4%                 |
| <b>Total Expenditures</b> | <b>\$ 402,522</b> | <b>\$ 543,934</b> | <b>\$ 446,206</b>    | <b>\$ 461,615</b> | <b>-15.1%</b>         |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 16.7% due to the reallocation of one officer to Patrol.



# Police – Task Force Operations

## OVERVIEW

The OVPD is actively involved in multi-jurisdictional joint task forces across southern Arizona.

**Drug Enforcement Agency** has numerous multi-jurisdictional task force groups that include federal agents, prosecuting agencies, and state and local law enforcement agencies. Each task force is assigned a specific area of enforcement, in order to combat this national epidemic, including the production, trafficking, and individuals who use illegal drugs.

**Joint Terrorism Task Force** are small cells of highly trained, locally based investigators, analysts, linguists, SWAT experts, and other specialists from dozens of U.S. law enforcement and intelligence agencies. It is a multi-agency effort led by the Justice Department and FBI designed to combine the resources of federal, state, and local law enforcement.

The **Gang and Immigration Intelligence Team Enforcement Mission (GIITEM)** is a multi-jurisdictional task force that focuses on street gang crime as well as U.S. border and immigration crimes. GIITEM strives to accomplish its mission through a task force concept involving personnel from tribal, federal, state, county, and municipal law enforcement agencies.

| Personnel         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Officer           | 7.00              | 5.00              | 5.00                 | 5.00              | -                     |
| <b>Total FTEs</b> | <b>7.00</b>       | <b>5.00</b>       | <b>5.00</b>          | <b>5.00</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 855,747        | \$ 688,466        | \$ 688,466           | \$ 677,554        | -1.6%                 |
| Capital Outlay            | 12,094            | 153,230           | 101,923              | 291,450           | 90.2%                 |
| <b>Total Expenditures</b> | <b>\$ 867,841</b> | <b>\$ 841,696</b> | <b>\$ 790,389</b>    | <b>\$ 969,004</b> | <b>15.1%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 1.6% due to officer assignment changes among divisions.

#### Capital

Capital increased 90.2% for additional grant-funded vehicle purchases budgeted in FY 2020.

## Police – Property and ID

### OVERVIEW

The Property and ID Unit is staffed with skilled technicians that locate, collect, secure and preserve a variety of critical, physical and sometimes fragile evidence at crime scenes. Technicians must write accurate narratives, follow up on collected evidence for scientific analysis, liaison with other agencies to complete related casework, and prepare testimony for court proceedings. Staff within this program area are also responsible for inventory and maintenance of all department equipment, including equipment necessary to outfit each officer.

| Personnel                   | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Crime Scene Tech Supervisor | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Crime Scene Technician      | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Reserve Officer             | 0.48              | 0.48              | 0.48                 | 0.48              | -                     |
| <b>Total FTEs</b>           | <b>3.48</b>       | <b>3.48</b>       | <b>3.48</b>          | <b>3.48</b>       | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 222,874        | \$ 258,534        | \$ 253,096           | \$ 275,354        | 6.5%                  |
| Operations & Maintenance  | 84,976            | 81,050            | 66,050               | 136,850           | 68.8%                 |
| <b>Total Expenditures</b> | <b>\$ 307,850</b> | <b>\$ 339,584</b> | <b>\$ 319,146</b>    | <b>\$ 412,204</b> | <b>21.4%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 6.5% due to merit increases, pension costs, and changes in employee insurance coverage.

#### Operations & Maintenance

Operations & Maintenance increased 68.8% due to one-time, new officer outfitting equipping costs.

## Police – Field Services

### OVERVIEW

The Field Services Division (FSD) is the largest division of the Police Department and is comprised of officers and supervisors who provide the "front line" service to the community. FSD must continually monitor crime trends, deployment methods, beat structure, business and neighborhood issues and response times to ensure that the department is providing the most efficient and effective services.

| Personnel                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Commander                    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Lieutenant                   | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Emerg. Mgmt. & Safety Coord. | -                 | -                 | -                    | 1.00              | 1.00                  |
| Crime Analyst                | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Office Specialist            | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>            | <b>6.00</b>       | <b>6.00</b>       | <b>6.00</b>          | <b>7.00</b>       | <b>1.00</b>           |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 719,171        | \$ 777,040        | \$ 777,040           | \$ 881,547        | 13.4%                 |
| Operations & Maintenance  | 611               | 1,500             | 1,500                | 1,330             | -11.3%                |
| <b>Total Expenditures</b> | <b>\$ 719,782</b> | <b>\$ 778,540</b> | <b>\$ 778,540</b>    | <b>\$ 882,877</b> | <b>13.4%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 13.4% due to reallocation of one position from Support Services, as well as merit and pension increases.

#### Operations and Maintenance

Operations and maintenance decreased 11.3% due to savings in memberships and subscriptions.

# Police – Patrol

## OVERVIEW

Patrol consists of seven squads and one motorcycle squad, providing 24/7 police service to town citizens, schools, business owners, employees and visitors. OVPD divides the town into four separate geographical patrol areas. Patrol deployment methods are based on a variety of factors, including response times, call loads, crime statistics and neighborhood issues. Patrol focuses on high visibility patrol and strict enforcement to deter crime from our community. Programs like adopt-a-business allow patrol officers to work cooperatively and proactively with businesses to solve issues before they become problems. K-9 and DUI officers are incorporated within Patrol, providing service seven days a week.

**K-9** - Three K-9 teams (handler/canine) are deployed throughout the week. Two teams are "dual purpose" and are trained in patrol/handler protection and narcotics detection. The remaining team is trained to detect explosives and an accelerant component used to make explosive devices, and is a member of the Pima Regional Bomb Squad.

**DUI** - The DUI Unit is comprised of three officers whose primary function is to actively seek impaired drivers. Patrol officers with special skills in the area of drug recognition and phlebotomy supplement them in their task. DUI officers assume the lead investigative role in impairment investigations initiated by patrol officers and are well versed in the field of impaired driver investigations. OVPD is a participant in the Southern Arizona DUI Task Force and participates in task force deployments annually.

| Personnel         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Sergeant          | 6.00              | 6.00              | 6.00                 | 7.00              | 1.00                  |
| Lead Officer      | 7.00              | 7.00              | 7.00                 | 7.00              | -                     |
| K-9 Officer       | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| DUI Officer       | 2.00              | 2.00              | 3.00                 | 3.00              | 1.00                  |
| Officer           | 32.00             | 32.00             | 32.00                | 35.00             | 3.00                  |
| Reserve Officer   | 1.44              | 1.44              | 1.44                 | 1.44              | -                     |
| <b>Total FTEs</b> | <b>50.44</b>      | <b>50.44</b>      | <b>51.44</b>         | <b>55.44</b>      | <b>5.00</b>           |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 5,687,460        | \$ 5,845,914        | \$ 5,810,301         | \$ 6,524,617        | 11.6%                 |
| Operations & Maintenance  | 12,195              | 15,000              | 15,000               | 18,680              | 24.5%                 |
| Capital Outlay            | -                   | 12,000              | -                    | 12,000              | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 5,699,655</b> | <b>\$ 5,872,914</b> | <b>\$ 5,825,301</b>  | <b>\$ 6,555,297</b> | <b>11.6%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 11.6% due to four new positions, as well as a reallocation of an officer from Community Resources.

#### Operations and Maintenance

Operations and maintenance increased 24.5% due to memberships and subscriptions, uniforms and field supplies.

## Police – Motor/Traffic

### OVERVIEW

The goals of the Oro Valley Motor Unit are: to respond to citizens traffic concerns; be highly visible to the public and; enforce traffic laws. By staying proactive and achieving these goals, the Motor Unit is able to deter criminal behavior from residing in or targeting Oro Valley. The three measures deploying the Motor Unit are: highest collision intersections, special events, and citizen traffic concerns.

|                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>   |                   |                   |                      |                   |                       |
| Sergeant           | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Lead Officer       | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Motorcycle Officer | 5.00              | 5.00              | 5.00                 | 5.00              | -                     |
| <b>Total FTEs</b>  | <b>7.00</b>       | <b>7.00</b>       | <b>7.00</b>          | <b>7.00</b>       | -                     |

|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 774,335        | \$ 877,972        | \$ 877,972           | \$ 885,612        | 0.9%                  |
| Operations & Maintenance  | 17,947            | 19,970            | 19,970               | 16,900            | -15.4%                |
| <b>Total Expenditures</b> | <b>\$ 792,282</b> | <b>\$ 897,942</b> | <b>\$ 897,942</b>    | <b>\$ 902,512</b> | <b>0.5%</b>           |

## C.A.T. Squad

### OVERVIEW

The Community Action Team (C.A.T.) serves as a proactive and successful community policing initiative. The primary premise of C.A.T. is to focus on the root causes of problems and identify which crimes lead to secondary crimes and how they are associated. C.A.T. members spend a great deal of time gathering information on specific issues through various connections with other law enforcement organizations and the public. These partnerships foster trust between the community and our organization and has been paramount in our ability to combat crime.

|                   | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>  |                   |                   |                      |                   |                       |
| Sergeant          | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Lead Officer      | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Officer           | 4.00              | 4.00              | 4.00                 | 4.00              | -                     |
| <b>Total FTEs</b> | <b>6.00</b>       | <b>6.00</b>       | <b>6.00</b>          | <b>6.00</b>       | -                     |

|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 723,628        | \$ 795,622        | \$ 795,622           | \$ 796,981        | 0.2%                  |
| <b>Total Expenditures</b> | <b>\$ 723,628</b> | <b>\$ 795,622</b> | <b>\$ 795,622</b>    | <b>\$ 796,981</b> | <b>0.2%</b>           |

# Police – Professional Development & Training

## OVERVIEW

Professional Development & Training is tasked to ensure that members provide the most efficient and effective public safety service to the community in support of a community policing philosophy. Personnel are trained to deliver a high level of service that not only meets community expectations but also allows our staff to maintain professional certifications. Professional Development & Training focuses on developing the skills, abilities, knowledge, and talents of the OVPD to maintain professional and expert service. This program is also responsible for new-hire recruit officer orientation. This orientation is provided to prepare new officers for the stresses of attending a police academy along with orienting them to Oro Valley.

| Personnel         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Training Officer  | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Reserve Officer   | 0.48              | 0.48              | 0.48                 | -                 | (0.48)                |
| <b>Total FTEs</b> | <b>1.48</b>       | <b>1.48</b>       | <b>1.48</b>          | <b>1.00</b>       | <b>(0.48)</b>         |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 134,110        | \$ 140,467        | \$ 140,467           | \$ 123,389        | -12.2%                |
| Operations & Maintenance  | 48,825            | 58,000            | 58,000               | 56,800            | -2.1%                 |
| <b>Total Expenditures</b> | <b>\$ 182,935</b> | <b>\$ 198,467</b> | <b>\$ 198,467</b>    | <b>\$ 180,189</b> | <b>-9.2%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 12.2% due to the reallocation of a reserve officer to Professional Standards.

# Police – Professional Standards

## OVERVIEW

It is the policy of the OVPD to thoroughly investigate all complaints against its employees in order to preserve public confidence in our willingness to oversee and control the actions of our employees. The Office of Professional Standards (O.P.S.) is managed by a sergeant who oversees and investigates citizen complaints and internally ordered inspections. O.P.S. also maintains records of use of force incidences, vehicle pursuits and policy revisions. Finally, O.P.S. conducts the hiring process and background investigations for interested Police Department applicants.

|                   | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>  |                   |                   |                      |                   |                       |
| Sergeant          | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Reserve Officer   | -                 | -                 | -                    | 0.48              | 0.48                  |
| <b>Total FTEs</b> | <b>1.00</b>       | <b>1.00</b>       | <b>1.00</b>          | <b>1.48</b>       | <b>0.48</b>           |

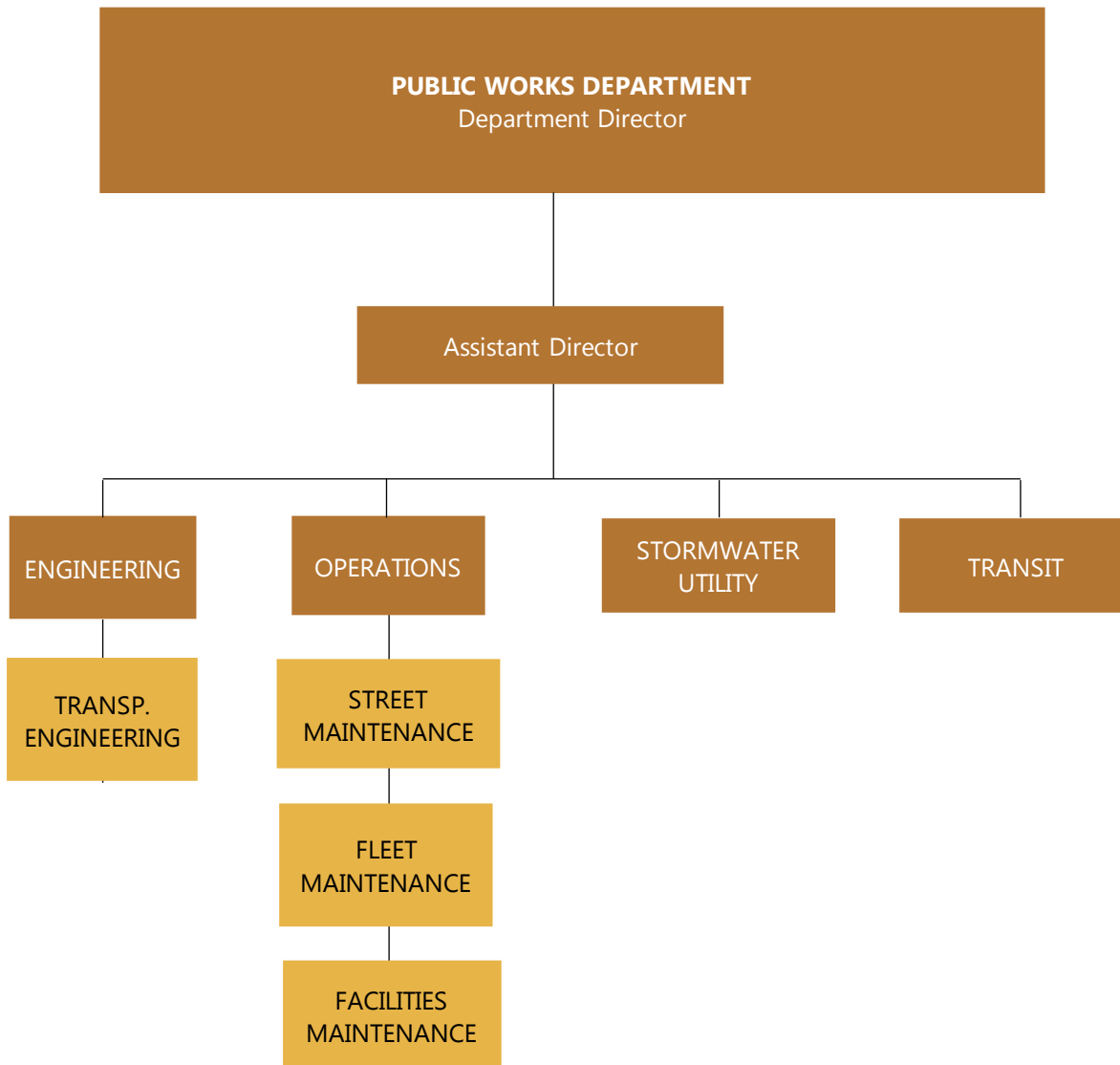
|                           | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Expenditures</b>       |                   |                   |                      |                   |                       |
| Personnel                 | \$ 154,826        | \$ 158,417        | \$ 158,417           | \$ 183,238        | 15.7%                 |
| Operations & Maintenance  | 4,562             | 9,650             | 9,650                | 9,650             | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 159,388</b> | <b>\$ 168,067</b> | <b>\$ 168,067</b>    | <b>\$ 192,888</b> | <b>14.8%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 15.7% due to the reallocation of a reserve officer from Professional Development and Training.

# Public Works



## OVERVIEW

The Public Works Department is organized into four functional divisions: Engineering, Operations, Stormwater and Transit. Engineering is responsible for managing the design and construction of roadway projects, issuing right-of-way permits, developing annual and long term schedules for surface treatments on town streets, and maintaining and operating the town's traffic intersection signals and lights. Operations is responsible for maintenance of the town's streets and drainage ways, facilities maintenance including repairs and minor renovations, and fleet maintenance for vehicles and heavy equipment. Stormwater is responsible for management and operation of the Town's Stormwater Utility. Transit is responsible for management and operation of the Sun Shuttle Dial-a-Ride public transit service under contract with the Regional Transportation Authority.



# Public Works

| Total FTEs           |              |              |                   |
|----------------------|--------------|--------------|-------------------|
| FY 2018 **<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                      | Budget       | Projected    |                   |
| <b>61.79</b>         | <b>70.79</b> | <b>70.29</b> | <b>70.29</b>      |

\*\* Figure does not include positions in the PAG/RTA Fund or the Capital Fund, although these positions were under the management of the Public Works Department.

|                         | Expenditures by Fund ** |                      |                     |                      | Variance<br>to Budget |
|-------------------------|-------------------------|----------------------|---------------------|----------------------|-----------------------|
|                         | FY 2018<br>Actual       | FY 2019              |                     | FY 2020<br>Budget    |                       |
|                         |                         | Budget               | Projected           |                      |                       |
| General Fund            | \$ 2,040,528            | \$ 3,518,946         | \$ 3,363,846        | \$ 4,826,507         | 37.2%                 |
| Highway Fund            | 3,959,398               | 4,626,036            | 4,362,204           | 4,123,148            | -10.9%                |
| Stormwater Utility Fund | 1,214,670               | 3,351,849            | 1,296,448           | 3,748,405            | 11.8%                 |
| Fleet Fund              | 1,283,096               | -                    | -                   | -                    | 0.0%                  |
|                         | <b>\$ 8,497,692</b>     | <b>\$ 11,496,831</b> | <b>\$ 9,022,498</b> | <b>\$ 12,698,060</b> | <b>10.4%</b>          |

Divisions/programs supported by the General Fund include Fleet Maintenance (beginning FY 2019), Facilities Maintenance, Transit and Administration (beginning FY 2020)

\*\* Does not include the PAG/RTA Fund or the Roadway Impact Fee Fund

|                         | Revenues by Fund ** |                     |                     |                     | Variance<br>to Budget |
|-------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
|                         | FY 2018<br>Actual   | FY 2019             |                     | FY 2020<br>Budget   |                       |
|                         |                     | Budget              | Projected           |                     |                       |
| General Fund            | \$ 1,525,829        | \$ 1,558,300        | \$ 1,367,500        | \$ 1,545,000        | -0.9%                 |
| Highway Fund            | 3,569,213           | 4,108,359           | 3,829,317           | 3,785,907           | -7.8%                 |
| Stormwater Utility Fund | 1,392,194           | 3,409,000           | 1,410,667           | 3,523,000           | 3.3%                  |
| Fleet Fund              | 1,617,595           | -                   | -                   | -                   | 0.0%                  |
|                         | <b>\$ 8,104,831</b> | <b>\$ 9,075,659</b> | <b>\$ 6,607,484</b> | <b>\$ 8,853,907</b> | <b>-2.4%</b>          |

\*\* Does not include the PAG/RTA Fund or the Roadway Impact Fee Fund

# Public Works – Administration

## OVERVIEW

Administration is responsible for department management and oversight, funding and program implementation, contract management, and obtaining reimbursement of outside funding for projects from Pima Association of Governments, the Arizona Department of Transportation and the Federal Emergency Management Agency. Administrative staff responsibilities include clerical duties, maintaining the Public Works Department website, records management, and logistical support. *(Beginning FY 19/20, Administration is budgeted in the General Fund, versus the Highway Fund. Several positions from across the department, including those in Street Maintenance, are now included here. Street Maintenance staff may occasionally be utilized for capital projects or other Town projects as deemed appropriate).*

## 2018-2019 ACCOMPLISHMENTS

- Developed a shared-use project management tool through SharePoint that greatly accelerates department efficiency
- Standardized templates for standard operating procedures to ensure consistency of the quality of what is delivered to Oro Valley citizens
- Developed a facilities maintenance and replacement plan that mimics the fleet replacement program

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Identify internal efficiency opportunities for continuous improvement to effect a high performing organization and culture

| COUNCIL FOCUS AREA  | OBJECTIVE(S)   |                |                |                |                       |
|---|--|----------------|----------------|----------------|-----------------------|
| Effective and Efficient Government  | <ul style="list-style-type: none"> <li>• Expand use of process improvement tools through the Town’s internal OV Peak Performance initiative</li> </ul> |                |                |                |                       |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS  | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET        |
| Develop at least two standard operating procedures looking for opportunities to improve processes |  |                |                | N/A            | Complete at least two |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A** N/A - New/Previous Measure

## Public Works – Administration

| Personnel                       | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| PW Director & Town Engineer     | -                 | 0.50              | 0.50                 | 1.00              | 0.50                  |
| Assistant Public Works Director | 1.00              | 1.00              | 1.00                 | 0.75              | (0.25)                |
| Operations Division Manager     | -                 | -                 | -                    | 1.00              | 1.00                  |
| Streets Maint Superintendent    | -                 | -                 | -                    | 1.00              | 1.00                  |
| Streets & Drainage Crew Leader  | -                 | -                 | -                    | 2.00              | 2.00                  |
| Heavy Equipment Operator III    | -                 | -                 | -                    | 1.00              | 1.00                  |
| Heavy Equipment Operator II     | -                 | -                 | -                    | 4.00              | 4.00                  |
| Heavy Equipment Operator I      | -                 | -                 | -                    | 1.00              | 1.00                  |
| Administrative Coordinator      | 1.00              | 0.40              | 0.40                 | 0.40              | -                     |
| Office Specialist               | 0.25              | -                 | -                    | 1.00              | 1.00                  |
| <b>Total FTEs</b>               | <b>2.25</b>       | <b>1.90</b>       | <b>1.90</b>          | <b>13.15</b>      | <b>11.25</b>          |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 240,249        | \$ 280,623        | \$ 280,623           | \$ 1,205,232        | 329.5%                |
| Operations & Maintenance  | 479,073           | 198,070           | 184,205              | 174,170             | -12.1%                |
| Capital Outlay            | 7,571             | -                 | -                    | -                   | 0.0%                  |
| Other Financing Uses      | -                 | -                 | 200,000              | -                   | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 726,893</b> | <b>\$ 478,693</b> | <b>\$ 664,828</b>    | <b>\$ 1,379,402</b> | <b>188.2%</b>         |

### Expenditure and Staffing Changes

#### Personnel

Personnel previously budgeted within and among other Public Works divisions have been consolidated into Administration beginning FY 2020.

#### Operations & Maintenance

Operations & Maintenance decreased 12.1% due to savings in waste disposal fees and outside professional services.

# Public Works – Highway Fund

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## OVERVIEW

Within the Highway Fund, the Public Works Engineering Division is responsible for managing the design and construction of roadway projects, issuing right-of-way permits, developing annual and long term schedules for surface treatments on town streets, as well as maintaining and operating the town's traffic intersection signals and lights. The Operations Division is responsible for street maintenance, including landscape maintenance, pavement repair, storm readiness and clean-up.

Public Works programs supported by the Highway Fund include Transportation Engineering and the operations and maintenance costs for Street Maintenance.

## 2018-2019 ACCOMPLISHMENTS







- Completed approximately 1,600 street maintenance and 150 stormwater tasks
- Completed town-wide crack sealing and asphalt replacement for spring surface treatments
- Completed crack sealing in areas not associated with surface treatments
- Completed construction of concrete/gabion basket spill way at Oro Valley Community Center
- Completed approximately 12 miles of shoulder grading/maintenance
- Completed approximately 60-75 curb/sidewalk repairs
- Completed debris removal and cleanup of dumping area at Naranja Park
- Completed 680 fueling canopy Pusch View Bridge overlay
- Completed the Palisades multi-use path
- Completed the design for the La Cañada Drive & Moore Road roundabout
- Completed the annual Pavement Preservation Program
- Completed the Naranja Park soccer field chip seal driveway
- Started construction on the La Cholla Boulevard roadway widening project
- Completed multi-use path for pedestrian access from Naranja Drive into Naranja Park

# Public Works – Highway Fund

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |   |
|---|---|----------------|----------------|---|---|
| Roads, Water and Town Assets  | <ul style="list-style-type: none"> <li>Maintain an Overall Condition Index (OCI) rating of 76 for all paved streets</li> <li>Explore the feasibility of partnering with the Arizona Department of Transportation (ADOT) to improve Oracle Road pavement conditions and traffic signal coordination</li> </ul> |                |                |   |   |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET  |
| Overall Condition Index rating for all paved streets                                | 77  | 78             | 70**           |    | 76  |
| % of paved lane miles rehabilitated throughout town                                 | 13%   | 21%            | 12%            |  | 18%   |
| Road rehabilitation expenditures per paved lane mile                                | \$9,250   | \$24,600*      | \$18,181       |  | \$29,000  |
| Restripe 100% of crosswalks, legends and symbols throughout town                    | 100%  | 100%           | 90%            |  | 100%  |
| Restripe 100% of roads throughout town  | 100%  | 100%           | 90%            |  | 100%  |
| ADOT partnership on Oracle Road pavement conditions and traffic signal coordination |   |                |                |  | Hold at least two discussion and collaboration meetings |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

\* Pima County Regional Road Repair Program discontinued

\*\*Transitioning data to Cartegraph Operations Management System

# Public Works – Highway Fund

| Total FTEs        |              |              |                   |
|-------------------|--------------|--------------|-------------------|
| FY 2018<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                   | Budget       | Projected    |                   |
| <b>24.00</b>      | <b>27.15</b> | <b>26.65</b> | <b>15.00</b>      |

|                            | Expenditures by Program |                     |                     |                     |                       |
|----------------------------|-------------------------|---------------------|---------------------|---------------------|-----------------------|
|                            | FY 2018<br>Actual       | FY 2019             |                     | FY 2020<br>Budget   | Variance<br>to Budget |
|                            |                         | Budget              | Projected           |                     |                       |
| Administration             | \$ 726,893              | \$ 478,693          | \$ 664,828          | \$ -                | -100.0%               |
| Transportation Engineering | 842,161                 | 3,134,882           | 2,684,915           | 3,821,428           | 21.9%                 |
| Pavement Management        | 889,161                 | -                   | -                   | -                   | 0.0%                  |
| Street Maintenance         | 1,053,293               | 1,012,461           | 1,012,461           | 301,720             | -70.2%                |
| Traffic Engineering        | 447,890                 | -                   | -                   | -                   | 0.0%                  |
|                            | <b>\$ 3,959,398</b>     | <b>\$ 4,626,036</b> | <b>\$ 4,362,204</b> | <b>\$ 4,123,148</b> | <b>-10.9%</b>         |

|                         | Revenue Sources     |                     |                     |                     |                       |
|-------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
|                         | FY 2018<br>Actual   | FY 2019             |                     | FY 2020<br>Budget   | Variance<br>to Budget |
|                         |                     | Budget              | Projected           |                     |                       |
| HURF Gas Taxes          | \$ 3,333,250        | \$ 3,291,659        | \$ 3,620,156        | \$ 3,604,407        | 9.5%                  |
| Licenses and Permits    | 45,116              | 48,700              | 30,500              | -                   | -100.0%               |
| State Grants            | 146,208             | 165,000             | 126,767             | 180,000             | 9.1%                  |
| Interest Income         | 31,054              | 50,000              | 50,000              | -                   | -100.0%               |
| Miscellaneous           | 13,585              | 3,000               | 1,894               | 1,500               | -50.0%                |
| Other Financing Sources | -                   | 550,000             | -                   | -                   | -100.0%               |
|                         | <b>\$ 3,569,213</b> | <b>\$ 4,108,359</b> | <b>\$ 3,829,317</b> | <b>\$ 3,785,907</b> | <b>-7.8%</b>          |

# Highway Fund – Transportation Engineering

## OVERVIEW

Transportation Engineering is responsible for managing the design and construction of roadway projects. While most large projects are designed by consultants, Public Works has a small in-house design team for smaller projects. Transportation Engineering also issues permits for all activity within the Town's right-of-way, develops annual and long term schedules for surface treatments on Town streets, and maintains and operates the Town's traffic signals, roadway signs and pavement markings. *(In FY 18/19, the previous program areas of Pavement Management and Traffic Engineering were combined with Transportation Engineering. In addition, personnel previously budgeted in the PAG/RTA Fund were moved to Transportation Engineering).*

| Personnel                          | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Engineering Division Manager       | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Civil Engineer              | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Civil Engineer Tech         | 2.00              | 3.00              | 3.00                 | 3.00              | -                     |
| Civil Engineer/Project Manager     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Civil Engineer Designer            | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Traffic Technician          | 0.75              | 1.00              | 1.00                 | 1.00              | -                     |
| Traffic Technician                 | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Traffic Signs/Markings Crew Leader | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Traffic Signs/Markings Worker      | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Construction Inspector             | -                 | 3.00              | 3.00                 | 3.00              | -                     |
| Construction Clerk                 | -                 | 0.50              | -                    | -                 | (0.50)                |
| Senior Office Specialist           | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Office Specialist                  | 1.00              | -                 | -                    | -                 | -                     |
| <b>Total FTEs</b>                  | <b>7.75</b>       | <b>15.50</b>      | <b>15.00</b>         | <b>15.00</b>      | <b>(0.50)</b>         |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget  | FY 2019<br>Projected | FY 2020<br>Budget  | Variance<br>to Budget |
|---------------------------|-------------------|--------------------|----------------------|--------------------|-----------------------|
| Personnel                 | \$ 789,993        | \$ 1,384,102       | \$ 1,319,135         | \$ 1,378,198       | -0.4%                 |
| Operations & Maintenance  | 20,582            | 255,280            | 255,280              | 282,730            | 10.8%                 |
| Capital Outlay            | 31,586            | 1,495,500          | 1,110,500            | 2,160,500          | 44.5%                 |
| <b>Total Expenditures</b> | <b>\$ 842,161</b> | <b>\$3,134,882</b> | <b>\$2,684,915</b>   | <b>\$3,821,428</b> | <b>21.9%</b>          |

### Expenditure and Staffing Changes

#### Personnel

One full-time position previously apportioned equally with the Public Works Department has been reallocated to Community and Economic Development.

#### Operations and Maintenance

Operations and Maintenance increased 10.8% due to outside professional services as well as travel and training.

#### Capital

Capital increased 44.5% due primarily to the Town's pavement preservation program. In FY 2019, treatments for the Town's subdivision streets were completed by Pima County through utilization of a discontinued property tax for roads.

# Highway Fund – Street Maintenance

## OVERVIEW

Street Maintenance is responsible for maintaining the town's streets and drainage ways. *Beginning FY 19/20, personnel associated with this division have shifted to Administration.*

| Personnel                      | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Operations Division Manager    | 0.75              | 0.20              | 0.20                 | -                 | (0.20)                |
| Streets Maint Superintendent   | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Streets & Drainage Crew Leader | 2.00              | 2.00              | 2.00                 | -                 | (2.00)                |
| Heavy Equipment Operator III   | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Heavy Equipment Operator II    | 4.00              | 4.00              | 4.00                 | -                 | (4.00)                |
| Heavy Equipment Operator I     | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Office Specialist              | -                 | 0.55              | 0.55                 | -                 | (0.55)                |
| <b>Total FTEs</b>              | <b>9.75</b>       | <b>9.75</b>       | <b>9.75</b>          | <b>-</b>          | <b>(9.75)</b>         |

| Expenditures              | FY 2018<br>Actual  | FY 2019<br>Budget  | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|--------------------|--------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 731,177         | \$ 712,961         | \$ 712,961           | \$ -              | -100.0%               |
| Operations & Maintenance  | 290,357            | 299,500            | 299,500              | 301,720           | 0.7%                  |
| Capital Outlay            | 31,759             | -                  | -                    | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$1,053,293</b> | <b>\$1,012,461</b> | <b>\$1,012,461</b>   | <b>\$ 301,720</b> | <b>-70.2%</b>         |

### Expenditure and Staffing Changes

#### Personnel

Personnel associated with this division have shifted to Administration.



## Highway Fund – Pavement Management

### OVERVIEW

Pavement Management is responsible for operating the pavement management system and developing annual and long term schedules for surface treatments on town roadways. *Beginning FY 18/19, Pavement Management was combined with Transportation Engineering.*

| Personnel                     | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Senior Civil Engineering Tech | 1.00              | -                 | -                    | -                 | -                     |
| <b>Total FTEs</b>             | <b>1.00</b>       | -                 | -                    | -                 | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 96,957         | \$ -              | \$ -                 | \$ -              | 0.0%                  |
| Operations & Maintenance  | 4,920             | -                 | -                    | -                 | 0.0%                  |
| Capital Outlay            | 787,284           | -                 | -                    | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 889,161</b> | <b>\$ -</b>       | <b>\$ -</b>          | <b>\$ -</b>       | <b>0.0%</b>           |

## Highway Fund – Traffic Engineering

### OVERVIEW

Traffic Engineering is responsible for maintaining and operating the town's traffic intersection signals and lights, pavement markings, traffic signage, conducting and reviewing traffic studies. *Beginning FY 18/19, Traffic Engineering was combined with Transportation Engineering.*

| Personnel                          | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Senior Traffic Technician          | 0.25              | -                 | -                    | -                 | -                     |
| Traffic Technician                 | 1.00              | -                 | -                    | -                 | -                     |
| Traffic Signs/Markings Crew Leader | 1.00              | -                 | -                    | -                 | -                     |
| Traffic Signs/Markings Worker      | 1.00              | -                 | -                    | -                 | -                     |
| <b>Total FTEs</b>                  | <b>3.25</b>       | -                 | -                    | -                 | -                     |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 215,096        | \$ -              | \$ -                 | \$ -              | 0.0%                  |
| Operations & Maintenance  | 223,739           | -                 | -                    | -                 | 0.0%                  |
| Capital Outlay            | 9,055             | -                 | -                    | -                 | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 447,890</b> | <b>\$ -</b>       | <b>\$ -</b>          | <b>\$ -</b>       | <b>0.0%</b>           |

# Public Works - Facility Maintenance

## OVERVIEW

Facility Maintenance is a program within the Operations Division of the Public Works Department. Facility Maintenance is responsible for building maintenance repairs, energy management, heating, ventilation and air conditioning services, minor renovations, project management, and contract administration for all of the Town’s buildings and facilities.

## 2018-2019 ACCOMPLISHMENTS

- Completed the Town Administration front counter remodel and safety improvement project
- Completed the remodel and safety enhancement of the Magistrate Courtroom
- Completed panic bar installation in Council chambers to improve safety and to support evacuation procedures
- Completed a full facility assessment of all 26 Town-owned buildings for planning and implementation of Town-wide facility repair and maintenance program
- Completed an electrical assessment of the Town Administration building
- Completed the Community Center front entrance recreation area lobby remodel
- Completed the stucco rehabilitation project for the Public Works/Community & Economic Development front canopy

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community

| COUNCIL FOCUS AREA           | OBJECTIVE(S)   |
|------------------------------|--|
| Roads, Water and Town Assets | <ul style="list-style-type: none"> <li>• Develop a comprehensive, organization-wide facility space plan concept that maximizes efficiencies and reflects the best use of Town properties for the future</li> <li>• Integrate the capital asset replacement and maintenance plan into the Town’s capital improvement program</li> </ul> |

| PERFORMANCE MEASURES                | FY 2018 ACTUALS | FY 2019 TARGET   | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET   |
|-------------------------------------|-----------------|------------------|----------------|----------------|------------------|
| Complete annual facility assessment |                 | By June 30, 2019 | January 2019   |                | By June 30, 2020 |

Operations & maintenance expenditures per square foot of buildings maintained      \$1.29      \$1.98      \$1.89           \$3.28

**Target Met**     
 **Target Not Met**     
 **Informational Only**     
 **N/A - New/Previous Measure**

## Public Works - Facility Maintenance

| Personnel                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| PW Director & Town Engineer  | -                 | 0.25              | 0.25                 | -                 | (0.25)                |
| Operations Division Manager  | -                 | 0.80              | 0.80                 | -                 | (0.80)                |
| Facilities Maint Crew Leader | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Facilities Maint Technician  | 1.00              | 3.00              | 3.00                 | 3.00              | -                     |
| Office Specialist            | -                 | 0.30              | 0.30                 | -                 | (0.30)                |
| <b>Total FTEs</b>            | <b>2.00</b>       | <b>5.35</b>       | <b>5.35</b>          | <b>4.00</b>       | <b>(1.35)</b>         |

| Expenditures              | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Personnel                 | \$ 163,275        | \$ 492,546        | \$ 492,546           | \$ 312,383        | -36.6%                |
| Operations & Maintenance  | 243,177           | 374,890           | 374,890              | 620,300           | 65.5%                 |
| Capital Outlay            | 33,216            | 94,500            | 94,500               | -                 | -100.0%               |
| <b>Total Expenditures</b> | <b>\$ 439,668</b> | <b>\$ 961,936</b> | <b>\$ 961,936</b>    | <b>\$ 932,683</b> | <b>-3.0%</b>          |

| Revenue Sources                 |                   |                   |                      |                   |                       |
|---------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
|                                 | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
| Other Intergovernmental Revenue | \$ 13,395         | \$ 20,000         | \$ 20,000            | \$ 20,000         | 0.0%                  |
| <b>Total Revenues</b>           | <b>\$ 13,395</b>  | <b>\$ 20,000</b>  | <b>\$ 20,000</b>     | <b>\$ 20,000</b>  | <b>0.0%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 36.6% due to reallocation of staff to Public Works Administration.

#### Operations & Maintenance

Operations & Maintenance increased 65.5% due to implementation of a comprehensive facility repair and maintenance program.

#### Capital

Capital decreased 100% due to projects completed in FY 2019.

# Public Works - Fleet Maintenance

## OVERVIEW

Fleet Maintenance is managed under the Operations Division of the Public Works Department. Fleet Maintenance is responsible for preventative maintenance and repair of the Town's fleet of vehicles and heavy equipment. This is accomplished through the combination of service contracts and staff.

Prior to FY 18/19, Fleet Maintenance was set up as an internal service fund with each Town department contributing to the fund based on their respective fleet size and related costs. Beginning FY 18/19, Fleet Maintenance became a program within the General Fund. Vehicle replacements are budgeted in the Capital Fund. Personnel and O&M costs include those previously budgeted in the Police Department. Fleet costs for the Town's Water Utility and Stormwater Utility are budgeted in the Enterprise Funds.

## 2018-2019 ACCOMPLISHMENTS

- Developed a 10-year replacement program utilizing data from the Cartegraph Operations Management System (OMS)
- Performed roughly 700 maintenance and repair tasks to non-Police Town equipment and vehicles
- Completed repairs of approximately seven Police Department Tahoe headlights
- Completed cargo modifications to approximately 20 Police Department Tahoes
- Completed fabrication/modification of Police Department motorcade trailer
- Completed fabrication/modification of chipping box for Street Maintenance vehicle

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES




### STRATEGIC LEADERSHIP PLAN GOAL

Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community

| COUNCIL FOCUS AREA   | OBJECTIVE(S)  |                |                |                |                  |
|--|---|----------------|----------------|----------------|------------------|
| Roads, Water and Town Assets   | <ul style="list-style-type: none"> <li>• Develop and implement a long-term capital improvement plan for all Town fleet</li> <li>• Complete all necessary routine maintenance tasks to town equipment and vehicles</li> <li>• Work with all departments to complete any wanted special fabrication projects</li> </ul> |                |                |                |                  |
| PERFORMANCE MEASURES   | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS | FY 2020 TARGET   |
| Develop benchmarks to create a program of continuous performance improvement         |   |                |                | N/A            | By June 30, 2020 |
| Develop a fleet plan and annual update to control and reduce vehicle operating costs |   |                |                | N/A            | By June 30, 2020 |

 **Target Met**
 **Target Not Met**
 **Informational Only**
 **N/A** N/A - New/Previous Measure

## Public Works - Fleet Maintenance

| PERFORMANCE MEASURES<br>(CONTINUED)                                   | FY 2018<br>ACTUALS | FY 2019<br>TARGET | FY 2019<br>RESULT | FY 2019<br>STATUS   | FY 2020<br>TARGET |
|---|--------------------|-------------------|-------------------|---|-------------------|
| Total cost per mile for vehicle repair and maintenance                | \$0.33             | \$0.50            | \$0.22            |  | \$0.25            |
| Maintain fleet availability rate at 95%                               | 100%               | 90%               | 100%              |  | 95%               |
| Total cost per mile to maintain transit vehicles (repair & fuel only) | \$0.24             | \$0.50            | \$0.20            |  | \$0.50            |

 **Target Met**   
  **Target Not Met**   
  **Informational Only**   
  **N/A**   
 N/A - New/Previous Measure

|                          | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>         |                   |                   |                      |                   |                       |
| Fleet Maint Mechanic III | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Fleet Control Specialist | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Office Specialist        | 0.15              | 0.15              | 0.15                 | -                 | (0.15)                |
| <b>Total FTEs</b>        | <b>1.15</b>       | <b>2.15</b>       | <b>2.15</b>          | <b>2.00</b>       | <b>(0.15)</b>         |

|                           | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| <b>Expenditures</b>       |                     |                     |                      |                     |                       |
| Personnel                 | \$ 92,171           | \$ 175,996          | \$ 175,996           | \$ 185,440          | 5.4%                  |
| Operations & Maintenance  | 723,581             | 1,118,398           | 1,019,298            | 1,077,100           | -3.7%                 |
| Capital Outlay            | 467,344             | -                   | -                    | -                   | 0.0%                  |
| <b>Total Expenditures</b> | <b>\$ 1,283,096</b> | <b>\$ 1,294,394</b> | <b>\$ 1,195,294</b>  | <b>\$ 1,262,540</b> | <b>-2.5%</b>          |

|                         | Revenue Sources     |                   |                      |                   | Variance<br>to Budget |
|-------------------------|---------------------|-------------------|----------------------|-------------------|-----------------------|
|                         | FY 2018<br>Actual   | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget |                       |
| Charges for Services    | \$ 860,271          | \$ -              | \$ -                 | \$ -              | 0.0%                  |
| Miscellaneous           | 457,324             | -                 | -                    | -                 | 0.0%                  |
| Other Financing Sources | 300,000             | -                 | -                    | -                 | 0.0%                  |
| <b>Total Revenues</b>   | <b>\$ 1,617,595</b> | <b>\$ -</b>       | <b>\$ -</b>          | <b>\$ -</b>       | <b>0.0%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 5.4% due to overtime costs and merit increases.

#### Operations & Maintenance

Operations & Maintenance decreased 3.7% due to a final vehicle lease payment completed in FY 2019.

# Public Works - Stormwater Utility

## OVERVIEW

The Stormwater Utility enterprise is a division within the Public Works Department. The Stormwater Utility is responsible for federally mandated compliance with the Clean Water Act, meeting all surface water flow quality and quantity issues, including: the Town's stormwater management plan, floodplain and erosion hazard management, and support of all other Town programs that are impacted by storm events. The Stormwater Utility also coordinates with federal, state and local government agencies with regard to floodplain issues.


## 2018-2019 ACCOMPLISHMENTS

- Further developed the ten-year capital improvement program for Stormwater
- Designed and built Lambert Lane drainage repair east of N. Cross Road
- Developed and implemented a formal stormwater pollution prevention plan (SWPPP) inspection program and tracking system
- Successfully applied for two grants: Hazard Mitigation Grant Program (HMGP) and Pre-Disaster Mitigation Grant (PDM) to seek funding for the Catalina Ridge channel repair project
- Submitted a Notice of Intent to prepare a future PDM application for Highland Wash
- Formalized the Town of Oro Valley Sandbag Program for monsoon preparedness
- Repaired erosion to provide stabilization for the El Conquistador slope erosion mitigation
- Awarded an Arizona Disaster Emergency Mitigation Assistance Grant (ADEMA) of \$220K for Lambert Lane drainage CIP project

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Ensure quality development with integrated architecture and natural open space while maintaining and enhancing the character of the community



| COUNCIL FOCUS AREA   | OBJECTIVE(S)   |                |                |   |                  |
|--|--|----------------|----------------|---|------------------|
| Land Use   | Update the Drainage Criteria Manual in the Town's Stormwater Code and Floodplain Ordinance to incentivize commercial property maintenance of drainage facilities and minimize pollutant runoff |                |                |   |                  |
| PERFORMANCE MEASURES   | FY 2018 ACTUALS  | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET   |
| Revise the Drainage Criterial Manual to approved content of findings |  |                |                |  | By June 30, 2020 |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A** N/A - New/Previous Measure

# Public Works - Stormwater Utility



## STRATEGIC LEADERSHIP PLAN GOAL

Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community

| COUNCIL FOCUS AREA   | OBJECTIVE(S)   |                |                |   |                  |
|--|--|----------------|----------------|---|------------------|
| Roads, Water and Town Assets   | High-quality and well-maintained Town assets, including streets, infrastructure and facilities |                |                |   |                  |
| PERFORMANCE MEASURES   | FY 2018 ACTUALS  | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET   |
| Percentage of Stormwater assets inspected annually (20% required by law) | 75%  | 20%            | 20%            |  | 20%              |
| Design and build second Lambert Lane drainage repair CIP project         |  |                |                |  | By June 30, 2020 |

## STRATEGIC LEADERSHIP PLAN GOAL

Ensure the Town's financial future remains stable

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |                |
|---|---|----------------|----------------|---|----------------|
| Town Finances   | Continue to align the annual budget and associated work plans with conservatively forecasted revenues |                |                |   |                |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET |
| Maintain cash reserves in the Stormwater Utility Fund of at least 15% of the collected annual stormwater fees * | 36.1%   | At least 15%   | 42.66%         |  | At least 15%   |
| Conduct annual rate review by October 30  | 9/15/2017   | 10/30/2018     | 10/25/2018     |  | 10/30/2019     |

\*Calculations do not include cash reserve balance dedicated to future vehicle and equipment replacements



Target Met



Target Not Met



Informational Only



N/A N/A - New/Previous Measure

## Public Works - Stormwater Utility

|                                    | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>                   |                   |                   |                      |                   |                       |
| PW Director & Town Engineer        | -                 | 0.25              | 0.25                 | -                 | (0.25)                |
| Assistant Public Works Director    | -                 | -                 | -                    | 0.25              | 0.25                  |
| Stormwater Utility Division Mgr    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Stormwater Engineer         | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Stormwater Engineer                | 1.00              | -                 | -                    | -                 | -                     |
| Operations Division Manager        | 0.25              | -                 | -                    | -                 | -                     |
| Stormwater Field Superintendent    | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Stormwater Utility Project Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Stormwater Inspector Designer      | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Stormwater Utility Analyst         | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Heavy Equipment Operator II        | 1.50              | 3.00              | 3.00                 | 3.00              | -                     |
| Office Assistant                   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>                  | <b>8.75</b>       | <b>10.25</b>      | <b>10.25</b>         | <b>10.25</b>      | <b>-</b>              |

|                           | FY 2018<br>Actual  | FY 2019<br>Budget  | FY 2019<br>Projected | FY 2020<br>Budget  | Variance<br>to Budget |
|---------------------------|--------------------|--------------------|----------------------|--------------------|-----------------------|
| <b>Expenditures</b>       |                    |                    |                      |                    |                       |
| Personnel                 | \$ 654,248         | \$ 768,987         | \$ 724,468           | \$ 785,580         | 2.2%                  |
| Operations & Maintenance  | 350,304            | 328,362            | 328,362              | 491,825            | 49.8%                 |
| Capital Outlay            | 210,118            | 2,254,500          | 243,618              | 2,471,000          | 9.6%                  |
| <b>Total Expenditures</b> | <b>\$1,214,670</b> | <b>\$3,351,849</b> | <b>\$1,296,448</b>   | <b>\$3,748,405</b> | <b>11.8%</b>          |

|                       | Revenue Sources    |                    |                      |                    | Variance<br>to Budget |
|-----------------------|--------------------|--------------------|----------------------|--------------------|-----------------------|
|                       | FY 2018<br>Actual  | FY 2019<br>Budget  | FY 2019<br>Projected | FY 2020<br>Budget  |                       |
| Charges for Services  | \$ 1,385,811       | \$ 1,407,000       | \$ 1,409,157         | \$ 1,422,000       | 1.1%                  |
| State Grants          | -                  | 2,000,000          | -                    | 2,100,000          | 5.0%                  |
| Miscellaneous         | 467                | -                  | 210                  | -                  | 0.0%                  |
| Interest Income       | 5,916              | 2,000              | 1,300                | 1,000              | -50.0%                |
| <b>Total Revenues</b> | <b>\$1,392,194</b> | <b>\$3,409,000</b> | <b>\$1,410,667</b>   | <b>\$3,523,000</b> | <b>3.3%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 2.2% due to merit increases, partially offset with changes in employee insurance coverage.

#### Operations & Maintenance

Operations & Maintenance increased 49.8% primarily due to capacity to complete a drainage criteria manual update in FY 2020.

#### Capital

Capital increased 9.6% due to drainage projects and equipment purchases planned for FY 2020.



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# Public Works – Transit Services

## OVERVIEW

Transit Services facilitates partnerships and coordinates transportation services among public and private agencies, serving Oro Valley to improve mobility for community residents. Transit Services has developed a long-term partnership with the Regional Transportation Authority (RTA) to improve the transportation network and maximize transportation options available to the community at the lowest possible cost. Transit Services is proud to operate the regional Sun Shuttle Dial-a-Ride service under contract with the RTA and is committed to providing high quality transit alternatives and planning for the future.


## 2018-2019 ACCOMPLISHMENTS

- Successfully awarded state grant funds ADOT 5310 program to acquire five new vehicles
- Completed the integration to a 100% pre-paid transit system as required under the regional transportation program
- Outfitted all buses 100% with cameras to increase passenger safety
- Improved scheduling Rider's per Hour (RPH) from 1.27 to 1.51
- Improved Cost per Hour (CPH) from \$45.67 to \$43.31
- Improved Cost per Mile (CPM) from \$2.87 to \$2.55
- Improved accident prevention rate from 1 per 25k miles to 1 per 47k miles
- Updated/defined all Standard Operating Procedures

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community



| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |                  |
|---|---|----------------|----------------|---|------------------|
| Roads, Water and Town Assets  | Partner with the Regional Transportation Authority (RTA) in evaluating long-term transportation needs for future RTA continuation, ensuring Oro Valley's needs are fairly represented |                |                |   |                  |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET   |
| Develop plan to update and renew three-year Intergovernmental Agreement with RTA for continued support of the Sun Shuttle Dial-a-Ride |   |                |                | N/A   | By June 30, 2020 |
| Meet service levels of the community by fulfilling 100% of requested reservations   | 100%  | 100%           | 100%           |  | 100%             |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

# Public Works – Transit Services

## STRATEGIC LEADERSHIP PLAN GOAL

Ensure the Town’s financial future remains stable

| COUNCIL FOCUS AREA                                    | OBJECTIVE(S)  |                |                |  |                |
|---|---|----------------|----------------|--|----------------|
| Town Finances   | <ul style="list-style-type: none"> <li>Explore opportunities to broaden revenue diversity to improve the Town’s long-term financial stability</li> <li>Continue to align the annual budget and associated work plans with conservatively forecasted revenues</li> </ul> |                |                |  |                |
| PERFORMANCE MEASURES                                  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS   | FY 2020 TARGET |
| Total cost per passenger trip                         | \$30.92   | <\$30.00       | \$28.07        |   | <\$30.00       |
| Maintain a farebox recovery rate of no less than 6.5% | 7.8%  | 6.5%           | 10.3%          |  | 6.5%           |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

## Public Works – Transit Services

| Personnel                  | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|----------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Senior Transit Crew Leader | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Transit Crew Leader        | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Transit Specialist         | 1.11              | 1.11              | 1.11                 | 1.11              | -                     |
| Dispatcher                 | 2.11              | 2.11              | 2.11                 | 2.11              | -                     |
| Driver                     | 19.71             | 19.71             | 19.71                | 19.71             | -                     |
| Office Assistant           | 0.96              | 0.96              | 0.96                 | 0.96              | -                     |
| <b>Total FTEs</b>          | <b>25.89</b>      | <b>25.89</b>      | <b>25.89</b>         | <b>25.89</b>      | -                     |

| Expenditures              | FY 2018<br>Actual  | FY 2019<br>Budget  | FY 2019<br>Projected | FY 2020<br>Budget  | Variance<br>to Budget |
|---------------------------|--------------------|--------------------|----------------------|--------------------|-----------------------|
| Personnel                 | \$ 1,097,188       | \$ 1,126,666       | \$ 1,126,666         | \$ 1,165,182       | 3.4%                  |
| Operations & Maintenance  | 439,107            | 58,650             | 58,650               | 68,200             | 16.3%                 |
| Capital Outlay            | 64,565             | 77,300             | 21,300               | 18,500             | -76.1%                |
| <b>Total Expenditures</b> | <b>\$1,600,860</b> | <b>\$1,262,616</b> | <b>\$1,206,616</b>   | <b>\$1,251,882</b> | <b>-0.9%</b>          |

| Revenue Sources       |                    |                    |                      |                    |                       |
|-----------------------|--------------------|--------------------|----------------------|--------------------|-----------------------|
|                       | FY 2018<br>Actual  | FY 2019<br>Budget  | FY 2019<br>Projected | FY 2020<br>Budget  | Variance<br>to Budget |
| RTA Reimbursement     | \$ 1,339,272       | \$ 1,387,000       | \$ 1,210,500         | \$ 1,385,000       | -0.1%                 |
| State Grants          | 53,626             | 44,800             | -                    | -                  | -100.0%               |
| Farebox               | 119,536            | 106,500            | 137,000              | 140,000            | 31.5%                 |
| <b>Total Revenues</b> | <b>\$1,512,434</b> | <b>\$1,538,300</b> | <b>\$1,347,500</b>   | <b>\$1,525,000</b> | <b>-0.9%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 3.4% due to merit increases.

#### Operations & Maintenance

Operations & Maintenance increased 16.3% due to outside professional services, insurance costs, and non-capitalized equipment.

#### Capital

Capital decreased 76.1% due to some equipment purchases completed in FY 2019.

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# Public Works – PAG/RTA Fund

## OVERVIEW

This fund is used to manage the collection and expenditure of roadway grant funds from Pima Association of Governments (PAG) and the Regional Transportation Authority (RTA). This fund is managed by staff within the Public Works Department.


## 2018-2019 ACCOMPLISHMENTS

- Completed the Transportation Art by Youth project at the entrance to the Community Center
- Began construction on the La Cholla Boulevard roadway widening project

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Support investments and strategies that maintain and enhance a quality, integrated and connected transportation network for the community

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |                |
|---|---|----------------|----------------|---|----------------|
| Roads, Water and Town Assets  | Partner with the Regional Transportation Authority (RTA) in evaluating long-term transportation needs for future RTA continuation, ensuring Oro Valley’s needs are fairly represented |                |                |   |                |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET |
| Construction percentage complete for La Cholla roadway widening project and corridor elements |   | 25%            | 21%            |  | 85%            |

 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A** - New/Previous Measure

## Public Works – PAG/RTA Fund

|                        | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| <b>Personnel</b>       |                   |                   |                      |                   |                       |
| Construction Inspector | 2.00              | -                 | -                    | -                 | -                     |
| Construction Clerk     | 0.50              | -                 | -                    | -                 | -                     |
| <b>Total FTEs</b>      | <b>2.50</b>       | <b>-</b>          | <b>-</b>             | <b>-</b>          | <b>-</b>              |

|                           | FY 2018<br>Actual   | FY 2019<br>Budget    | FY 2019<br>Projected | FY 2020<br>Budget    | Variance<br>to Budget |
|---------------------------|---------------------|----------------------|----------------------|----------------------|-----------------------|
| <b>Expenditures</b>       |                     |                      |                      |                      |                       |
| Personnel                 | \$ 168,043          | \$ -                 | \$ -                 | \$ -                 | 0.0%                  |
| Capital Outlay            | 4,595,349           | 12,287,000           | 5,753,006            | 10,300,000           | -16.2%                |
| <b>Total Expenditures</b> | <b>\$ 4,763,392</b> | <b>\$ 12,287,000</b> | <b>\$ 5,753,006</b>  | <b>\$ 10,300,000</b> | <b>-16.2%</b>         |

|                       | Revenue Sources     |                      |                      |                      | Variance<br>to Budget |
|-----------------------|---------------------|----------------------|----------------------|----------------------|-----------------------|
|                       | FY 2018<br>Actual   | FY 2019<br>Budget    | FY 2019<br>Projected | FY 2020<br>Budget    |                       |
| State Grants          | \$ 4,368,890        | \$ 11,964,000        | \$ 5,489,953         | \$ 10,300,000        | -13.9%                |
| Charges for Services  | 22,969              | 22,500               | 28,125               | 28,125               | 25.0%                 |
| Miscellaneous         | 182,457             | -                    | 1,387                | -                    | 0.0%                  |
| <b>Total Revenues</b> | <b>\$ 4,574,316</b> | <b>\$ 11,986,500</b> | <b>\$ 5,519,465</b>  | <b>\$ 10,328,125</b> | <b>-13.8%</b>         |

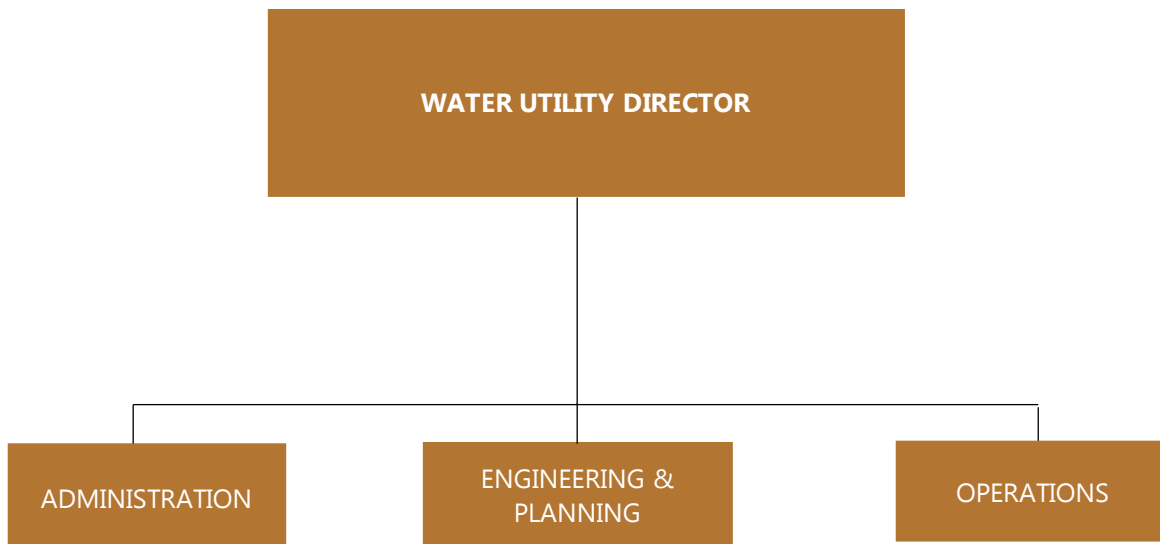
### Expenditure Changes

#### Capital

Capital decreased 16.2% based on the construction schedule and progression of the La Cholla roadway widening project.

# Water Utility

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## OVERVIEW

The primary function of the Water Utility is the protection of public health and safety through the production and efficient delivery of water that meets and/or exceeds water quality standards. Responsibilities include: regulatory compliance, customer service, promoting water conservation, generating customer billings, collection of utility revenues, efficient use of available water resources, planning for future water resource requirements, and coordination with the development community.

## 2018-2019 ACCOMPLISHMENTS

- Delivered a combined total of 2.99 billion gallons of water to our customers
- 43% of the total deliveries were renewable water supplies
  - 684 million gallons of CAP water
  - 617 million gallons of reclaimed water
- Utilized our full allocation of 10,305 acre feet of CAP water for potable use and recharge
- Pumped 1,150 acre feet of groundwater less than the estimated sustainable production rate
- Took 2,755 water quality samples with all results meeting regulatory requirements
- 323 new metered connections for a total customer base of 20,075
- 727 elementary students participated in the Youth Water Conservation Education program
- Performed 44 water conservation audits
- Participated in the Wilson Elementary Schools' STEM fair
- Implemented WaterSmart customer portal and have over 3,300 registered users
- Completed the 2018 Potable Water Master Plan








# Water Utility

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

### STRATEGIC LEADERSHIP PLAN GOAL

Provide a high quality, safe and reliable water supply that meets the long-term needs of the community while considering the natural environment

| COUNCIL FOCUS AREA                              | OBJECTIVE(S)  |                     |                |   |  |
|---|---|---------------------|----------------|---|--|
| Roads, Water and Town Assets                    | <ul style="list-style-type: none"> <li>Reduce groundwater pumping to further preserve groundwater supplies by maximizing Central Arizona Project (CAP) water deliveries and existing infrastructure</li> <li>Expand education and outreach programs to communicate with residents and businesses about incorporating effective water conservation strategies at home and at work</li> <li>Align the Town of Oro Valley’s water code with regional and state drought contingency plans and other best management practices and present to the Town Council for adoption</li> </ul> |                     |                |   |  |
| PERFORMANCE MEASURES                            | FY 2018 ACTUALS   | FY 2019 TARGET      | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET   |
| Groundwater pumped                              | 5,573 AF  | ≤ 5,500 AF          | 5,213 AF       |  | ≤ 5,000 AF   |
| CAP water delivered                             | 2,093 AF  | ≥ 2,000 AF          | 2,098 AF       |  | ≥ 2,500 AF   |
| Water Conservation Plan                         |   |                     |                |  | Development of formal plan in effort to reduce gallons used per capita per day |
| Increase customer contacts in WaterSmart portal |   |                     |                |  | 6,000 contacts   |
| Water Code Revisions                            |   | Commission approval |                |  | Adoption of code revisions   |





 **Target Met**    
  **Target Not Met**    
  **Informational Only**    
  **N/A - New/Previous Measure**

# Water Utility

## 2019-2020 GOALS, OBJECTIVES AND PERFORMANCE MEASURES (continued)

### STRATEGIC LEADERSHIP PLAN GOAL

Provide a high quality, safe and reliable water supply that meets the long-term needs of the community while considering the natural environment

| COUNCIL FOCUS AREA  | OBJECTIVE(S)  |                |                |   |                |
|---|---|----------------|----------------|---|----------------|
| Roads, Water and Town Assets  | <ul style="list-style-type: none"> <li>Reduce groundwater pumping to further preserve groundwater supplies by maximizing Central Arizona Project (CAP) water deliveries and existing infrastructure</li> <li>Expand education and outreach programs to communicate with residents and businesses about incorporating effective water conservation strategies at home and at work</li> <li>Align the Town of Oro Valley's water code with regional and state drought contingency plans and other best management practices and present to the Town Council for adoption</li> </ul> |                |                |   |                |
| PERFORMANCE MEASURES  | FY 2018 ACTUALS   | FY 2019 TARGET | FY 2019 RESULT | FY 2019 STATUS  | FY 2020 TARGET |
| Years' worth of Long Term Storage Credit Reserves   | 2.60  | 2.80           | 2.83           |  | 3.00           |
| Compliance with all Arizona Department of Environmental Quality and Arizona Department of Water Resources regulations       | Yes   | Yes            | Yes            |  | Yes            |
| Cash reserves in the Water Utility operating fund as % of combined budget for personnel, O&M and debt service               | 71.7%   | 70%            | 80.3%          |  | 50.0%          |
| Debt service coverage (annual net operating revenue divided by annual debt service) for water revenue bonds of at least 1.3 | 2.60%   | 1.30%          | 3.54%          |  | 1.30%          |



Target Met



Target Not Met



Informational Only



N/A

N/A - New/Previous Measure

# Water Utility

| Total FTEs        |              |              |                   |
|-------------------|--------------|--------------|-------------------|
| FY 2018<br>Actual | FY 2019      |              | FY 2020<br>Budget |
|                   | Budget       | Projected    |                   |
| <b>39.48</b>      | <b>39.48</b> | <b>39.48</b> | <b>39.48</b>      |

|                          | Expenditures by Division |                      |                      |                      | Variance<br>to Budget |
|--------------------------|--------------------------|----------------------|----------------------|----------------------|-----------------------|
|                          | FY 2018<br>Actual        | FY 2019              |                      | FY 2020<br>Budget    |                       |
|                          |                          | Budget               | Projected            |                      |                       |
| Administration           | \$ 11,329,465            | \$ 11,441,860        | \$ 11,135,506        | \$ 12,346,477        | 7.9%                  |
| Engineering and Planning | 2,282,446                | 4,584,097            | 3,646,739            | 5,120,064            | 11.7%                 |
| Operations               | 4,057,803                | 4,452,877            | 4,100,853            | 4,596,008            | 3.2%                  |
|                          | <b>\$ 17,669,714</b>     | <b>\$ 20,478,834</b> | <b>\$ 18,883,098</b> | <b>\$ 22,062,549</b> | <b>7.7%</b>           |

|                      | Revenue Sources      |                      |                      |                      | Variance<br>to Budget |
|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                      | FY 2018<br>Actual    | FY 2019              |                      | FY 2020<br>Budget    |                       |
|                      |                      | Budget               | Projected            |                      |                       |
| Charges for Services | \$ 3,412,043         | \$ 3,183,500         | \$ 3,164,900         | \$ 3,262,700         | 2.5%                  |
| Interest Income      | (36,589)             | 62,333               | 62,333               | 63,000               | 1.1%                  |
| Miscellaneous        | 2,755                | -                    | -                    | -                    | 0.0%                  |
| Bond Proceeds        | -                    | 3,200,000            | 2,395,000            | 2,305,000            | -28.0%                |
| Water Sales          | 13,586,668           | 13,152,900           | 12,648,100           | 13,714,000           | 4.3%                  |
|                      | <b>\$ 16,964,877</b> | <b>\$ 19,598,733</b> | <b>\$ 18,270,333</b> | <b>\$ 19,344,700</b> | <b>-1.3%</b>          |

# Water Utility – Administration

## OVERVIEW

The Administration Division is responsible for the overall management of the Utility, including customer service, water utility billings, collection of water revenues, administration of the department's budget, implementation of water rates, fees and charges, water conservation, water resource planning and strategic planning.

| Personnel                       | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|---------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Water Utility Director          | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Water Utility Administrator     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Senior Office Specialist        | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Customer Service Supervisor     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Meter Operations Supervisor     | 1.00              | -                 | -                    | -                 | -                     |
| Water Utility Operator I        | 5.00              | -                 | -                    | -                 | -                     |
| Customer Service Specialist     | 4.00              | 4.00              | 4.00                 | 4.00              | -                     |
| Customer Service Representative | 0.48              | 0.48              | 0.48                 | 0.48              | -                     |
| Water Conservation Specialist   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>               | <b>15.48</b>      | <b>9.48</b>       | <b>9.48</b>          | <b>9.48</b>       | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual    | FY 2019<br>Budget    | FY 2019<br>Projected | FY 2020<br>Budget    | Variance<br>to Budget |
|---------------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Personnel                 | \$ 1,166,501         | \$ 847,096           | \$ 847,096           | \$ 837,039           | -1.2%                 |
| Operations & Maintenance  | 4,627,000            | 4,778,545            | 4,690,352            | 5,776,413            | 20.9%                 |
| Capital Outlay            | 222,802              | -                    | 29,884               | -                    | 0.0%                  |
| Debt Service              | 5,310,315            | 5,813,638            | 5,565,593            | 5,730,553            | -1.4%                 |
| Other Financing Uses      | 2,847                | 2,581                | 2,581                | 2,472                | -4.2%                 |
| <b>Total Expenditures</b> | <b>\$ 11,329,465</b> | <b>\$ 11,441,860</b> | <b>\$ 11,135,506</b> | <b>\$ 12,346,477</b> | <b>7.9%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 1.2% due to position refills, overtime savings and employee changes in insurance coverage.

#### Operations & Maintenance

Operations & Maintenance increased 20.9% for the purchase of groundwater extinguishment credits.

#### Debt Service

Debt service decreased 1.4% based on principal and interest payments due in FY 2020.

## Water Utility – Engineering and Planning

### OVERVIEW

The Engineering and Planning Division is responsible for providing engineering support for the Operations Division as well as managing the capital improvement program. Additional responsibilities include new development plan review, construction inspection and regulatory compliance, as well as the maintenance and updating of the geographic information system.

| Personnel                      | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Engineering & Planning Manager | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Project Manager                | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Senior Engineering Associate   | -                 | -                 | -                    | 2.00              | 2.00                  |
| Engineering Design Reviewer    | 1.00              | 1.00              | 1.00                 | -                 | (1.00)                |
| Construction Inspector         | 2.00              | 2.00              | 2.00                 | 2.00              | -                     |
| Civil Engineering Technician   | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| <b>Total FTEs</b>              | <b>6.00</b>       | <b>6.00</b>       | <b>6.00</b>          | <b>6.00</b>       | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 555,914          | \$ 601,330          | \$ 601,330           | \$ 584,196          | -2.8%                 |
| Operations & Maintenance  | 222,699             | 224,767             | 224,332              | 220,252             | -2.0%                 |
| Capital Outlay            | 1,503,833           | 3,758,000           | 2,821,077            | 4,315,616           | 14.8%                 |
| <b>Total Expenditures</b> | <b>\$ 2,282,446</b> | <b>\$ 4,584,097</b> | <b>\$ 3,646,739</b>  | <b>\$ 5,120,064</b> | <b>11.7%</b>          |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs decreased 2.8% due to position reclassifications.

#### Operations and Maintenance

Operations and Maintenance decreased 2.0% due to savings in printing and binding, as well as administrative and financial services.

#### Capital

Capital increased 14.8% due to transmission/distribution mains and booster station projects planned for FY 2020.

# Water Utility - Operations

## OVERVIEW

The Operations Division oversees the operation and maintenance of all potable and reclaimed water production and distribution facilities, to include: wells, boosters, reservoirs, metering stations, water mains, fire hydrants and valves. Additional responsibilities include meter installations, commercial meter testing, water quality testing, backflow prevention, construction of minor water main projects and oversight of the Advanced Metering Infrastructure system, disinfection systems and security systems.

| Personnel                         | FY 2018<br>Actual | FY 2019<br>Budget | FY 2019<br>Projected | FY 2020<br>Budget | Variance<br>to Budget |
|-----------------------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| Water Operations Manager          | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Water Production Superintendent   | 1.00              | -                 | -                    | -                 | -                     |
| Water Distribution Superintendent | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Prod. & Meter Ops. Superint.      | -                 | 1.00              | 1.00                 | 1.00              | -                     |
| Lead Water Utility Operator       | 4.00              | 4.00              | 3.00                 | 3.00              | (1.00)                |
| Electric & Control Technician     | 1.00              | 1.00              | 1.00                 | 1.00              | -                     |
| Meter Operations Supervisor       | -                 | -                 | 1.00                 | 1.00              | 1.00                  |
| Water Utility Operator III        | 7.00              | 7.00              | 8.00                 | 8.00              | 1.00                  |
| Water Utility Operator II         | 4.00              | 4.00              | 4.00                 | 4.00              | -                     |
| Water Utility Operator I          | -                 | 5.00              | 4.00                 | 4.00              | (1.00)                |
| <b>Total FTEs</b>                 | <b>18.00</b>      | <b>24.00</b>      | <b>24.00</b>         | <b>24.00</b>      | <b>-</b>              |

| Expenditures              | FY 2018<br>Actual   | FY 2019<br>Budget   | FY 2019<br>Projected | FY 2020<br>Budget   | Variance<br>to Budget |
|---------------------------|---------------------|---------------------|----------------------|---------------------|-----------------------|
| Personnel                 | \$ 1,421,974        | \$ 1,892,749        | \$ 1,842,865         | \$ 1,949,344        | 3.0%                  |
| Operations & Maintenance  | 2,351,698           | 2,423,294           | 2,141,467            | 2,229,552           | -8.0%                 |
| Capital Outlay            | 284,131             | 136,834             | 116,521              | 417,112             | 204.8%                |
| <b>Total Expenditures</b> | <b>\$ 4,057,803</b> | <b>\$ 4,452,877</b> | <b>\$ 4,100,853</b>  | <b>\$ 4,596,008</b> | <b>3.2%</b>           |

### Expenditure and Staffing Changes

#### Personnel

Personnel costs increased 3.0% due to merit increases.

#### Operations & Maintenance

Operations & Maintenance decreased 8.0% due to savings in power purchased for pumping and reclaimed water purchases.

#### Capital

Capital increased 204.8% due to vehicle and equipment purchases planned for FY 2020.

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## CAPITAL IMPROVEMENT PROGRAM

- Program Overview
- Projects by Fund
- Map of Projects
- Project Descriptions





# Capital Improvement Program (CIP)

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## Overview

Providing infrastructure is a primary function of a local government. Maintaining public safety, town services, parks and recreation facilities, adequate transportation systems, and the community's quality of life are all heavily dependent on how the Town plans for future infrastructure needs.

The Capital Improvement Program (CIP) is a comprehensive, ten-year plan of capital projects that will support the continued growth and development of the town. The CIP is used in implementing the General Plan and supporting the Town's adopted Strategic Leadership Plan by developing a prioritized schedule of short-range and long-range community capital needs, evaluating projects, and analyzing the community's ability and willingness to pay for them in the most cost-effective way. The Town uses the CIP as its method in determining future infrastructure requirements and planning the financing of facilities and equipment to maintain the service levels provided to town citizens.

The Town identifies capital projects as those which:

- Cost \$50,000 or more;
- Have an expected useful life of five or more years; and
- Becomes, or preserves, an asset of the Town

*Although fleet replacements, as well as the Town's facility repair and maintenance program, do not meet the definition of a capital project, they are a significant expense for the Town, and thus are included in the CIP for planning purposes.*

The Town uses the CIP as an avenue of communication to the public. Through the CIP document, residents and businesses are provided with an accurate and concise view of the Town's long term direction for capital investment and the Town's need for stable revenue sources to fund large multi-year capital projects.

## CIP Process and Timeline

The CIP process began in December. Project requests were submitted, reviewed and analyzed by Finance staff and the Town Manager's Office. An internal, cross-departmental review and prioritizing of all project requests was completed in order to prepare the proposed ten-year CIP. Meetings convened in February for project presentation and evaluation. The ten-year recommendation was submitted to Council for approval and adoption with the Town's final budget in June. A summary of the process and timeline is provided below:

|            |   |
|------------|---|
| December:  | CIP request forms provided to department directors  |
| January :  | Department requests due<br>Forms reviewed, cost analysis performed<br>CIP packets distributed<br>Meeting scheduled to present and evaluate project requests |
| February:  | Meeting scheduled to prioritize projects<br>CIP recommendations finalized   |
| April/May: | Budget study sessions to present budget and CIP to Mayor and Council  |

# Capital Improvement Program

May: Adoption of Tentative Budget and CIP

June: Adoption of Final Budget and CIP

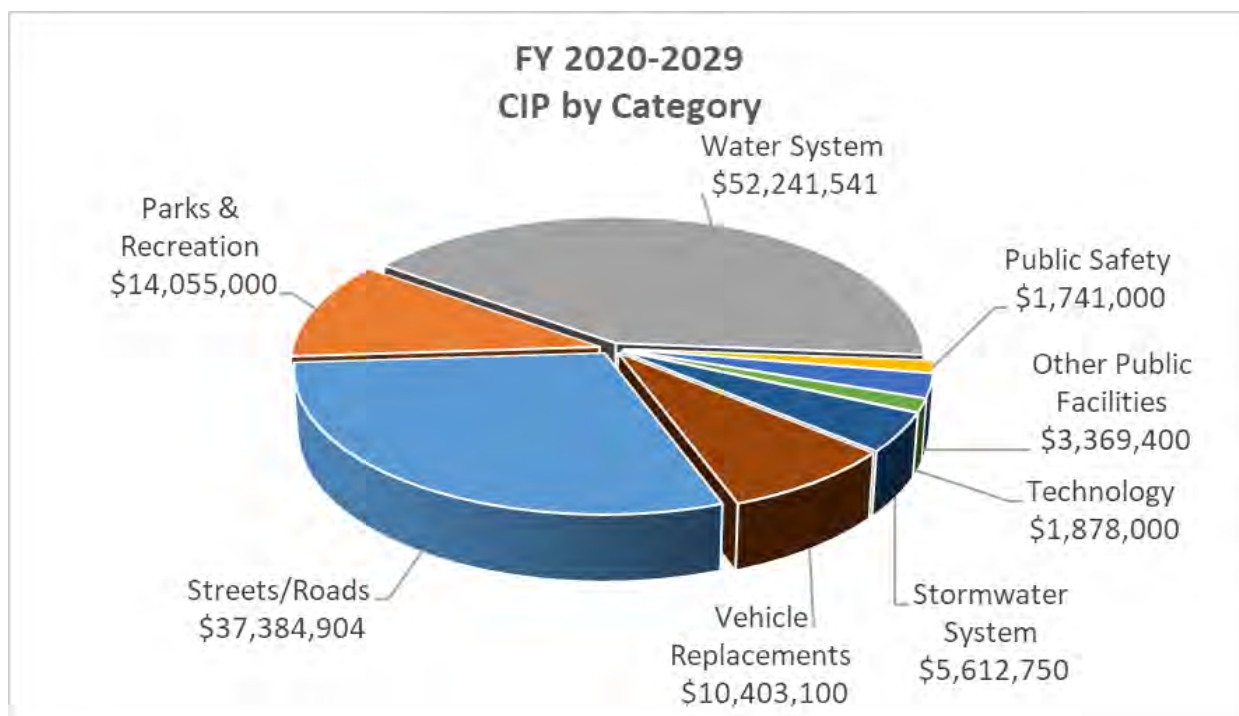
## Project Evaluation Criteria

Critical to the selection of the CIP projects are the criteria by which projects are assessed and evaluated. The evaluation criteria guide the review and selection of the projects to be funded. The evaluation criteria areas are as follows:

- Public Health, Safety and Welfare – improves or addresses pressing public health, safety, or welfare need
- Supports Stated Community Goals – implements or furthers the policies, goals and objectives of the Town’s General Plan, Strategic Leadership Plan, or other adopted plan
- Fiscal Impact – economic development impact, efficiency improvement, outside or dedicated funding sources, ongoing operating impact
- Service Level Impact – improves service levels or brings the Town up to a desired service level
- Legal Ramifications – exposure to liability actions, applicable regulations
- Relationship to Other Projects – coordination with and/or impacts on other ongoing or prospective projects

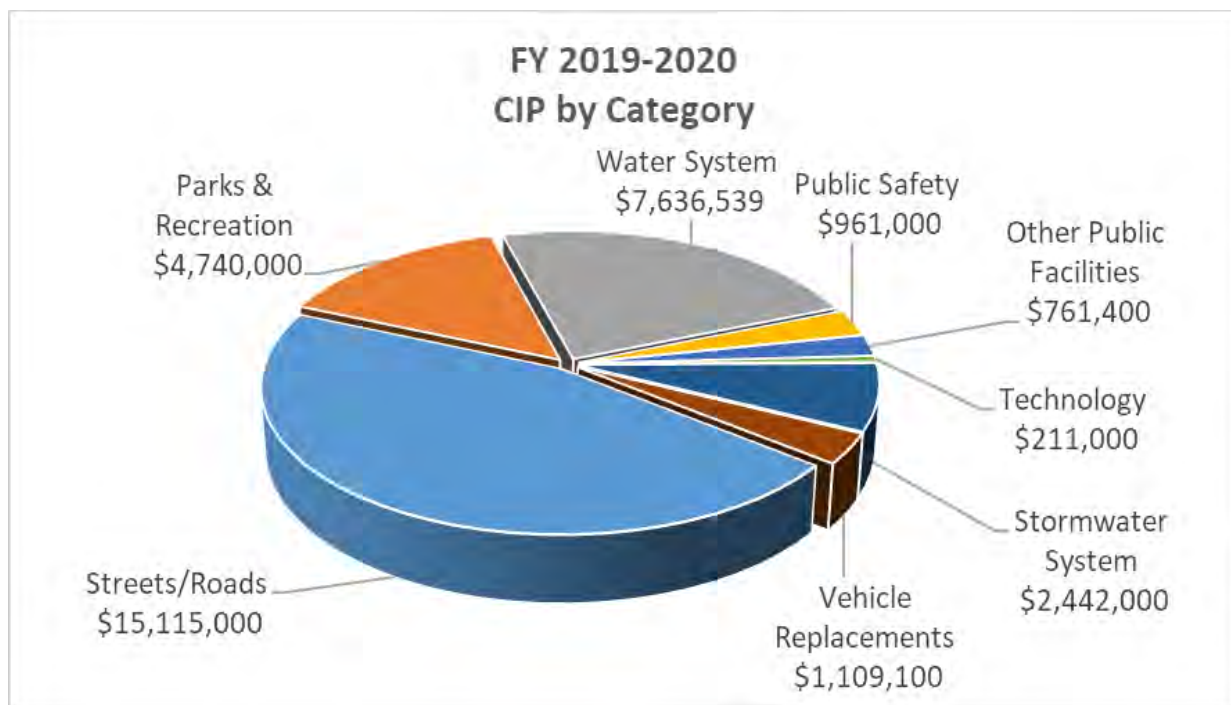
## Capital Improvement Program Summary

The cumulative ten-year CIP for the Town of Oro Valley totals \$126,685,695 for fiscal years 2019-20 through 2028-29. The graph below shows the allocations by category for the given years:



# Capital Improvement Program

The amount allocated for CIP projects in the FY 19/20 budget is \$32,976,039. The graph below shows the allocations by category. The projects included in the FY 19/20 CIP reflect the needs of the Town based on goals established in both the General Plan and Strategic Leadership Plan. The projects represent a significant investment in the infrastructure of the Town and attempt to meet the needs of the community.



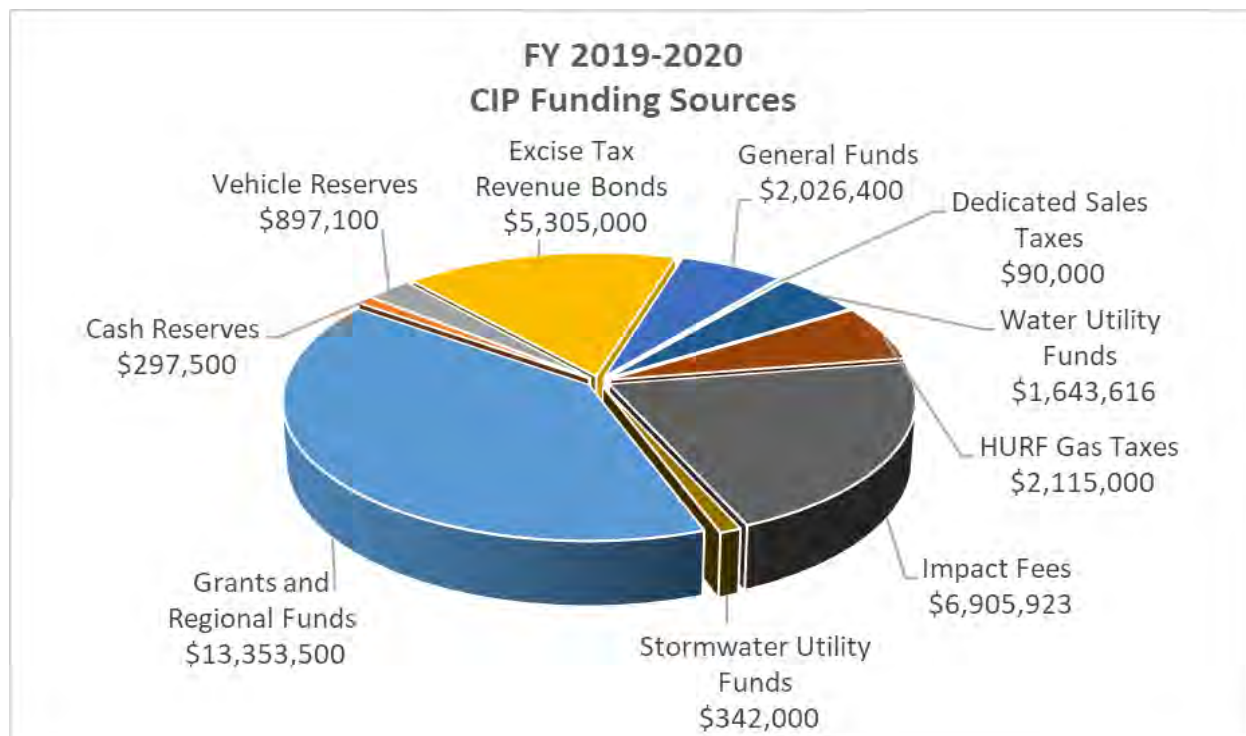
## Financing the Capital Improvement Program

Over the years, the Town of Oro Valley has financed a substantial portion of capital improvements through operating revenue and use of cash reserves. The “pay-as-you-go” financing method has been the preferred method for funding CIP projects in the past. Revenues deemed one-time in nature, such as large commercial and residential permitting and associated construction sales taxes, are dedicated towards one-time capital projects. The following options may be considered when analyzing potential funding sources for CIP projects:

- Pay-as-you-go financing
- Bonds
- Loans
- Certificates of participation
- Lease-purchase agreements
- Improvement districts
- Development impact fee ordinances
- Federal and state grants
- Donations and intergovernmental agreements
- User fees

# Capital Improvement Program

Funding for the FY 19/20 CIP is derived from a variety of sources as depicted in the chart below:



The Town has relied heavily on growth-related income, including construction sales taxes and development fees, to fund capital projects. A continuing challenge for the Town is the development of funding sources to supplement this income as the town's growth slows.

## Impact on the Operating Budget

The Town of Oro Valley's operating budget is directly affected by the CIP. When certain types of capital projects are developed and completed, they also have ongoing financial impacts on the Town's operating budgets. For example, if the Town were to construct a new park or ball field, the operating budget for the Parks and Recreation Department would increase to include capacity for any new staff, equipment, utilities, supplies, etc. that would be necessary to maintain and operate the new facility.

In the FY 2020-2029 CIP, the individual projects include an estimated future operating budget impact, if it is possible to identify the cost at this time in the project's lifecycle. These costs are estimates provided by the professionals in each department that are responsible for the completion of the project.

The Town carefully considers these operating costs when deciding which projects move forward in the CIP, as it is not sustainable for the Town to fund concurrently several large-scale projects that have significant operating budget impacts. Emphasis is placed on the desire for self-sustaining projects with neutral operating impacts.

## Capital Improvement Program

The table below summarizes the projected annual impact of the FY 19/20 CIP on the Town's operating budget:

| Project                                      | Impact   | Impact<br>\$ Annually |
|--|--|-----------------------|
| Naranja Park Infrastructure                  | Maintenance, utility costs, supplies             | \$3,500               |
| Naranja Park Playground                      | Safety inspection costs, supplies, utility costs | \$1,500               |
| Recreation Software Upgrade                  | Maintenance and licensing fees                   | \$10,000              |
| Emergency Operations Center Generator        | Maintenance costs                                | \$3,000               |
| IT Townwide Facility Improvements            | Maintenance costs                                | \$1,000               |
| La Cañada Drive and Moore Road Roundabout    | Maintenance costs                                | \$2,000               |
| Electromagnetic Flow Meter Replacements      | Electricity costs for new meters                 | \$500                 |
| Hydropneumatic Tank Replacement (Wells)      | Maintenance savings                              | (\$500)               |
| Well Rehabilitation                          | Electricity savings                              | (\$1,000)             |
| El Con Booster Rehabilitation                | Electricity savings                              | (\$500)               |
| Hydropneumatic Tank Replacement (Boosters)   | Maintenance savings                              | (\$500)               |
| Booster Rehab, Rancho del Oro and Woodshade  | Electricity savings                              | (\$500)               |
| Countryside Drain Valve Assembly Replacement | Maintenance savings                              | (\$500)               |
| Main Valve Replacements                      | Maintenance savings                              | (\$500)               |
| La Cholla Boulevard Main Relocation          | Maintenance savings                              | (\$500)               |
| Steam Pump C-Zone Well                       | Electricity and chlorine disinfection costs      | \$5,000               |
| <b>Total</b>                                 |  | <b>\$22,000</b>       |

*Note: This list represents projects that were approved for funding in FY 19/20 that have a known and quantifiable impact on the Town's operating budget. For a complete list of funded projects, please see the Project Descriptions section of this document.*

### Summary

Projects included in the FY 19/20 CIP reflect the combined efforts of all Town departments as well as the Town Council and Oro Valley residents. The plan recognizes the added benefits the projects will bring to the Town, while understanding the fiscal requirements and obligations each of these projects will entail. The CIP is updated annually, and new projects may be included should additional funding sources be identified.

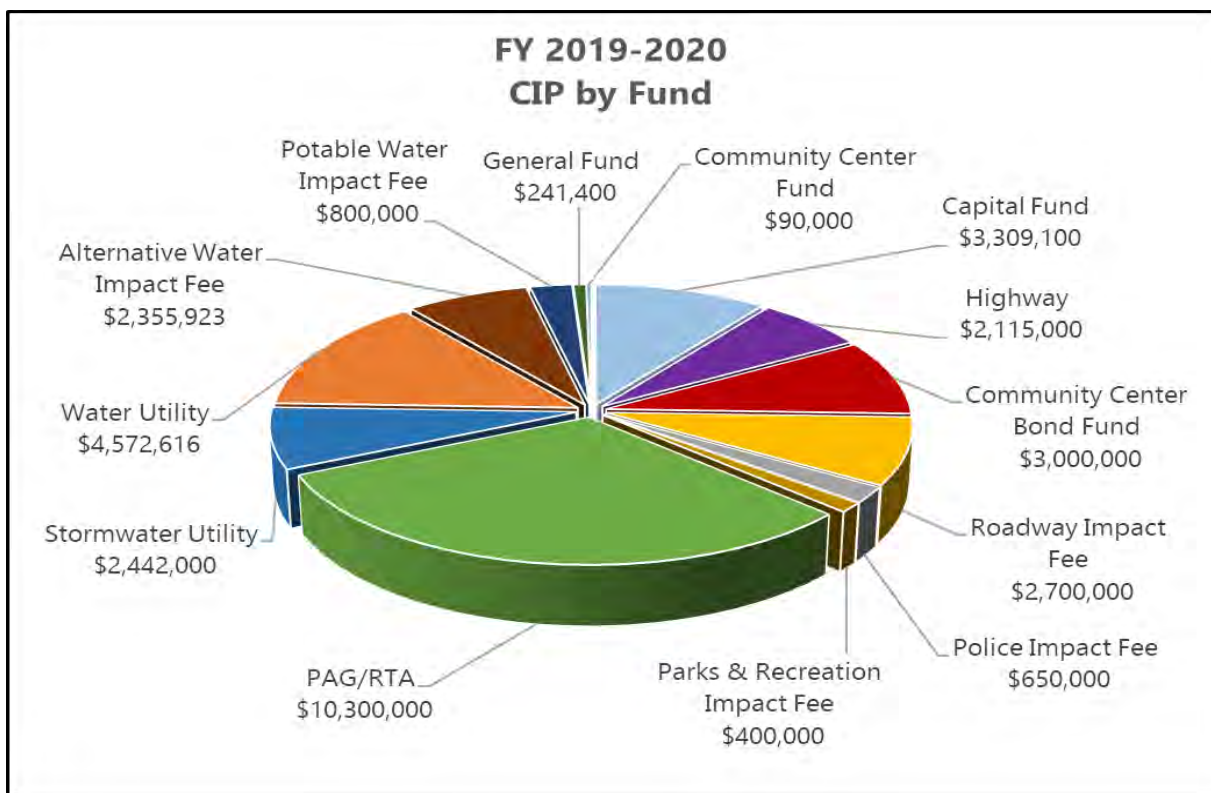
The FY 19/20 CIP attempts to meet the priority needs of the community, at the same time maintaining financial sustainability in future years. The plan as submitted is financially feasible and many of the projects included can be expected to be complete before the end of the fiscal year. As Town priorities and policies change, it is imperative that the CIP remain fluid and undergo continual evaluation to ensure the projects and funding sources are in accordance with the Town Council priorities and policies.

# Capital Improvement Program

The tables and documents provided on the following pages offer an in-depth view into the CIP budget and provide detailed information on the projects and the impact they have on the operating budget.

Table 1 below shows the ten-year CIP by fund:

| <b>Fund</b>                           | <b>Fiscal Year</b>   |                      |                      |                      |                      |                      |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                       | <b>19/20</b>         | <b>20/21</b>         | <b>21/22</b>         | <b>22/23</b>         | <b>23/24</b>         | <b>24/25 - 28/29</b> |
| Capital Fund                          | \$ 3,309,100         | \$ 2,768,000         | \$ 2,135,000         | \$ 1,300,000         | \$ 1,890,000         | \$ 7,495,000         |
| Highway                               | 2,115,000            | 1,861,200            | 1,772,490            | 1,948,870            | 1,705,340            | 9,107,004            |
| Community Center Bond Fund            | 3,000,000            | 3,000,000            | -                    | -                    | -                    | -                    |
| Roadway Impact Fee                    | 2,700,000            | 50,000               | 450,000              | 450,000              | -                    | -                    |
| PAG/RTA                               | 10,300,000           | 4,775,000            | -                    | -                    | 75,000               | 75,000               |
| Police Impact Fee                     | 650,000              | -                    | -                    | -                    | -                    | -                    |
| Parks & Recreation Impact Fee         | 400,000              | 375,000              | -                    | -                    | 500,000              | 500,000              |
| Water Utility                         | 4,572,616            | 2,366,000            | 3,234,000            | 4,276,000            | 6,925,000            | 6,746,000            |
| Alternative Water Resource Impact Fee | 2,355,923            | 819,000              | 2,263,501            | 3,856,501            | 7,230,000            | -                    |
| Potable Water System Impact Fee       | 800,000              | 1,250,000            | 300,000              | 1,450,000            | 2,000,000            | 3,250,000            |
| Stormwater Utility                    | 2,442,000            | 193,300              | 613,362              | 286,945              | 225,198              | 1,851,945            |
| General Fund                          | 241,400              | 200,000              | 200,000              | 200,000              | 200,000              | 1,000,000            |
| Community Center Fund                 | 90,000               | 90,000               | 90,000               | 90,000               | 90,000               | 180,000              |
| <b>Total All Funds</b>                | <b>\$ 32,976,039</b> | <b>\$ 17,747,500</b> | <b>\$ 11,058,353</b> | <b>\$ 13,858,316</b> | <b>\$ 20,840,538</b> | <b>\$ 30,204,949</b> |





# Capital Improvement Program

Table 2 below identifies the Capital Fund projects for Fiscal Years 2020-2029:

| <b>Capital Fund</b>                                 | <b>Fiscal Year</b>  |                     |                     |                     |                     |                      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|   | <b>19/20</b>        | <b>20/21</b>        | <b>21/22</b>        | <b>22/23</b>        | <b>23/24</b>        | <b>24/25 - 28/29</b> |
| Naranja Park Infrastructure                         | \$ 525,000          | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                 |
| Naranja Park Playground                             | 425,000             | -                   | -                   | -                   | -                   | -                    |
| Improvements at James D. Kriegh Park                | 200,000             | -                   | -                   | -                   | -                   | -                    |
| Steam Pump Ranch Improvements                       | 100,000             | 50,000              | 50,000              | -                   | 250,000             | 450,000              |
| Recreation Software Upgrade (Rollover)              | 36,000              | -                   | -                   | -                   | -                   | -                    |
| CED/Public Works Building Safety Improvements       | 295,000             | -                   | -                   | -                   | -                   | -                    |
| Town Hall Main Campus Roof Replacements (Rollover)  | 225,000             | -                   | -                   | -                   | -                   | -                    |
| Police Former Property Room Renovation              | 165,000             | -                   | -                   | -                   | -                   | -                    |
| Emergency Operations Center Generator (Rollover)    | 146,000             | -                   | -                   | -                   | -                   | -                    |
| Police Command Post Replacement                     | -                   | -                   | 200,000             | -                   | -                   | -                    |
| Police Communications Console Addition and Upgrades | -                   | 171,000             | -                   | -                   | -                   | -                    |
| Police Main Station Building Renovations            | -                   | 269,000             | -                   | -                   | -                   | -                    |
| IT Virtual Server Host System Replacement           | 75,000              | -                   | -                   | -                   | -                   | 60,000               |
| IT Network Storage Upgrade                          | 50,000              | -                   | -                   | 60,000              | -                   | 72,000               |
| IT Townwide Facility Improvements                   | 50,000              | 50,000              | 50,000              | -                   | -                   | -                    |
| Park Development/Improvement Projects               | -                   | 400,000             | 400,000             | 400,000             | 400,000             | 2,000,000            |
| Police Department Perimeter Wall                    | -                   | 140,000             | -                   | -                   | -                   | -                    |
| Town Hall Walkways, ADA and Signage Improvements    | -                   | 75,000              | -                   | -                   | -                   | -                    |
| IT Server Operating System Upgrade                  | -                   | 50,000              | -                   | -                   | -                   | 60,000               |
| Court Secured Parking                               | -                   | 238,000             | -                   | -                   | -                   | -                    |
| Court Lobby Expansion                               | -                   | 120,000             | -                   | -                   | -                   | -                    |
| Rancho Vistoso Blvd. Street Lights (Crcts. 1 & 3)   | -                   | -                   | 325,000             | -                   | -                   | -                    |
| Building Improvements at 680 Calle Concordia        | -                   | 50,000              | -                   | -                   | -                   | -                    |
| Replacement Phone System                            | -                   | -                   | -                   | -                   | -                   | 300,000              |
| Upgrade Desktop Oper. System - Windows 10           | -                   | -                   | -                   | -                   | 200,000             | -                    |
| Town Backups  | -                   | 200,000             | -                   | -                   | -                   | -                    |
| Database Licensing                                  | -                   | -                   | 80,000              | -                   | -                   | 85,000               |
| Replace Network Infrastructure Hardware             | -                   | -                   | 50,000              | -                   | 200,000             | -                    |
| IT Regulatory Compliance                            | -                   | -                   | 50,000              | -                   | -                   | 100,000              |
| Vehicle Replacements                                | 1,017,100           | 800,000             | 840,000             | 840,000             | 840,000             | 4,368,000            |
| 680 Calle Concordia Fueling & Facility Upgrades     | -                   | 55,000              | 90,000              | -                   | -                   | -                    |
| Maintenance Service Truck                           | -                   | 100,000             | -                   | -                   | -                   | -                    |
| <b>Total</b>  | <b>\$ 3,309,100</b> | <b>\$ 2,768,000</b> | <b>\$ 2,135,000</b> | <b>\$ 1,300,000</b> | <b>\$ 1,890,000</b> | <b>\$ 7,495,000</b>  |

# Capital Improvement Program

Table 3 below identifies the Highway Fund projects for Fiscal Years 2020-2029:

| <b>Highway Fund</b>   | <b>Fiscal Year</b>  |                     |                     |                     |                     |                      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|   | <b>19/20</b>        | <b>20/21</b>        | <b>21/22</b>        | <b>22/23</b>        | <b>23/24</b>        | <b>24/25 - 28/29</b> |
| Pavement Preservation Program                                   | \$ 1,450,000        | \$ 1,411,200        | \$ 1,422,490        | \$ 1,433,870        | \$ 1,445,340        | \$ 7,402,004         |
| Illuminated Street Signs (2 Intersections per Yr)               | -                   | -                   | 55,000              | 55,000              | 55,000              | 165,000              |
| Sidewalk Safety Program   | -                   | -                   | 50,000              | 50,000              | 50,000              | 750,000              |
| Pusch View Lane Mill and Pavement                               | 260,000             | -                   | -                   | -                   | -                   | -                    |
| Tangerine Access to Safeway Plaza (1st Ave) - Safety (Rollover) | 250,000             | -                   | -                   | -                   | -                   | -                    |
| Shannon Road Design and Reconstruction                          | 80,000              | 450,000             | -                   | -                   | -                   | -                    |
| Via De La Verbenita Cul-de-Sac Road Reconstruction              | 75,000              | -                   | -                   | -                   | -                   | -                    |
| Heavy Equipment Replacement-Public Works Operations             | -                   | -                   | 245,000             | 410,000             | 155,000             | 790,000              |
| <b>Total</b>  | <b>\$ 2,115,000</b> | <b>\$ 1,861,200</b> | <b>\$ 1,772,490</b> | <b>\$ 1,948,870</b> | <b>\$ 1,705,340</b> | <b>\$ 9,107,004</b>  |

Table 4 below identifies the Community Center Bond Fund projects for Fiscal Years 2020-2029:

| <b>Community Center Bond Fund</b>             | <b>Fiscal Year</b>  |                     |              |              |              |                      |
|---|---------------------|---------------------|--------------|--------------|--------------|----------------------|
|   | <b>19/20</b>        | <b>20/21</b>        | <b>21/22</b> | <b>22/23</b> | <b>23/24</b> | <b>24/25 - 28/29</b> |
| Community Center and Golf Course Improvements | \$ 3,000,000        | \$ 3,000,000        | \$ -         | \$ -         | \$ -         | \$ -                 |
| <b>Total</b>                                  | <b>\$ 3,000,000</b> | <b>\$ 3,000,000</b> | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ -</b>          |

Table 5 below identifies the Roadway Impact Fee Fund projects for Fiscal Years 2020-2029:

| <b>Roadway Impact Fee Fund</b>                      | <b>Fiscal Year</b>  |                  |                   |                   |              |                      |
|---|---------------------|------------------|-------------------|-------------------|--------------|----------------------|
|   | <b>19/20</b>        | <b>20/21</b>     | <b>21/22</b>      | <b>22/23</b>      | <b>23/24</b> | <b>24/25 - 28/29</b> |
| La Cholla Blvd from Overton to Tangerine (Rollover) | \$ 1,700,000        | \$ -             | \$ -              | \$ -              | \$ -         | \$ -                 |
| La Cañada Dr. & Moore Rd. Roundabout (Rollover)     | 1,000,000           | -                | -                 | -                 | -            | -                    |
| 1st Avenue/Oracle Intersection Improvement Study    | -                   | 50,000           | -                 | -                 | -            | -                    |
| La Cholla and Moore Intersection Improvement        | -                   | -                | 450,000           | 450,000           | -            | -                    |
| <b>Total</b>  | <b>\$ 2,700,000</b> | <b>\$ 50,000</b> | <b>\$ 450,000</b> | <b>\$ 450,000</b> | <b>\$ -</b>  | <b>\$ -</b>          |

Table 6 below identifies the PAG/RTA Fund projects for Fiscal Years 2020-2029:

| <b>PAG/RTA Fund</b>   | <b>Fiscal Year</b>   |                     |              |              |                  |                      |
|---|----------------------|---------------------|--------------|--------------|------------------|----------------------|
|   | <b>19/20</b>         | <b>20/21</b>        | <b>21/22</b> | <b>22/23</b> | <b>23/24</b>     | <b>24/25 - 28/29</b> |
| Transportation Art by Youth Program (TABY)                  | \$ -                 | \$ 75,000           | \$ -         | \$ -         | \$ 75,000        | \$ 75,000            |
| La Cholla Blvd from Overton to Tangerine (Partial Rollover) | 10,300,000           | 4,700,000           | -            | -            | -                | -                    |
| <b>Total</b>  | <b>\$ 10,300,000</b> | <b>\$ 4,775,000</b> | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ 75,000</b> | <b>\$ 75,000</b>     |



# Capital Improvement Program

Table 7 below identifies the Police Impact Fee Fund projects for Fiscal Years 2020-2029:

| <b>Police Impact Fee Fund</b>                            | <b>Fiscal Year</b> |              |              |              |              |                      |
|--|--------------------|--------------|--------------|--------------|--------------|----------------------|
|  | <b>19/20</b>       | <b>20/21</b> | <b>21/22</b> | <b>22/23</b> | <b>23/24</b> | <b>24/25 - 28/29</b> |
| Police Property/ID & Southern Substation Bldg (Rollover) | \$ 650,000         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -                 |
| <b>Total</b>   | <b>\$ 650,000</b>  | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ -</b>          |

Table 8 below identifies the Parks & Recreation Impact Fee Fund projects for Fiscal Years 2020-2029:

| <b>Parks &amp; Recreation Impact Fee Fund</b> | <b>Fiscal Year</b> |                   |              |              |                   |                      |
|---|--------------------|-------------------|--------------|--------------|-------------------|----------------------|
|   | <b>19/20</b>       | <b>20/21</b>      | <b>21/22</b> | <b>22/23</b> | <b>23/24</b>      | <b>24/25 - 28/29</b> |
| Naranja Park Improvements                     | \$ -               | \$ -              | \$ -         | \$ -         | \$ 500,000        | \$ 500,000           |
| Naranja Park Playground                       | 400,000            | 375,000           | -            | -            | -                 | -                    |
| <b>Total</b>                                  | <b>\$ 400,000</b>  | <b>\$ 375,000</b> | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ 500,000</b> | <b>\$ 500,000</b>    |

Table 9 below identifies the Stormwater Utility Fund projects for Fiscal Years 2020-2029:

| <b>Stormwater Utility Fund</b>                              | <b>Fiscal Year</b>  |                   |                   |                   |                   |                      |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
|   | <b>19/20</b>        | <b>20/21</b>      | <b>21/22</b>      | <b>22/23</b>      | <b>23/24</b>      | <b>24/25 - 28/29</b> |
| Catalina Ridge - Mitigation Grant Channel Repair (Rollover) | \$ 2,100,000        | \$ -              | \$ -              | \$ -              | \$ -              | \$ -                 |
| W. Lambert Drainage Crossing Repair, Rehab & Reconstruct    | 242,000             | -                 | -                 | -                 | -                 | -                    |
| 4x4 Skip Loader With Gannon - Replacement                   | 100,000             | -                 | -                 | -                 | -                 | -                    |
| Mutterer's Wash Capacity / Conveyance Improvements          | -                   | 56,300            | 333,362           | -                 | -                 | -                    |
| Sierra Wash: RCBC Outlet Down-Cutting & Scour Mitigation    | -                   | 137,000           | -                 | 286,945           | 225,198           | 286,945              |
| Major Stormwater Maintenance Projects                       | -                   | -                 | -                 | -                 | -                 | 1,200,000            |
| Street Sweeper - Replacement (2)                            | -                   | -                 | 280,000           | -                 | -                 | 280,000              |
| Side Cast Sweeper - Replacement                             | -                   | -                 | -                 | -                 | -                 | 85,000               |
| <b>Total</b>  | <b>\$ 2,442,000</b> | <b>\$ 193,300</b> | <b>\$ 613,362</b> | <b>\$ 286,945</b> | <b>\$ 225,198</b> | <b>\$ 1,851,945</b>  |

# Capital Improvement Program

Table 10 below identifies the Water Utility Fund projects for Fiscal Years 2020-2029:

| Water Utility Fund  | Fiscal Year         |                     |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | 19/20               | 20/21               | 21/22               | 22/23               | 23/24               | 24/25 - 28/29       |
| <b>Existing System Improvements</b>   |                     |                     |                     |                     |                     |                     |
| Nakoma Sky D Zone Well (Rollover)   | \$ 800,000          | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Well D8 Replacement Drill and Construct   | -                   | -                   | -                   | 700,000             | 900,000             | -                   |
| Palisades Replacement D Zone Well Drill and Equip                                   | -                   | -                   | -                   | -                   | -                   | 1,500,000           |
| Electromagnetic Flow Meter Replacements   | 75,000              | -                   | -                   | -                   | -                   | -                   |
| Hydropneumatic Tank Replacements  | 150,000             | 100,000             | 100,000             | 100,000             | 100,000             | 500,000             |
| Well Rehabilitation   | 150,000             | 150,000             | 150,000             | 150,000             | 150,000             | 1,000,000           |
| High Mesa E and F Zone Booster Enhancements   | -                   | -                   | -                   | -                   | 50,000              | 300,000             |
| El Con Booster Rehabilitation   | 50,000              | -                   | -                   | -                   | -                   | -                   |
| Replace Crimson Canyon Booster Station  | -                   | -                   | 250,000             | -                   | -                   | -                   |
| Hydropneumatic Tank Replacements  | 100,000             | 100,000             | -                   | -                   | -                   | 200,000             |
| Woodburn Booster Relocation E-F Zone  | 100,000             | 500,000             | -                   | -                   | -                   | -                   |
| Booster Rehabilitation  | 150,000             | 150,000             | 150,000             | 150,000             | 150,000             | 1,000,000           |
| 12-Inch F-Zone Main (Woodburne Booster)   | -                   | 100,000             | -                   | -                   | -                   | -                   |
| Fire Line Backflow Protection   | 200,000             | 200,000             | -                   | -                   | -                   | -                   |
| Drinking Fountain Rework  | -                   | 50,000              | -                   | -                   | -                   | -                   |
| Countryside 40 Drain Valve Assembly Replacements                                    | 210,000             | -                   | -                   | -                   | -                   | -                   |
| Rancho Verde Hydrants   | -                   | -                   | 100,000             | -                   | -                   | -                   |
| Main Valve Replacements   | 50,000              | 50,000              | 50,000              | -                   | -                   | 250,000             |
| La Cholla Blvd Main Relocation (RTA) (Partial Rollover)                             | 480,000             | -                   | -                   | -                   | -                   | -                   |
| Hilton Hotel & Casitas Main Replacement   | -                   | -                   | -                   | -                   | 150,000             | 450,000             |
| Linda Vista Citrus Tracts Main Replacement  | -                   | 250,000             | 250,000             | 250,000             | -                   | -                   |
| Pusch Ridge Estates Main Replacement  | -                   | -                   | 250,000             | 250,000             | -                   | -                   |
| 6-Inch Pressure Reducing Valve - Rancho Sonora                                      | -                   | 70,000              | -                   | -                   | -                   | -                   |
| 6-Inch Pressure Reducing Valve - Stargazer Drive                                    | -                   | -                   | 70,000              | -                   | -                   | -                   |
| 4-Inch PRV and 6-Inch PRV at La Reserve   | -                   | -                   | -                   | -                   | -                   | 100,000             |
| Palisades Neighborhood Pipeline Redundancy  | -                   | -                   | -                   | -                   | 500,000             | -                   |
| Naranja Reservoir Relining  | 120,000             | -                   | -                   | -                   | -                   | -                   |
| Wall Upgrades and Improvements  | 100,000             | -                   | -                   | -                   | -                   | 200,000             |
| SCADA Legacy Replacement  | 100,000             | -                   | -                   | -                   | -                   | -                   |
| Instrumentation Replacement   | -                   | -                   | 250,000             | -                   | -                   | 300,000             |
| Electric Sub Metering Wells/Boosters  | 75,000              | -                   | -                   | -                   | -                   | -                   |
| Vehicle Replacements  | 92,000              | 100,000             | 105,000             | 105,000             | 105,000             | 946,000             |
| <b>TOTAL EXISTING SYSTEM IMPROVEMENTS</b>   | <b>\$ 3,002,000</b> | <b>\$ 1,820,000</b> | <b>\$ 1,725,000</b> | <b>\$ 1,705,000</b> | <b>\$ 2,105,000</b> | <b>\$ 6,746,000</b> |
| <b>Central Arizona Project (CAP) Improvements (Existing Customers)</b>              |                     |                     |                     |                     |                     |                     |
| <b>Northwest Recharge, Recovery and Delivery System (NWRDRS) Partnered Projects</b> |                     |                     |                     |                     |                     |                     |
| Program Management Support Services   | \$ 44,000           | \$ 192,000          | \$ 296,000          | \$ 8,000            | \$ -                | \$ -                |
| Well Improvement Analysis & Recovery permits  | 40,000              | -                   | -                   | -                   | -                   | -                   |
| Well Drilling and Testing   | -                   | 234,000             | -                   | -                   | -                   | -                   |
| Construction Permit, Drill, Development & Testing                                   | -                   | -                   | -                   | 780,000             | -                   | -                   |
| Well Equipping Design & Site Improvements   | -                   | -                   | -                   | 390,000             | -                   | -                   |
| Pipeline Design (Recovered Water & Transmission)                                    | 440,462             | -                   | -                   | -                   | -                   | -                   |
| Pipeline Construction   | -                   | -                   | 880,923             | 880,923             | -                   | -                   |
| Forebay Design  | 66,154              | -                   | -                   | -                   | -                   | -                   |
| Forebay Reservoir Construction  | -                   | -                   | 132,077             | 132,077             | -                   | -                   |
| <b>NWRDRS Independent Projects</b>  |                     |                     |                     |                     |                     |                     |
| Shannon Rd. Forebay Reservoir & Booster Prop. Acq.                                  | 80,000              | -                   | -                   | -                   | -                   | -                   |
| Pipeline Easement Acquisition   | 300,000             | -                   | -                   | -                   | -                   | -                   |
| Pipeline Design   | 560,000             | -                   | -                   | -                   | -                   | -                   |
| Forebay Reservoir Booster Station Design  | 40,000              | -                   | -                   | -                   | -                   | -                   |
| Shannon Forebay Reservoir & Booster Station Design                                  | -                   | 120,000             | -                   | -                   | -                   | -                   |
| Booster Station Construct at NWRDRS Forebay Res.                                    | -                   | -                   | 200,000             | -                   | -                   | -                   |
| Shannon Rd. Forebay Reservoir Construction  | -                   | -                   | -                   | 280,000             | 280,000             | -                   |
| Booster Station Construct at Shannon Forebay Res.                                   | -                   | -                   | -                   | 100,000             | 100,000             | -                   |
| Pipeline - Bstr. Station @ NWRDRS to La Canada Res.                                 | -                   | -                   | -                   | -                   | 3,920,000           | -                   |
| <b>NWRDRS Conveyance Projects</b>   |                     |                     |                     |                     |                     |                     |
| Interconnect to Tangerine   | -                   | -                   | -                   | -                   | 180,000             | -                   |
| Interconnect to Lambert   | -                   | -                   | -                   | -                   | 340,000             | -                   |
| <b>TOTAL CAP IMPROVEMENTS</b>   | <b>\$ 1,570,616</b> | <b>\$ 546,000</b>   | <b>\$ 1,509,000</b> | <b>\$ 2,571,000</b> | <b>\$ 4,820,000</b> | <b>\$ -</b>         |
| <b>TOTAL WATER UTILITY FUND</b>   | <b>\$ 4,572,616</b> | <b>\$ 2,366,000</b> | <b>\$ 3,234,000</b> | <b>\$ 4,276,000</b> | <b>\$ 6,925,000</b> | <b>\$ 6,746,000</b> |

# Capital Improvement Program

Table 11 below identifies the Alternative Water Resources Impact Fee Fund projects for Fiscal Years 2020-2029:

| <b>Alternative Water Resources Impact Fee Fund</b>                                  | <b>Fiscal Year</b>  |                   |                     |                     |                     |                      |
|---|---------------------|-------------------|---------------------|---------------------|---------------------|----------------------|
|   | <b>19/20</b>        | <b>20/21</b>      | <b>21/22</b>        | <b>22/23</b>        | <b>23/24</b>        | <b>24/25 - 28/29</b> |
| <b>Central Arizona Project (CAP) Improvements (New Growth)</b>                      |                     |                   |                     |                     |                     |                      |
| <b>Northwest Recharge, Recovery and Delivery System (NWRDRS) Partnered Projects</b> |                     |                   |                     |                     |                     |                      |
| Program Management Support Services   | \$ 66,000           | \$ 288,000        | \$ 444,000          | \$ 12,000           | \$ -                | \$ -                 |
| Well Improvement Analysis & Recovery permits  | 60,000              | -                 | -                   | -                   | -                   | -                    |
| Well Drilling and Testing   | -                   | 351,000           | -                   | -                   | -                   | -                    |
| Construction Permit, Drill, Development & Testing                                   | -                   | -                 | -                   | 1,170,000           | -                   | -                    |
| Well Equipping Design & Site Improvements   | -                   | -                 | -                   | 585,000             | -                   | -                    |
| Pipeline Design (Recovered Water & Transmission)                                    | 660,692             | -                 | -                   | -                   | -                   | -                    |
| Pipeline Construction   | -                   | -                 | 1,321,385           | 1,321,385           | -                   | -                    |
| NWRDRS Forebay Design   | 99,231              | -                 | -                   | -                   | -                   | -                    |
| NWRDRS Forebay Reservoir Construction   | -                   | -                 | 198,116             | 198,116             | -                   | -                    |
| <b>NWRDRS Independent Projects</b>  |                     |                   |                     |                     |                     |                      |
| Shannon Rd. Forebay Reservoir & Booster Prop. Acq.                                  | 120,000             | -                 | -                   | -                   | -                   | -                    |
| Pipeline Easement Acquisition   | 450,000             | -                 | -                   | -                   | -                   | -                    |
| Pipeline Design   | 840,000             | -                 | -                   | -                   | -                   | -                    |
| NWRDRS Forebay Reservoir Booster Station Design                                     | 60,000              | -                 | -                   | -                   | -                   | -                    |
| Shannon Forebay Reservoir & Booster Station Design                                  | -                   | 180,000           | -                   | -                   | -                   | -                    |
| Booster Station Construct at NWRDRS Forebay Res.                                    | -                   | -                 | 300,000             | -                   | -                   | -                    |
| Shannon Rd. Forebay Reservoir Construction  | -                   | -                 | -                   | 420,000             | 420,000             | -                    |
| Booster Station Construct at Shannon Forebay Res.                                   | -                   | -                 | -                   | 150,000             | 150,000             | -                    |
| Pipeline - Bstr. Station @ NWRDRS to La Canada Res.                                 | -                   | -                 | -                   | -                   | 5,880,000           | -                    |
| <b>NWRDRS Conveyance Projects</b>   |                     |                   |                     |                     |                     |                      |
| NWRDRS Interconnect to Tangerine  | -                   | -                 | -                   | -                   | 270,000             | -                    |
| NWRDRS Interconnect to Lambert  | -                   | -                 | -                   | -                   | 510,000             | -                    |
| <b>TOTAL</b>  | <b>\$ 2,355,923</b> | <b>\$ 819,000</b> | <b>\$ 2,263,501</b> | <b>\$ 3,856,501</b> | <b>\$ 7,230,000</b> | <b>\$ -</b>          |

Table 12 below identifies the Potable Water System Impact Fee Fund projects for Fiscal Years 2020-2029:

| <b>Potable Water System Impact Fee Fund</b> | <b>Fiscal Year</b> |                     |                   |                     |                     |                      |
|---|--------------------|---------------------|-------------------|---------------------|---------------------|----------------------|
|   | <b>19/20</b>       | <b>20/21</b>        | <b>21/22</b>      | <b>22/23</b>        | <b>23/24</b>        | <b>24/25 - 28/29</b> |
| <b>Expansion-Related Improvements</b>       |                    |                     |                   |                     |                     |                      |
| Steam Pump C-Zone Well                      | \$ 800,000         | \$ -                | \$ -              | \$ -                | \$ -                | \$ -                 |
| Palisades C-Zone Storage Tank and Pipeline  | -                  | 500,000             | 300,000           | 1,450,000           | 2,000,000           | -                    |
| Water Plant 14 Booster Capacity Expansion   | -                  | -                   | -                 | -                   | -                   | 250,000              |
| Zone F1 Moore Road Interconnect             | -                  | 750,000             | -                 | -                   | -                   | -                    |
| Pressure Zone G,H and I Storage Expansion   | -                  | -                   | -                 | -                   | -                   | 1,000,000            |
| Pressure Zone G Storage Expansion           | -                  | -                   | -                 | -                   | -                   | 2,000,000            |
| <b>Total</b>                                | <b>\$ 800,000</b>  | <b>\$ 1,250,000</b> | <b>\$ 300,000</b> | <b>\$ 1,450,000</b> | <b>\$ 2,000,000</b> | <b>\$ 3,250,000</b>  |

# Capital Improvement Program

Table 13 below identifies the General Fund projects for Fiscal Years 2020-2029:

| <b>General Fund</b>                               | <b>Fiscal Year</b> |                   |                   |                   |                   |                      |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
|   | <b>19/20</b>       | <b>20/21</b>      | <b>21/22</b>      | <b>22/23</b>      | <b>23/24</b>      | <b>24/25 - 28/29</b> |
| Town-Wide Facility Repair and Maintenance Program | \$ 241,400         | \$ 200,000        | \$ 200,000        | \$ 200,000        | \$ 200,000        | \$ 1,000,000         |
| <b>Total</b>                                      | <b>\$ 241,400</b>  | <b>\$ 200,000</b> | <b>\$ 200,000</b> | <b>\$ 200,000</b> | <b>\$ 200,000</b> | <b>\$ 1,000,000</b>  |

Table 14 below identifies the Community Center Fund projects for Fiscal Years 2020-2029:

| <b>Community Center Fund</b> | <b>Fiscal Year</b> |                  |                  |                  |                  |                      |
|------------------------------|--------------------|------------------|------------------|------------------|------------------|----------------------|
|                              | <b>19/20</b>       | <b>20/21</b>     | <b>21/22</b>     | <b>22/23</b>     | <b>23/24</b>     | <b>24/25 - 28/29</b> |
| Tennis Court Improvements    | \$ 90,000          | \$ 90,000        | \$ 90,000        | \$ 90,000        | \$ 90,000        | \$ 180,000           |
| <b>Total</b>                 | <b>\$ 90,000</b>   | <b>\$ 90,000</b> | <b>\$ 90,000</b> | <b>\$ 90,000</b> | <b>\$ 90,000</b> | <b>\$ 180,000</b>    |

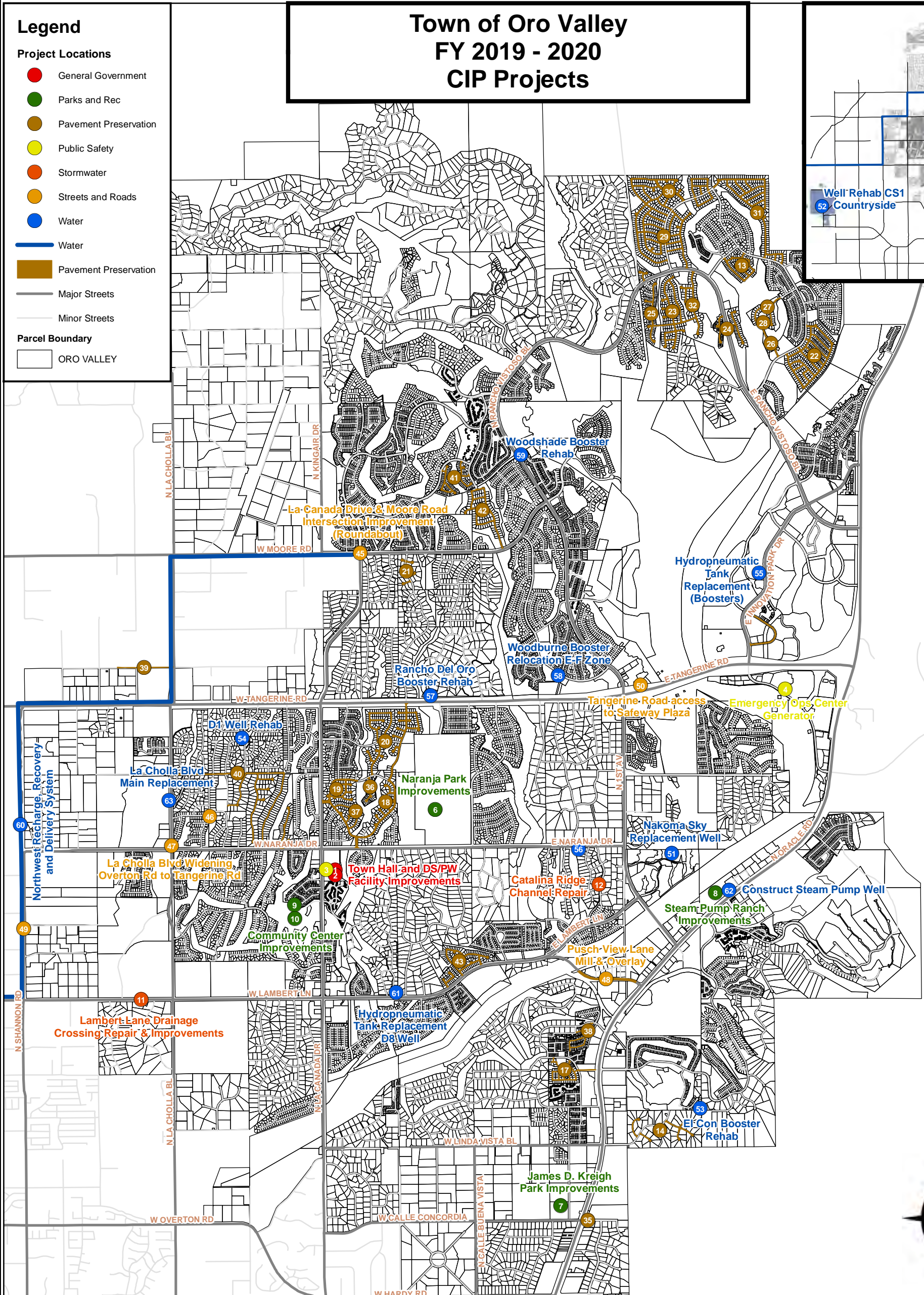
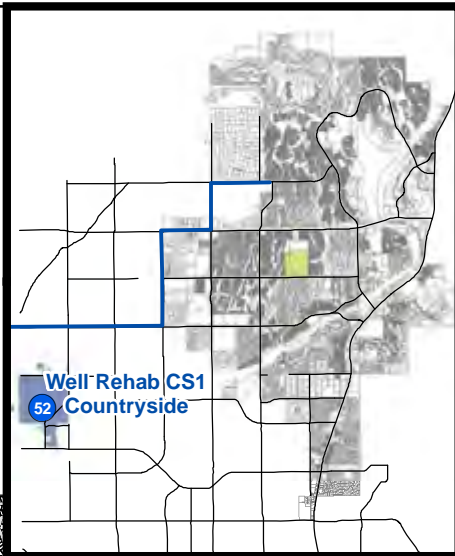


# Town of Oro Valley FY 2019 - 2020 CIP Projects

## Legend

### Project Locations

- General Government
- Parks and Rec
- Pavement Preservation
- Public Safety
- Stormwater
- Streets and Roads
- Water
- Water
- Pavement Preservation
- Major Streets
- Minor Streets
- Parcel Boundary
- ORO VALLEY



| General Government   |   |
|----------------------|---|
| Map_ID               | Project_Name  |
| 1                    | Development Services / Public Works Front Counter Safety Improvements |
| 2                    | Town Hall Roof Repair   |
| Public Safety        |   |
| Map_ID               | Project_Name  |
| 3                    | PD Main Station Property Room Renovation                              |
| 4                    | Emergency Ops Center Generator  |
| 5                    | Property / ID and Southern Substation Bldg                            |
| Parks and Recreation |   |
| Map_ID               | Project_Name  |
| 6                    | Naranja Park Improvements   |
| 7                    | JDK Park Improvements   |
| 8                    | Steam Pump Ranch Improvements   |
| 9                    | Community Center Improvements   |
| 10                   | Community Center Improvements   |
| Stormwater           |   |
| Map_ID               | Project_Name  |
| 11                   | Lambert Lane Drainage Crossing Repair and Improvements                |
| 12                   | Catalina Ridge Channel Repair   |
| Pavement Reservation |   |
| Map_ID's             | Project_Name  |
| 13 - 44              | Pavement Preservation   |

| Streets and Roads |   |
|-------------------|---|
| Map_ID            | Project_Name  |
| 45                | La Canada Dr and Moore Rd Intersection Improvements               |
| 46                | Via de la Verbenita Cul-de-Sac Reconstruction                     |
| 47                | La Cholla Widening - Overton to Tangerine                         |
| 48                | Pusch View Lane Mill & Overlay, Oracle Rd to CDO Bridge           |
| 49                | Shannon Rd Design and Reconstruction - Lambert Lane to Naranja Dr |
| 50                | Tangerine Road access to Safeway Plaza                            |
| Water             |   |
| Map_ID            | Project_Name  |
| 51                | Nakoma Sky Replacement Well                                       |
| 52                | Well Rehab CS1 Countryside  |
| 53                | EI Con Booster Rehab  |
| 54                | Well Rehab D1 (Glover)  |
| 55                | Hydropneumatic Tank Replacement (Boosters)                        |
| 56                | Naranja Reservoir Relining  |
| 57                | Rancho Del Oro Booster Rehab                                      |
| 58                | Woodburne Booster Relocation E-F Zone                             |
| 59                | Woodshade Booster Rehab   |
| 60                | Northwest Recharge, Recovery, and Delivery System                 |
| 61                | Hydropneumatic Tank Replacement Phase IV                          |
| 62                | Steam Pump Well Drill and Construct                               |
| 63                | La Cholla Blvd Main Relocation                                    |



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# CIP – Project Descriptions

The following are detailed descriptions of all projects budgeted for Fiscal Year 2019-2020:

**PROJECT TITLE:** Naranja Park Infrastructure

**PROJECT DESCRIPTION:** New roadway and ramadas, additional paved and lighted parking lots, improved drainage at Naranja Park

**PROJECT JUSTIFICATION:** Service level increase for the general public with safer roadways and parking, and a new ramada picnic area; project is included in Town Council Strategic Leadership Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|----------------|------------------------|-------------|-------------------|
| General Fund                 | \$        | 525,000        |                           | \$ 525,000     |                        | \$ 525,000  |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>525,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>    | <b>\$ 525,000</b>      | <b>\$ -</b> | <b>\$ 525,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance, utility costs, supplies | \$        | 3,500        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>3,500</b> |

**PROJECT TITLE:** Naranja Park Playground

**PROJECT DESCRIPTION:** Installation of a new, multi-generational, destination playground at Naranja Park

**PROJECT JUSTIFICATION:** Investment in high quality and accessible recreation to serve the community’s needs; project is included in Town Council Strategic Leadership Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                  | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total             |                     |
|--------------------------------|-----------|------------------|---------------------------|----------------|------------------------|-------------------|---------------------|
| General Fund                   | \$        | 425,000          |                           | \$ 425,000     |                        | \$ 425,000        |                     |
| Parks & Recreation Impact Fees |           | 775,000          |                           | 400,000        | 375,000                | 775,000           |                     |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>1,200,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>    | <b>\$ 825,000</b>      | <b>\$ 375,000</b> | <b>\$ 1,200,000</b> |

**Post Project Annual Operating Impact**

|  |           |              |
|--|-----------|--------------|
| Safety inspection costs, supplies, utility costs | \$        | 1,500        |
| <b>Total Annual Operating Impact</b>             | <b>\$</b> | <b>1,500</b> |

# CIP – Project Descriptions

**PROJECT TITLE:** Town Facilities Roof Replacements

**PROJECT DESCRIPTION:** Rehabilitation of the roofing systems over various Town buildings

**PROJECT JUSTIFICATION:** Adherence to the Town Assets focus areas of the 2017 Strategic Plan by ensuring that Town assets are well maintained; roofs are at end of life and have begun to leak



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget   | Future<br>Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|------------------|------------------------|-------------|-------------------|
| General Fund                 | \$        | 252,000        | \$ 27,000                 | \$ 225,000       | \$                     | 252,000     |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>252,000</b> | <b>Total Capital Cost</b> | <b>\$ 27,000</b> | <b>\$ 225,000</b>      | <b>\$ -</b> | <b>\$ 252,000</b> |

**Post Project Annual Operating Impact**

Prevents future costly repairs and interior damage

**PROJECT TITLE:** Recreation Software Upgrade

**PROJECT DESCRIPTION:** Recreation software to replace current system; software is used for activities, memberships, events, contractors, reservations, reporting, data analysis, etc.

**PROJECT JUSTIFICATION:** Analysis has deemed it necessary to replace and/or upgrade our outdated, inefficient software; new software provides the tools to improve efficiency and ensure high-quality customer service



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020<br>Expenditures  | 2020<br>Budget   | Future<br>Expenditures | Total       |                  |
|------------------------------|-----------|---------------|---------------------------|------------------|------------------------|-------------|------------------|
| General Fund                 | \$        | 60,000        | \$ 24,000                 | \$ 36,000        | \$                     | 60,000      |                  |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>60,000</b> | <b>Total Capital Cost</b> | <b>\$ 24,000</b> | <b>\$ 36,000</b>       | <b>\$ -</b> | <b>\$ 60,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |               |
|--------------------------------------|-----------|---------------|
| Maintenance and licensing fees       | \$        | 10,000        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>10,000</b> |



# CIP – Project Descriptions

**PROJECT TITLE:** Improvements at James D. Kriegh Park

**PROJECT DESCRIPTION:** Restroom replacement and installation of an additional shade ramada at James D. Kriegh Park

**PROJECT JUSTIFICATION:** Project updates outdated amenities for the community; meets goals outlined in the Town Council Strategic Leadership Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|-------------|---------------------|-------------|-------------------|
| General Fund                 | \$        | 100,000        |                           | \$ 100,000  | \$                  | 100,000     |                   |
| Arizona State Parks Grant    |           | 100,000        |                           | 100,000     |                     | 100,000     |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>200,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 200,000</b>   | <b>\$ -</b> | <b>\$ 200,000</b> |

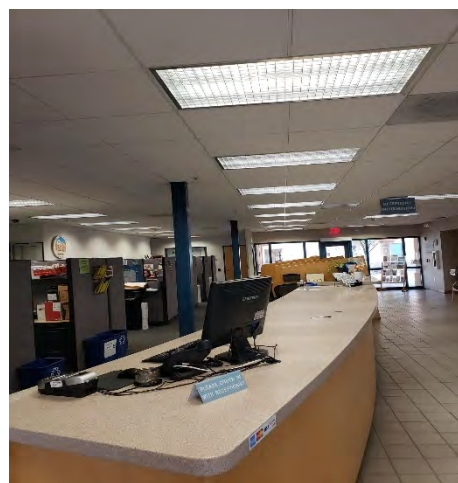
**Post Project Annual Operating Impact**

|                                      |             |
|--------------------------------------|-------------|
| <b>Total Annual Operating Impact</b> | <b>\$ -</b> |
|--------------------------------------|-------------|

**PROJECT TITLE:** Community & Economic Development/Public Works Building Safety Improvements

**PROJECT DESCRIPTION:** Safety enhancement to the front desk and lobby of the Community and Economic Development and Public Works building

**PROJECT JUSTIFICATION:** Addresses threats through the establishment of a protected perimeter, hardened walls and security glass; physical barrier along with operational security measures addresses life safety of Town employees



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|-------------|---------------------|-------------|-------------------|
| General Fund                 | \$        | 295,000        |                           | \$ 295,000  | \$                  | 295,000     |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>295,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 295,000</b>   | <b>\$ -</b> | <b>\$ 295,000</b> |

**Post Project Annual Operating Impact**

Minimal building maintenance cost increase

# CIP – Project Descriptions

**PROJECT TITLE:** Emergency Operations Center Generator

**PROJECT DESCRIPTION:** Generator for the Town’s Emergency Operations Center, which is the focal point for coordination of the Town’s emergency planning, training and response/recovery efforts in the event of an emergency, natural disaster or act of terrorism

**PROJECT JUSTIFICATION:** Maintains functionality of the entire facility to provide uninterrupted communications and continuity of operations; maintenance of operation includes the Town’s ability to continue IT functionality through redundant systems



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|-------------|---------------------|-------------|-------------------|
| General Fund                 | \$        | 36,500         |                           | \$ 36,500   |                     | \$ 36,500   |                   |
| FEMA Federal Grant           |           | 109,500        |                           | 109,500     |                     | 109,500     |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>146,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 146,000</b>   | <b>\$ -</b> | <b>\$ 146,000</b> |

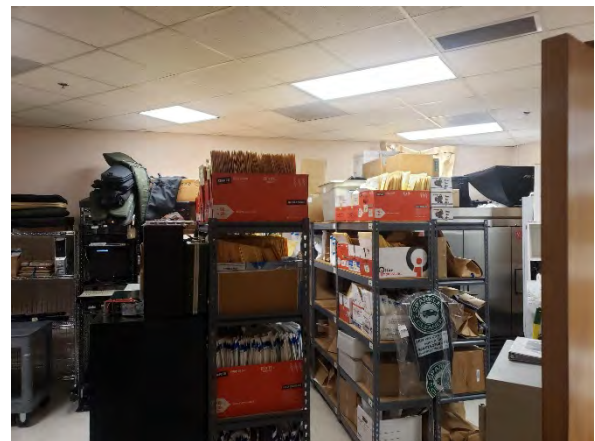
**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance costs                    | \$        | 3,000        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>3,000</b> |

**PROJECT TITLE:** Police Former Property Room Renovation

**PROJECT DESCRIPTION:** Renovation of the former Property and Evidence room to create additional office space for overcrowding issues

**PROJECT JUSTIFICATION:** Address critical space issues and needs for command staff in the Patrol Bureau, Support Services and Special Operations



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                |                           | Pre 2020 Expenditures | 2020 Budget       | Future Expenditures | Total             |
|------------------------------|-----------|----------------|---------------------------|-----------------------|-------------------|---------------------|-------------------|
| General Fund                 | \$        | 165,000        |                           |                       | \$ 165,000        |                     | \$ 165,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>165,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>           | <b>\$ 165,000</b> | <b>\$ -</b>         | <b>\$ 165,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |          |
|--------------------------------------|-----------|----------|
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>-</b> |
|--------------------------------------|-----------|----------|

# CIP – Project Descriptions

**PROJECT TITLE:** IT Townwide Facility Improvements

**PROJECT DESCRIPTION:** Install card readers and cameras in key locations around the Town

**PROJECT JUSTIFICATION:** Protection of Town assets; provides 24/7 surveillance and recordings of Town facilities; decreases the likelihood of thefts, vandalism, etc; assurance of employee safety and security



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget   | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|------------------|------------------------|-------------------|
| General Fund                 | \$        | 245,879        | \$ 95,879                | \$ 50,000        | \$ 100,000             | \$ 245,879        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>245,879</b> | <b>\$ 95,879</b>         | <b>\$ 50,000</b> | <b>\$ 100,000</b>      | <b>\$ 245,879</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance costs                    | \$        | 1,000        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>1,000</b> |

**PROJECT TITLE:** Police Property/ID and Southern Substation Building

**PROJECT DESCRIPTION:** Expansion and construction on acquired building to serve as Police southern substation and evidence facility

**PROJECT JUSTIFICATION:** Evidence storage enhances compliance with state and federal occupational safety and health regulations; project mitigates liabilities due to staff safety hazards by providing a safe and secure evidence storage facility and needed space for public safety personnel



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020<br>Expenditures | 2020<br>Budget    | Future<br>Expenditures | Total               |
|------------------------------|-----------|------------------|--------------------------|-------------------|------------------------|---------------------|
| General Fund                 | \$        | 3,450,000        | \$ 3,450,000             |                   |                        | \$ 3,450,000        |
| Police Impact Fees           |           | 650,000          |                          | 650,000           |                        | 650,000             |
| Excise Tax Bonds             |           | 2,000,000        | 2,000,000                |                   |                        | 2,000,000           |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>6,100,000</b> | <b>\$ 5,450,000</b>      | <b>\$ 650,000</b> | <b>\$ -</b>            | <b>\$ 6,100,000</b> |

**Post Project Annual Operating Impact**

Savings in previous rental lease costs are expected to fully cover new facility operating costs

# CIP – Project Descriptions

**PROJECT TITLE:** Steam Pump Ranch Improvements

**PROJECT DESCRIPTION:** Landscape planting plan and other improvements at Steam Pump Ranch

**PROJECT JUSTIFICATION:** Investment in historic property acquired by the Town in accordance with the community's General Plan and Town Council Strategic Leadership Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total     |                |
|------------------------------|-----------|----------------|---------------------------|----------------|------------------------|-----------|----------------|
| General Fund                 | \$        | 100,000        |                           | \$             | 100,000                | \$        | 100,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>100,000</b> | <b>Total Capital Cost</b> | <b>\$</b>      | <b>-</b>               | <b>\$</b> | <b>100,000</b> |

**Post Project Annual Operating Impact**

Likely cost increase for water usage at Steam Pump Ranch

**PROJECT TITLE:** Tennis Court Improvements

**PROJECT DESCRIPTION:** Crack repair, resurfacing and repainting of asphalt tennis courts at Oro Valley Community Center

**PROJECT JUSTIFICATION:** Prevent further degradation, which creates tripping hazards and results in more costly repairs in the future; ensures courts are maintained for safer and enjoyable use by public



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total     |               |
|------------------------------|-----------|---------------|---------------------------|----------------|------------------------|-----------|---------------|
| Community Center Fund        | \$        | 90,000        |                           | \$             | 90,000                 | \$        | 90,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>90,000</b> | <b>Total Capital Cost</b> | <b>\$</b>      | <b>-</b>               | <b>\$</b> | <b>90,000</b> |

**Post Project Annual Operating Impact**

Avoidance of future costly removal and reconstruction costs; avoidance of liability for personal injury claims



# CIP – Project Descriptions

**PROJECT TITLE:** Pavement Preservation Program

**PROJECT DESCRIPTION:** Perform annual roadway and multi-use path surface treatments per the Town’s pavement preservation and management program

**PROJECT JUSTIFICATION:** Enhances and improves the roadway system, maintains current overall condition index (OCI) rating, meeting key elements of the Town’s General and Strategic Leadership Plans



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total               |
|------------------------------|-----------|------------------|--------------------------|---------------------------|------------------------|---------------------|
| HURF Gas Taxes               | \$        | 1,450,000        |                          | \$ 1,450,000              |                        | \$ 1,450,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>1,450,000</b> |                          | <b>Total Capital Cost</b> | <b>\$ -</b>            | <b>\$ 1,450,000</b> |

**Post Project Annual Operating Impact**

Maintaining adequate funding for this program prevents future costly roadway reconstruction and rehabilitation

**PROJECT TITLE:** Tangerine Access to Safeway Plaza (1<sup>st</sup> Ave) – Safety

**PROJECT DESCRIPTION:** Address traffic safety issue at intersection by constructing a new entrance to shopping center

**PROJECT JUSTIFICATION:** Mitigation of acute traffic safety issue based on completed intersection safety study



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|---------------------------|------------------------|-------------------|
| HURF Gas Taxes               | \$        | 250,000        |                          | \$ 250,000                |                        | \$ 250,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>250,000</b> |                          | <b>Total Capital Cost</b> | <b>\$ -</b>            | <b>\$ 250,000</b> |

**Post Project Annual Operating Impact**

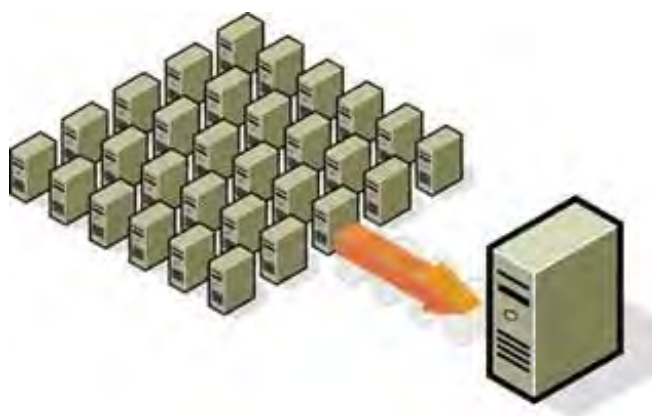
**Total Annual Operating Impact** \$ -

# CIP – Project Descriptions

**PROJECT TITLE:** IT Virtual Server Host System Replacement

**PROJECT DESCRIPTION:** This project upgrades the hardware for our virtual server environment, which supports 90% of our servers

**PROJECT JUSTIFICATION:** Maintains Town service and software performance levels, which would be affected by outages due to unsupported and failing hardware



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total     |               |
|------------------------------|-----------|---------------|---------------------------|----------------|------------------------|-----------|---------------|
| General Fund                 | \$        | 75,000        |                           | \$             | 75,000                 | \$        | 75,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>75,000</b> | <b>Total Capital Cost</b> | <b>\$</b>      | <b>-</b>               | <b>\$</b> | <b>75,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |          |
|--------------------------------------|-----------|----------|
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>-</b> |
|--------------------------------------|-----------|----------|

**PROJECT TITLE:** Community Center Bond-Funded Improvements

**PROJECT DESCRIPTION:** Make numerous improvements to the Town's Community Center and golf courses, per Council direction

**PROJECT JUSTIFICATION:** Addresses goals and strategies within the Town Council's Strategic Leadership Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total     |                  |
|------------------------------|-----------|------------------|---------------------------|----------------|------------------------|-----------|------------------|
| Excise Tax Bonds             | \$        | 6,000,000        |                           | \$             | 3,000,000              | \$        | 6,000,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>6,000,000</b> | <b>Total Capital Cost</b> | <b>\$</b>      | <b>-</b>               | <b>\$</b> | <b>6,000,000</b> |

**Post Project Annual Operating Impact**

Increased revenues from golf fees, member dues, and merchandise; reduced expenditures for water costs

# CIP – Project Descriptions

**PROJECT TITLE:** La Cholla Boulevard from Overton to Tangerine Widening Project

**PROJECT DESCRIPTION:** Widen La Cholla Boulevard from Overton Road to Tangerine Road to four lanes, make drainage improvements and add multi-use lanes

**PROJECT JUSTIFICATION:** As per the adopted RTA plan



**SOURCES OF FUNDING**

**CAPITAL COST:**

|                              |           |                   | Pre 2020<br>Expenditures  | 2020<br>Budget      | Future<br>Expenditures | Total               |                      |
|------------------------------|-----------|-------------------|---------------------------|---------------------|------------------------|---------------------|----------------------|
| PAG Regional Funds           | \$        | 3,860,000         | \$ 3,860,000              |                     |                        | \$ 3,860,000        |                      |
| Pima County Impact Fees      |           | 3,180,000         | 3,180,000                 |                     |                        | 3,180,000           |                      |
| RTA Regional Funds           |           | 17,476,876        | 2,476,876                 | 10,300,000          | 4,700,000              | 17,476,876          |                      |
| Roadway Impact Fees          |           | 1,700,000         |                           | 1,700,000           |                        | 1,700,000           |                      |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>26,216,876</b> | <b>Total Capital Cost</b> | <b>\$ 9,516,876</b> | <b>\$ 12,000,000</b>   | <b>\$ 4,700,000</b> | <b>\$ 26,216,876</b> |

**Post Project Annual Operating Impact**

None anticipated for the first five years; the increase in asphalt will be added to the Town's Pavement Preservation Program

**PROJECT TITLE:** La Cañada Drive & Moore Road Roundabout

**PROJECT DESCRIPTION:** Installation of a roundabout at the intersection of La Cañada Drive and Moore Road, per recommendations of a completed intersection safety study

**PROJECT JUSTIFICATION:** Due to the high growth rate at the vicinity of the intersection, a roundabout will improve travel and increase safety for vehicles and pedestrians at this intersection



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020<br>Expenditures  | 2020<br>Budget    | Future<br>Expenditures | Total        |                     |
|------------------------------|-----------|------------------|---------------------------|-------------------|------------------------|--------------|---------------------|
| Roadway Impact Fees          | \$        | 1,112,889        | \$ 112,889                | \$ 1,000,000      |                        | \$ 1,112,889 |                     |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>1,112,889</b> | <b>Total Capital Cost</b> | <b>\$ 112,889</b> | <b>\$ 1,000,000</b>    | <b>\$ -</b>  | <b>\$ 1,112,889</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance Costs                    | \$        | 2,000        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>2,000</b> |



# CIP – Project Descriptions

**PROJECT TITLE:** Shannon Road Design and Reconstruction

**PROJECT DESCRIPTION:** Design and reconstruction of Shannon Road from Lambert Lane to Naranja Drive

**PROJECT JUSTIFICATION:** The new road will improve the public's safety, mobility, and welfare, meeting key elements of the General Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|---------------------------|------------------------|-------------------|
| HURF Gas Taxes               | \$        | 530,000        |                          | \$ 80,000                 | \$ 450,000             | \$ 530,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>530,000</b> |                          | <b>\$ 80,000</b>          | <b>\$ 450,000</b>      | <b>\$ 530,000</b> |
|                              |           |                |                          | <b>Total Capital Cost</b> |                        |                   |
|                              | \$        | -              | \$                       | 80,000                    | \$ 450,000             | \$ 530,000        |

**Post Project Annual Operating Impact**

Preserves the Town's most expensive infrastructure, and reduces or eliminates potential claims related to pavement condition

**PROJECT TITLE:** Via De La Verbenita Cul-de-Sac Road Reconstruction

**PROJECT DESCRIPTION:** Reconstruct the cul-de-sac on Via de la Verbenita

**PROJECT JUSTIFICATION:** Asphalt pavement was built on clay material, which is causing the asphalt pavement to fail and chip away, creating a public safety hazard



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total            |
|------------------------------|-----------|---------------|--------------------------|---------------------------|------------------------|------------------|
| HURF Gas Taxes               | \$        | 75,000        |                          | \$ 75,000                 | \$ -                   | \$ 75,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>75,000</b> |                          | <b>\$ 75,000</b>          | <b>\$ -</b>            | <b>\$ 75,000</b> |
|                              |           |               |                          | <b>Total Capital Cost</b> |                        |                  |
|                              | \$        | -             | \$                       | 75,000                    | \$ -                   | \$ 75,000        |

**Post Project Annual Operating Impact**

Savings on potential claims due to failed pavement and continuous repair efforts by Public Works staff

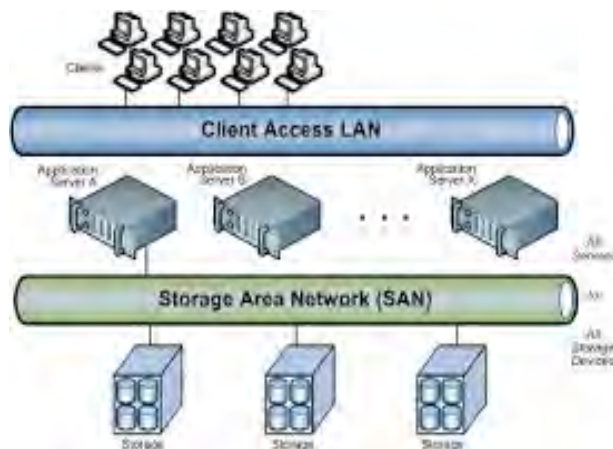


# CIP – Project Descriptions

**PROJECT TITLE:** IT Network Storage Upgrade

**PROJECT DESCRIPTION:** Increase the capacity of Town's current storage area network (SAN), which is used by all IT services

**PROJECT JUSTIFICATION:** Prevents extended and costly outages; maintains Town service levels that would be impacted in the event storage capacity is maxed out; inability to store files on network storage and impact to server operations



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total       |                  |
|------------------------------|-----------|---------------|---------------------------|-------------|---------------------|-------------|------------------|
| General Fund                 | \$        | 50,000        |                           | \$ 50,000   |                     | \$ 50,000   |                  |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>50,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 50,000</b>    | <b>\$ -</b> | <b>\$ 50,000</b> |

**Post Project Annual Operating Impact**

|                                      |             |
|--------------------------------------|-------------|
| <b>Total Annual Operating Impact</b> | <b>\$ -</b> |
|--------------------------------------|-------------|

**PROJECT TITLE:** Pusch View Lane Mill and Pavement

**PROJECT DESCRIPTION:** Mill and pave upper surface layer of pavement that takes the wear of the traffic from Oracle Road to the bridge over the Cañada del Oro Wash

**PROJECT JUSTIFICATION:** The new pavement will improve the public's safety, mobility, and welfare, and meets key elements of the General Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|-------------|---------------------|-------------|-------------------|
| HURF Gas Taxes               | \$        | 260,000        |                           | \$ 260,000  |                     | \$ 260,000  |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>260,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 260,000</b>   | <b>\$ -</b> | <b>\$ 260,000</b> |

**Post Project Annual Operating Impact**

|  |  |
|--|--|
| Preserves the Town's most expensive infrastructure, and reduces or eliminates potential claims related to pavement condition |  |
|--|--|

# CIP – Project Descriptions

**PROJECT TITLE:** Town-Wide Fleet Replacements

**PROJECT DESCRIPTION:** Annual replacement of vehicles across Town departments

**PROJECT JUSTIFICATION:** Replacement of aging fleet helps control vehicle repair and maintenance costs; vehicle reserves are set aside annually to fund replacements



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020 Expenditures | 2020 Budget               | Future Expenditures | Total               |
|------------------------------|-----------|------------------|-----------------------|---------------------------|---------------------|---------------------|
| Vehicle Reserves             | \$        | 897,100          |                       | \$ 897,100                |                     | \$ 897,100          |
| Water Utility Fund           |           | 92,000           |                       | 92,000                    |                     | 92,000              |
| Federal Grant                |           | 120,000          |                       | 120,000                   |                     | 120,000             |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>1,109,100</b> |                       | <b>Total Capital Cost</b> | <b>\$ -</b>         | <b>\$ 1,109,100</b> |

**Post Project Annual Operating Impact**

Potential for reduced maintenance costs as aging fleet are replaced

**PROJECT TITLE:** Town-Wide Facility Repair and Maintenance Program

**PROJECT DESCRIPTION:** Annual program to address Town-wide facility repair and maintenance needs

**PROJECT JUSTIFICATION:** Address and plan for current and future facility repair and maintenance needs of aging buildings



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures | 2020 Budget               | Future Expenditures | Total             |
|------------------------------|-----------|----------------|-----------------------|---------------------------|---------------------|-------------------|
| General Fund                 | \$        | 241,400        |                       | \$ 241,400                |                     | \$ 241,400        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>241,400</b> |                       | <b>Total Capital Cost</b> | <b>\$ -</b>         | <b>\$ 241,400</b> |

**Post Project Annual Operating Impact**

Addressing and maintaining repair and maintenance of Town assets prevents more costly repairs/replacements in the future

# CIP – Project Descriptions

**PROJECT TITLE:** Nakoma Sky Replacement Well Drill and Construct

**PROJECT DESCRIPTION:** Drill and construct a new well at the Nakoma Sky development at First Ave. and Lambert Lane

**PROJECT JUSTIFICATION:** Replace lost well capacity; maintain healthy groundwater capacity during periods of increased summer demand and in the event of Central Arizona Project water outage as a redundant system



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020<br>Expenditures | 2020<br>Budget    | Future<br>Expenditures | Total               |
|------------------------------|-----------|------------------|--------------------------|-------------------|------------------------|---------------------|
| Excise Tax Bonds             | \$        | 1,613,122        | \$ 813,122               | \$ 800,000        |                        | \$ 1,613,122        |
| Water Utility Fund           |           | 11,199           | 11,199                   |                   |                        | 11,199              |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>1,624,321</b> | <b>\$ 824,321</b>        | <b>\$ 800,000</b> | <b>\$ -</b>            | <b>\$ 1,624,321</b> |

**Post Project Annual Operating Impact**

Replacement well; none anticipated

**PROJECT TITLE:** Woodburn Booster Relocation E-F Zone

**PROJECT DESCRIPTION:** Design service to relocate the existing Woodburn booster station to the La Cañada reservoir facility; new pumps, underground piping, controls SCADA, telemetry and new TEP three phase power

**PROJECT JUSTIFICATION:** The existing Woodburn booster station develops low suction pressure during periods of high water demand; relocating the booster station to the La Cañada reservoir facility provides adequate pump suction throughout the year



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget    | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|-------------------|------------------------|-------------------|
| Excise Tax Bonds             | \$        | 600,000        |                          | \$ 100,000        | \$ 500,000             | \$ 600,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>600,000</b> | <b>\$ -</b>              | <b>\$ 100,000</b> | <b>\$ 500,000</b>      | <b>\$ 600,000</b> |

**Post Project Annual Operating Impact**

**Total Annual Operating Impact** \$ -



## CIP – Project Descriptions

**PROJECT TITLE:** Electromagnetic Flow Meter Replacements

**PROJECT DESCRIPTION:** Replace 20 well meters with new electromagnetic flow meters

**PROJECT JUSTIFICATION:** Improve operational efficiencies and minimize unaccounted water loss by installing reliable meters at water source (wells); allow real-time monitoring of flows and water-pumping volumes in our Advanced Metering Infrastructure (AMI)



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget   | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|------------------|------------------------|-------------------|
| Excise Tax Bonds             | \$        | 145,966        | \$ 70,966                | \$ 75,000        |                        | \$ 145,966        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>145,966</b> | <b>\$ 70,966</b>         | <b>\$ 75,000</b> | <b>\$ -</b>            | <b>\$ 145,966</b> |

**Post Project Annual Operating Impact**

|                                      |           |            |
|--------------------------------------|-----------|------------|
| Electricity costs for new meters     | \$        | 500        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>500</b> |

**PROJECT TITLE:** Hydropneumatic Tank Replacement Phase IV (Wells)

**PROJECT DESCRIPTION:** Design, fabricate and install a new 5,000 gallon hydropneumatic tank for Well D-8, and relocate pressure-reducing valve station; would meet national standards for pressure vessel and system design

**PROJECT JUSTIFICATION:** Existing tank is not certified or registered and is showing signs of metal sheet corrosion; abnormal thickness gauge readings are a sign of internal corrosion



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget    | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|-------------------|------------------------|-------------------|
| Excise Tax Bonds             | \$        | 158,775        | \$ 8,775                 | \$ 150,000        |                        | \$ 158,775        |
| Water Utility Revenues       |           | 10,720         | 10,720                   |                   |                        | 10,720            |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>169,495</b> | <b>\$ 19,495</b>         | <b>\$ 150,000</b> | <b>\$ -</b>            | <b>\$ 169,495</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance Savings                  | \$        | (500)        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |

# CIP – Project Descriptions

**PROJECT TITLE:** Hydropneumatic Tank Replacement (Boosters)

**PROJECT DESCRIPTION:** Replace existing hydropneumatic tank at High Mesa F Zone booster station

**PROJECT JUSTIFICATION:** The existing tank is not certified by the American Society of Mechanical Engineers or National Board registered; ultrasonic thickness gauge measurements indicate corrosion inside the tank and less than half of the original thickness



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget    | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|---------------------------|-------------------|------------------------|-------------------|
| Excise Tax Bonds             | \$        | 200,000        |                           | \$ 100,000        | \$ 100,000             | \$ 200,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>200,000</b> |                           | <b>\$ 100,000</b> | <b>\$ 100,000</b>      | <b>\$ 200,000</b> |
|                              |           |                | <b>Total Capital Cost</b> | <b>\$ -</b>       | <b>\$ 100,000</b>      | <b>\$ 200,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |  |  |  |  |
|--------------------------------------|-----------|--------------|--|--|--|--|
| Maintenance Savings                  | \$        | (500)        |  |  |  |  |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |  |  |  |  |

**PROJECT TITLE:** Fire Line Backflow Protection

**PROJECT DESCRIPTION:** Retrofit and bring substandard fire service lines up to current standards to protect public health

**PROJECT JUSTIFICATION:** From 1999 to 2004, fire line backflow protection devices were not required per code; old stagnant water in them has created a potential health hazard if a backflow event occurs



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget    | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|---------------------------|-------------------|------------------------|-------------------|
| Excise Tax Bonds             | \$        | 411,771        | \$ 11,771                 | \$ 200,000        | \$ 200,000             | \$ 411,771        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>411,771</b> |                           | <b>\$ 200,000</b> | <b>\$ 200,000</b>      | <b>\$ 411,771</b> |
|                              |           |                | <b>Total Capital Cost</b> | <b>\$ 11,771</b>  | <b>\$ 200,000</b>      | <b>\$ 411,771</b> |

**Post Project Annual Operating Impact**

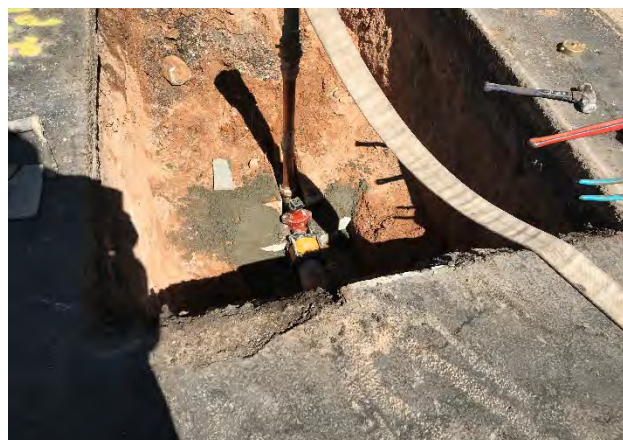
|                                      |           |          |  |  |  |  |
|--------------------------------------|-----------|----------|--|--|--|--|
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>-</b> |  |  |  |  |
|--------------------------------------|-----------|----------|--|--|--|--|

# CIP – Project Descriptions

**PROJECT TITLE:** Countryside Drain Valve Assembly (DVA) Replacements

**PROJECT DESCRIPTION:** Replace 40 drain valve assemblies (DVAs) in the Countryside service area

**PROJECT JUSTIFICATION:** New DVAs reduce bacteria growth that cause taste and order complaints, help maintain chlorine residual and allow system flushing to improve water quality



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total     |                |
|------------------------------|-----------|----------------|--------------------------|---------------------------|------------------------|-----------|----------------|
| Water Utility Revenues       | \$        | 210,000        |                          | \$                        | 210,000                | \$        | 210,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>210,000</b> |                          | <b>Total Capital Cost</b> | <b>\$ -</b>            | <b>\$</b> | <b>210,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance Savings                  | \$        | (500)        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |

**PROJECT TITLE:** Well Rehabilitation, D1 and CS1

**PROJECT DESCRIPTION:** Replace pump, motor and accessories Well D1 and CS1

**PROJECT JUSTIFICATION:** Well D1 and CS1 require pump and motor replacement; both well pumps have lost efficiency and produce less water; equipment has been in service for over ten years and is past its useful life



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total     |                |
|------------------------------|-----------|----------------|--------------------------|---------------------------|------------------------|-----------|----------------|
| Excise Tax Bonds             | \$        | 150,000        |                          | \$                        | 150,000                | \$        | 150,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>150,000</b> |                          | <b>Total Capital Cost</b> | <b>\$ -</b>            | <b>\$</b> | <b>150,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |                |
|--------------------------------------|-----------|----------------|
| Electricity Savings                  | \$        | (1,000)        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(1,000)</b> |



# CIP – Project Descriptions

**PROJECT TITLE:** Main Valve Replacements

**PROJECT DESCRIPTION:** Identify and replace non-working isolation valves throughout water system

**PROJECT JUSTIFICATION:** Supports goals and strategies outlined in the Town's General Plan and Strategic Leadership Plan



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total       |                  |
|------------------------------|-----------|---------------|---------------------------|----------------|------------------------|-------------|------------------|
| Excise Tax Bonds             | \$        | 50,000        |                           | \$ 50,000      |                        | \$ 50,000   |                  |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>50,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>    | <b>\$ 50,000</b>       | <b>\$ -</b> | <b>\$ 50,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance Savings                  | \$        | (500)        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |

**PROJECT TITLE:** La Cholla Boulevard Main Relocation – Lambert to Tangerine

**PROJECT DESCRIPTION:** Relocate existing potable mains on La Cholla Boulevard from Lambert Lane to Tangerine Road; add water main extension across La Cholla for future growth and loop existing "D" zone mains to improve system reliability

**PROJECT JUSTIFICATION:** Work is being completed in coordination with planned La Cholla RTA roadway project



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020<br>Expenditures  | 2020<br>Budget    | Future<br>Expenditures | Total       |                     |
|------------------------------|-----------|------------------|---------------------------|-------------------|------------------------|-------------|---------------------|
| Water Utility Revenues       | \$        | 176,615          | \$ 176,615                |                   |                        | \$ 176,615  |                     |
| Excise Tax Bonds             |           | 1,080,000        | 600,000                   | 480,000           |                        | 1,080,000   |                     |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>1,256,615</b> | <b>Total Capital Cost</b> | <b>\$ 776,615</b> | <b>\$ 480,000</b>      | <b>\$ -</b> | <b>\$ 1,256,615</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Maintenance Savings                  | \$        | (500)        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |

# CIP – Project Descriptions

**PROJECT TITLE:** El Con Booster Rehabilitation

**PROJECT DESCRIPTION:** Design and replace booster pumps at existing facility

**PROJECT JUSTIFICATION:** Due to growth in the area, there is a need to convert to level control; existing pumps are not designed to operate efficiently



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               | Pre 2020<br>Expenditures  | 2020<br>Budget        | Future<br>Expenditures | Total            |
|------------------------------|-----------|---------------|---------------------------|-----------------------|------------------------|------------------|
| Excise Tax Bonds             | \$        | 50,000        |                           | \$ 50,000             |                        | \$ 50,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>50,000</b> | <b>Total Capital Cost</b> | <b>\$ - \$ 50,000</b> | <b>\$ -</b>            | <b>\$ 50,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |  |  |  |  |
|--------------------------------------|-----------|--------------|--|--|--|--|
| Electricity Savings                  | \$        | (500)        |  |  |  |  |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |  |  |  |  |

**PROJECT TITLE:** Wall Upgrades and Improvements

**PROJECT DESCRIPTION:** Repair, seal and recoat security wall at the reclaim production facility; seal and recoat stucco walls at the reclaim facility

**PROJECT JUSTIFICATION:** Prevent further damage to walls; water is penetrating beneath the stucco coating, causing spalling damage; grout between the upper security grating and wall is cracking



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget         | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|---------------------------|------------------------|------------------------|-------------------|
| Water Utility Revenues       | \$        | 100,000        |                           | \$ 100,000             |                        | \$ 100,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>100,000</b> | <b>Total Capital Cost</b> | <b>\$ - \$ 100,000</b> | <b>\$ -</b>            | <b>\$ 100,000</b> |

**Post Project Annual Operating Impact**

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| Anticipated savings in stucco repair costs |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

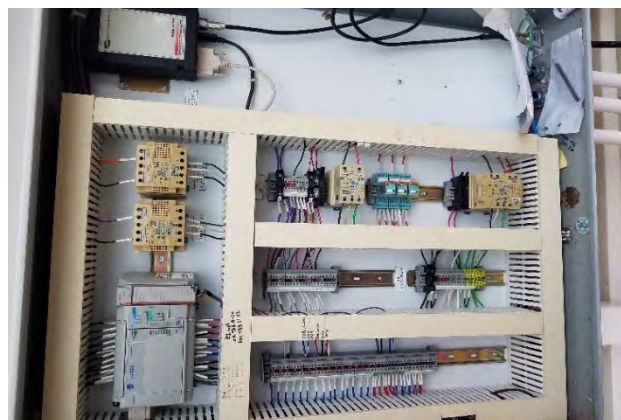


# CIP – Project Descriptions

**PROJECT TITLE:** SCADA Legacy Replacement

**PROJECT DESCRIPTION:** Replace aging communication radios at all booster pump and well locations

**PROJECT JUSTIFICATION:** Existing radios have been in service for over ten years; replacement parts no longer available; software updates not supported by manufacturer



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total             |
|------------------------------|-----------|----------------|---------------------------|-------------|---------------------|-------------------|
| Water Utility Revenues       | \$        | 100,000        |                           | \$ 100,000  |                     | \$ 100,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>100,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 100,000</b>   | <b>\$ -</b>       |
|                              |           |                |                           |             |                     | <b>\$ 100,000</b> |

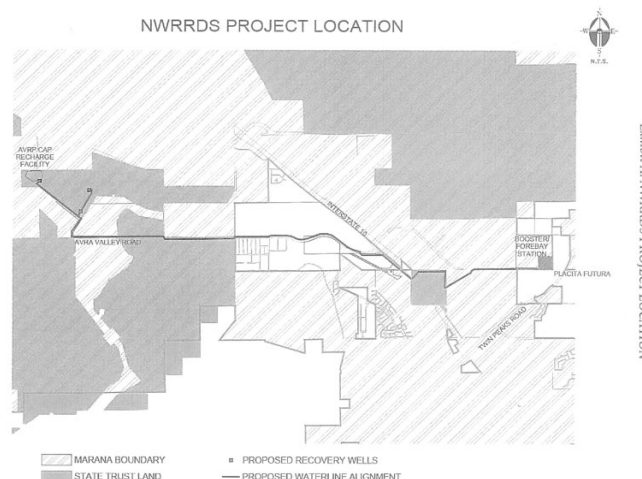
**Post Project Annual Operating Impact**

|                                      |           |          |
|--------------------------------------|-----------|----------|
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>-</b> |
|--------------------------------------|-----------|----------|

**PROJECT TITLE:** Program Management Support Services (Northwest Recharge, Recovery and Delivery System)

**PROJECT DESCRIPTION:** Professional consulting firm to provide program support services for design and construction of the Northwest Recharge, Recovery and Delivery System (NWRRDS)

**PROJECT JUSTIFICATION:** Consultant will serve in the capacity of a program manager, advising on construction methods, preparing preliminary design, procurement of the project engineers and contractors, overseeing contracts, permitting and construction oversight



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                               |           |                  | Pre 2020 Expenditures     | 2020 Budget       | Future Expenditures | Total               |
|-------------------------------|-----------|------------------|---------------------------|-------------------|---------------------|---------------------|
| Alternative Water Impact Fees | \$        | 1,050,000        | \$ 240,000                | \$ 66,000         | \$ 744,000          | \$ 1,050,000        |
| CAWCD Funds                   |           | 160,000          | 160,000                   |                   |                     | 160,000             |
| Groundwater Preservation Fees |           | 540,000          |                           | 44,000            | 496,000             | 540,000             |
| <b>Total Funding Sources</b>  | <b>\$</b> | <b>1,750,000</b> | <b>Total Capital Cost</b> | <b>\$ 400,000</b> | <b>\$ 1,240,000</b> | <b>\$ 1,750,000</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure

# CIP – Project Descriptions

**PROJECT TITLE:** Pipeline Design

**PROJECT DESCRIPTION:** Design water transmission main from Lambert Lane and Twin Peaks Road to King Aire Drive and La Cañada reservoir

**PROJECT JUSTIFICATION:** Project will allow the Water Utility to import CAP water allotment from the lower Santa Cruz basin into the Town's distribution area, as well as reduce the groundwater pumping and allow for groundwater recharge and rebounding within the Town's well field



PIPELINE ALIGNMENT 1  
FIGURE 2  
TOWN OF ORO VALLEY  
2017 CAP WATER PLANNING, DELIVERY, AND DISTRIBUTION OPTIONS STUDY

**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                               |           |                  | Pre 2020 Expenditures | 2020 Budget               | Future Expenditures | Total               |
|-------------------------------|-----------|------------------|-----------------------|---------------------------|---------------------|---------------------|
| Alternative Water Impact Fees | \$        | 840,000          |                       | \$ 840,000                |                     | \$ 840,000          |
| CAWCD Funds                   |           | 560,000          |                       | 560,000                   |                     | 560,000             |
| <b>Total Funding Sources</b>  | <b>\$</b> | <b>1,400,000</b> |                       | <b>Total Capital Cost</b> | <b>\$ -</b>         | <b>\$ 1,400,000</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure

**PROJECT TITLE:** Steam Pump C-Zone Well Drill and Construct

**PROJECT DESCRIPTION:** Drill and construct a new well at the Steam Pump location with a projected capacity of 800 gallons per minute

**PROJECT JUSTIFICATION:** Addresses growth along Oracle Road; redundant backup supply for future growth



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020 Expenditures     | 2020 Budget       | Future Expenditures | Total       |
|------------------------------|-----------|------------------|---------------------------|-------------------|---------------------|-------------|
| Water Utility Revenues       | \$        | 8,822            | \$ 8,822                  |                   |                     | \$ 8,822    |
| Potable Water Impact Fees    |           | 1,454,858        | 654,858                   | 800,000           |                     | 1,454,858   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>1,463,680</b> | <b>Total Capital Cost</b> | <b>\$ 663,680</b> | <b>\$ 800,000</b>   | <b>\$ -</b> |

**Post Project Annual Operating Impact**

|   |                 |
|---|-----------------|
| Electricity and chlorine disinfection costs | \$ 5,000        |
| <b>Total Annual Operating Impact</b>        | <b>\$ 5,000</b> |

# CIP – Project Descriptions

**PROJECT TITLE:** Booster Rehabilitation, Rancho Del Oro and Woodshade

**PROJECT DESCRIPTION:** Design Rancho Del Oro and Woodshade booster station to accommodate future CAP Water delivery from NWRDRS La Cañada reservoir; new pumps, controls security wall SCADA and telemetry

**PROJECT JUSTIFICATION:** Increased water demands north of Tangerine Road and planned higher volumes of CAP water require both booster stations to be redesigned



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total     |                |
|------------------------------|-----------|----------------|---------------------------|----------------|------------------------|-----------|----------------|
| Excise Tax Bonds             | \$        | 150,000        |                           | \$             | 150,000                | \$        | 150,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>150,000</b> |                           | <b>\$</b>      | <b>150,000</b>         | <b>\$</b> | <b>150,000</b> |
|                              |           |                | <b>Total Capital Cost</b> | <b>\$</b>      | <b>-</b>               | <b>\$</b> | <b>150,000</b> |

**Post Project Annual Operating Impact**

|                                      |           |              |
|--------------------------------------|-----------|--------------|
| Electricity Savings                  | \$        | (500)        |
| <b>Total Annual Operating Impact</b> | <b>\$</b> | <b>(500)</b> |

**PROJECT TITLE:** Naranja Reservoir Relining

**PROJECT DESCRIPTION:** Drain the 500,000 gallon reservoir, sandblast the interior, repair corrosion damage and apply a new NSF-approved epoxy lining

**PROJECT JUSTIFICATION:** Existing lining has reached the end of its useful service life; corrosion is beginning to occur on the reservoir structural members



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget | Future<br>Expenditures | Total     |                |
|------------------------------|-----------|----------------|---------------------------|----------------|------------------------|-----------|----------------|
| Water Utility Revenues       | \$        | 120,000        |                           | \$             | 120,000                | \$        | 120,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>120,000</b> |                           | <b>\$</b>      | <b>120,000</b>         | <b>\$</b> | <b>120,000</b> |
|                              |           |                | <b>Total Capital Cost</b> | <b>\$</b>      | <b>-</b>               | <b>\$</b> | <b>120,000</b> |

**Post Project Annual Operating Impact**

Project will extend the facility's service life

# CIP – Project Descriptions

**PROJECT TITLE:** Electric Sub-Metering Wells/Boosters

**PROJECT DESCRIPTION:** Design service and installation of electric sub metering devices to communicate with SCADA system



**PROJECT JUSTIFICATION:** There are three water production facilities (Naranja, Lambert and Big Wash) where one TEP meter records usage, and cannot track separately for each pump, well or pressure zone; this information is needed for efficiency analysis

**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |               |                           | Pre 2020<br>Expenditures | 2020<br>Budget   | Future<br>Expenditures | Total            |
|------------------------------|-----------|---------------|---------------------------|--------------------------|------------------|------------------------|------------------|
| Water Utility Revenues       | \$        | 75,000        |                           | \$                       | 75,000           | \$                     | 75,000           |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>75,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>              | <b>\$ 75,000</b> | <b>\$ -</b>            | <b>\$ 75,000</b> |

**Post Project Annual Operating Impact**

|                                      |             |
|--------------------------------------|-------------|
| <b>Total Annual Operating Impact</b> | <b>\$ -</b> |
|--------------------------------------|-------------|

**PROJECT TITLE:** Well Improvement Analysis and Recovery Permits

**PROJECT DESCRIPTION:** Professional support services agreement via an engineering consultant to evaluate and recommend final transmission main and well collector pipeline alignment, potential impacts during construction, evaluation of SCADA refine anticipated design, mapping of existing easements and remaining real property

**PROJECT JUSTIFICATION:** Professional engineering firm will evaluate the recommended alignments, SCADA configuration, design and easements that current staffing of partners cannot absorb through existing partnered representatives

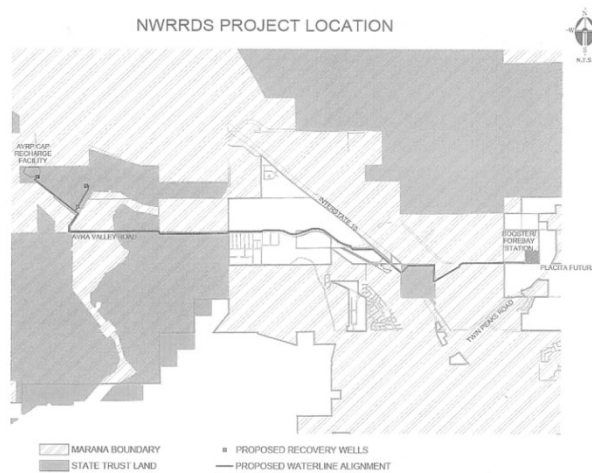


Exhibit A: NWRD'S PROJECT LOCATION

**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                |                           | Pre 2020<br>Expenditures | 2020<br>Budget    | Future<br>Expenditures | Total             |
|--------------------------------|-----------|----------------|---------------------------|--------------------------|-------------------|------------------------|-------------------|
| Groundwater Preservation Fees  | \$        | 40,000         |                           | \$                       | 40,000            | \$                     | 40,000            |
| Alt Water Rscs Dev Impact Fees |           | 60,000         |                           |                          | 60,000            |                        | 60,000            |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>100,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>              | <b>\$ 100,000</b> | <b>\$ -</b>            | <b>\$ 100,000</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure



# CIP – Project Descriptions

**PROJECT TITLE:** Pipeline Design (Recovered Water & Transmission)

**PROJECT DESCRIPTION:** Provide design services to extract and deliver water from lower Santa Cruz basin into the partnered reservoir, allowing partners to pump based on allocation into individual water systems for distribution and blending with groundwater

**PROJECT JUSTIFICATION:** Design well extraction system to meet partners' extraction demand as well as allotted water delivery via transmission main to meet demands of partner agreement

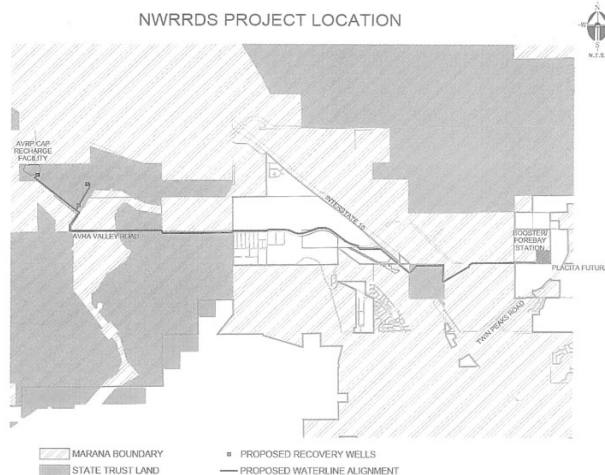


Exhibit A: NWRDS PROJECT LOCATION

**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                  | Pre 2020<br>Expenditures  | 2020<br>Budget           | Future<br>Expenditures | Total               |
|--------------------------------|-----------|------------------|---------------------------|--------------------------|------------------------|---------------------|
| Alt Water Rscs Dev Impact Fees | \$        | 660,692          |                           | \$ 660,692               |                        | \$ 660,692          |
| Groundwater Preservation Fees  |           | 316,462          |                           | 316,462                  |                        | 316,462             |
| CAWCD Funds                    |           | 124,000          |                           | 124,000                  |                        | 124,000             |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>1,101,154</b> | <b>Total Capital Cost</b> | <b>\$ - \$ 1,101,154</b> | <b>\$ -</b>            | <b>\$ 1,101,154</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure

**PROJECT TITLE:** NWRDS Forebay Design

**PROJECT DESCRIPTION:** Provide design services for a storage reservoir prior to partners extracting and delivery into individual water system service areas

**PROJECT JUSTIFICATION:** Design forebay (reservoir) with sufficient capacity to store water prior to pumping and delivery into individual service areas; forebay and related components will be shared by the project partners; however, each entity will construct and maintain individual boosters

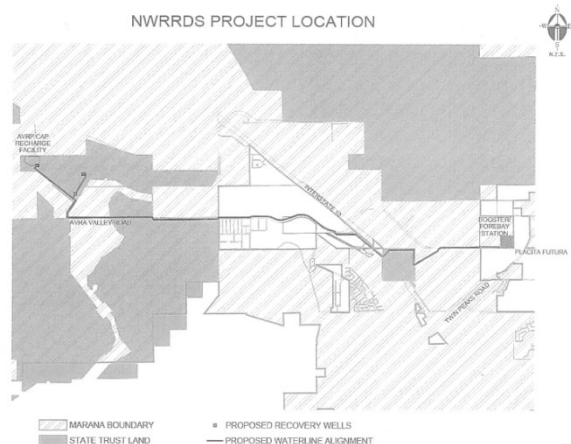


Exhibit A: NWRDS PROJECT LOCATION

**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                | Pre 2020<br>Expenditures  | 2020<br>Budget         | Future<br>Expenditures | Total             |
|--------------------------------|-----------|----------------|---------------------------|------------------------|------------------------|-------------------|
| Alt Water Rscs Dev Impact Fees | \$        | 99,231         |                           | \$ 99,231              |                        | \$ 99,231         |
| Groundwater Preservation Fees  |           | 66,154         |                           | 66,154                 |                        | 66,154            |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>165,385</b> | <b>Total Capital Cost</b> | <b>\$ - \$ 165,385</b> | <b>\$ -</b>            | <b>\$ 165,385</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure

# CIP – Project Descriptions

**PROJECT TITLE:** Shannon Road Forebay Reservoir and Booster Property Acquisition

**PROJECT DESCRIPTION:** Acquire property for siting intermediate forebay and booster to boost water from partnered NWRRDS to the La Cañada reservoir; property is essential to the delivery of water into the Town's system

**PROJECT JUSTIFICATION:** Property will allow the Water Utility to import CAP water allotment from the lower Santa Cruz basin into the Town's distribution area, as well as reduce the groundwater pumping and allow for groundwater recharge and rebounding within the Town's well field



PIPELINE ALIGNMENT 1

FIGURE 2

TOWN OF ORO VALLEY  
2017 CAP WATER PLANNING, DELIVERY, AND DISTRIBUTION OPTIMIZATION STUDY



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                | Pre 2020 Expenditures | 2020 Budget       | Future Expenditures | Total             |
|--------------------------------|-----------|----------------|-----------------------|-------------------|---------------------|-------------------|
| Alt Water Rscs Dev Impact Fees | \$        | 120,000        |                       | \$ 120,000        |                     | \$ 120,000        |
| Groundwater Preservation Fees  |           | 80,000         |                       | 80,000            |                     | 80,000            |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>200,000</b> |                       | <b>\$ 200,000</b> | <b>\$ -</b>         | <b>\$ 200,000</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure

**PROJECT TITLE:** Pipeline Easement Acquisition

**PROJECT DESCRIPTION:** Acquire property outside of public right-of-way and conflict areas for the purpose of siting water transmission main

**PROJECT JUSTIFICATION:** Allows the Water Utility to locate water transmission mains outside of present and future conflict areas and establish prior rights outside of public right-of-way, avoiding relocation based on future roadway expansions



PIPELINE ALIGNMENT 1

FIGURE 2

TOWN OF ORO VALLEY  
2017 CAP WATER PLANNING, DELIVERY, AND DISTRIBUTION OPTIMIZATION STUDY



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                | Pre 2020 Expenditures | 2020 Budget       | Future Expenditures | Total             |
|--------------------------------|-----------|----------------|-----------------------|-------------------|---------------------|-------------------|
| Alt Water Rscs Dev Impact Fees | \$        | 450,000        |                       | \$ 450,000        |                     | \$ 450,000        |
| Groundwater Preservation Fees  |           | 300,000        |                       | 300,000           |                     | 300,000           |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>750,000</b> |                       | <b>\$ 750,000</b> | <b>\$ -</b>         | <b>\$ 750,000</b> |

**Post Project Annual Operating Impact**

Avoidance of future relocation costs and conflicts with roadway projects and utilities

# CIP – Project Descriptions

**PROJECT TITLE:** NWRDSS Forebay Reservoir Booster Station Design

**PROJECT DESCRIPTION:** Design pumps, booster, forebay reservoir and associated piping to boost water from the lower Santa Cruz basin (Water Utility storage facility) to the La Cañada reservoir at King Aire Drive and Moore Road

**PROJECT JUSTIFICATION:** Reduces reliance on groundwater, ensuring reliable water resources well into the future by utilizing banked CAP allotment



PIPELINE ALIGNMENT 1

FIGURE 2

TOWN OF ORO VALLEY  
2017 CAP/WATER PLANNING, QUALITY, AND COST-BENEFIT STUDY

**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                                |           |                | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total             |
|--------------------------------|-----------|----------------|--------------------------|---------------------------|------------------------|-------------------|
| Alt Water Rscs Dev Impact Fees | \$        | 60,000         |                          | \$ 60,000                 |                        | \$ 60,000         |
| Groundwater Preservation Fees  |           | 40,000         |                          | 40,000                    |                        | 40,000            |
| <b>Total Funding Sources</b>   | <b>\$</b> | <b>100,000</b> |                          | <b>Total Capital Cost</b> | <b>\$ -</b>            | <b>\$ 100,000</b> |

**Post Project Annual Operating Impact**

Ongoing operating costs expected to increase with additional infrastructure

**PROJECT TITLE:** 4X4 Skip Loader With Gannon

**PROJECT DESCRIPTION:** Replace current 2005 equipment to ensure drainage and wash maintenance

**PROJECT JUSTIFICATION:** This project supports both the community goal of maintaining the Town's infrastructure and assets in addition to managing our Stormwater quality



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020<br>Expenditures | 2020<br>Budget            | Future<br>Expenditures | Total             |
|------------------------------|-----------|----------------|--------------------------|---------------------------|------------------------|-------------------|
| Stormwater Utility Revenues  | \$        | 100,000        |                          | \$ 100,000                |                        | \$ 100,000        |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>100,000</b> |                          | <b>Total Capital Cost</b> | <b>\$ -</b>            | <b>\$ 100,000</b> |

**Post Project Annual Operating Impact**

**Total Annual Operating Impact** \$ -



# CIP – Project Descriptions

**PROJECT TITLE:** Catalina Ridge - Mitigation Grant Channel Repair

**PROJECT DESCRIPTION:** Mitigate channel deficiencies if federal grant is approved to repair failed channel (project contingent on grant award)

**PROJECT JUSTIFICATION:** Grant-contingent project to repair a drainage channel that is damaged and in disrepair, and could potentially result in private property damage



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                  | Pre 2020 Expenditures     | 2020 Budget  | Future Expenditures | Total        |                     |
|------------------------------|-----------|------------------|---------------------------|--------------|---------------------|--------------|---------------------|
| AZDEMA Grant                 | \$        | 2,100,000        |                           | \$ 2,100,000 |                     | \$ 2,100,000 |                     |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>2,100,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b>  | <b>\$ 2,100,000</b> | <b>\$ -</b>  | <b>\$ 2,100,000</b> |

**Post Project Annual Operating Impact**

Avoidance of potential costly liability claims for private property damage

**PROJECT TITLE:** West Lambert Lane Drainage Crossing Repair, Rehabilitation and Reconstruction

**PROJECT DESCRIPTION:** Repair, rehabilitate and reconstruct the downstream terminus of existing wash crossing (dip) on West Lambert Lane near North Cross Road

**PROJECT JUSTIFICATION:** Project will reconstruct the apron and add a ten-foot vertical cut off wall with armored plunge basin to mitigate local scour



**SOURCES OF FUNDING:**

**CAPITAL COST:**

|                              |           |                | Pre 2020 Expenditures     | 2020 Budget | Future Expenditures | Total       |                   |
|------------------------------|-----------|----------------|---------------------------|-------------|---------------------|-------------|-------------------|
| Stormwater Utility Revenues  | \$        | 242,000        |                           | \$ 242,000  |                     | \$ 242,000  |                   |
| <b>Total Funding Sources</b> | <b>\$</b> | <b>242,000</b> | <b>Total Capital Cost</b> | <b>\$ -</b> | <b>\$ 242,000</b>   | <b>\$ -</b> | <b>\$ 242,000</b> |

**Post Project Annual Operating Impact**

**Total Annual Operating Impact** \$ -





## APPENDIX

Resolution Adoption  
Auditor General Statements  
Glossary



**RESOLUTION NO. (R)19-25**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, APPROVING THE ADOPTION OF THE BUDGET OF THE TOWN OF ORO VALLEY FOR THE FISCAL YEAR 2019-2020; AND DIRECTING THE TOWN MANAGER, TOWN CLERK, TOWN LEGAL SERVICES DIRECTOR, OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION**

**WHEREAS**, on May 15, 2019, in accordance with Arizona Revised Statutes §§ 42-17101 and 42-17102, the Town authorized an estimate of the different amounts required to meet the public expenditures for the ensuing year, an estimate of revenues from sources other than direct taxation and the amount to be raised by taxation upon real and personal property of the Town of Oro Valley; and

**WHEREAS**, after notice of a public hearing in accordance with Arizona Revised Statutes §§ 42-17103, 42-17104 and 42-17105, the Council met on June 5, 2019, at which time any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures or tax levies before the Council adopted the estimates of the proposed expenditures, constituting the budget of the Town of Oro Valley for the Fiscal Year 2019-2020; and

**WHEREAS**, the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed the primary property tax levy limits as calculated in accordance with Arizona Revised Statutes § 42-17051(A); and

**WHEREAS**, it is in the best interest of the Town of Oro Valley to approve the estimates and expenditures/expenses shown on the accompanying schedules for the Fiscal Year 2019-2020.

**NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, Arizona, that:**

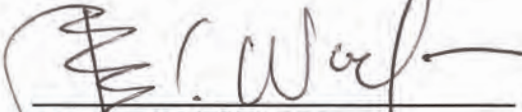
**SECTION 1.** The said estimates of revenues and expenditures/expenses shown on the accompanying schedules, as now increased, reduced or changed, are hereby adopted and approved as the budget of the Town of Oro Valley for the Fiscal Year 2019-2020 in the amount of \$111,019,716.

**SECTION 2.** That the Mayor and Council of the Town of Oro Valley are hereby authorized to take such steps as are necessary to execute and implement the budget for the Fiscal Year 2019-2020.


**SECTION 3.** The Town Manager, Town Clerk, Town Legal Services Director, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this resolution.

**PASSED AND ADOPTED** by the Mayor and Town Council of the Town of Oro Valley, Arizona, this 5th day of June 2019.

**TOWN OF ORO VALLEY, ARIZONA**


  
\_\_\_\_\_  
Joseph C. Winfield, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Michael Standish, Town Clerk

Date: 6/10/19

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Tobin Sidles, Legal Services Director

Date: 6/6/19

**OFFICIAL BUDGET FORMS**

**Town of Oro Valley**

**Fiscal Year 2020**

**Town of Oro Valley  
Summary Schedule of Estimated Revenues and Expenditures/Expenses  
Fiscal Year 2020**

| 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 |             |
| 2019        | Adopted/Adjusted Budgeted Expenditures/Expenses* | E 1          | 49,243,357           | 11,862,350        | 1,315,664             | 43,558,600     | 0                          | 32,519,367             | 4,406,893       | 142,906,231 |
| 2019        | Actual Expenditures/Expenses**                   | E 2          | 35,913,536           | 10,544,192        | 1,215,984             | 14,078,020     | 0                          | 20,176,965             | 3,830,454       | 85,759,151  |
| 2020        | Fund Balance/Net Position at July 1***           |              | 15,369,503           | 723,838           | 96,062                | 22,193,116     |                            | 9,941,184              | 736,508         | 49,060,211  |
| 2020        | Primary Property Tax Levy                        | B 4          | 0                    |                   |                       |                |                            |                        |                 | 0           |
| 2020        | Secondary Property Tax Levy                      | B 5          |                      |                   |                       |                |                            |                        |                 | 0           |
| 2020        | Estimated Revenues Other than Property Taxes     | C 6          | 39,236,221           | 10,859,512        | 325,421               | 14,110,563     | 0                          | 20,562,700             | 4,014,972       | 89,109,389  |
| 2020        | Other Financing Sources                          | D 7          | 0                    | 0                 | 0                     | 3,000,000      | 0                          | 2,305,000              | 0               | 5,305,000   |
| 2020        | Other Financing (Uses)                           | D 8          | 0                    | 0                 | 0                     | 0              | 0                          | 0                      | 0               | 0           |
| 2020        | Interfund Transfers In                           | D 9          | 120,000              | 0                 | 1,046,718             | 1,100,000      | 0                          | 0                      | 0               | 2,266,718   |
| 2020        | Interfund Transfers (Out)                        | D 10         | 1,895,436            | 268,810           | 0                     | 100,000        | 0                          | 2,472                  | 0               | 2,266,718   |
| 2020        | Reduction for Amounts Not Available:             |              |                      |                   |                       |                |                            |                        |                 |             |
| LESS:       | Amounts for Future Debt Retirement:              |              |                      |                   |                       |                |                            |                        |                 | 0           |
|             | Future Capital Projects                          |              |                      |                   |                       | 14,327,262     |                            | 5,947,930              |                 | 20,275,192  |
|             | Maintained Fund Balance for Financial Stability  |              | 11,943,184           |                   |                       |                |                            |                        | 236,508         | 12,179,692  |
|             |  |              |                      |                   |                       |                |                            |                        |                 | 0           |
|             |  |              |                      |                   |                       |                |                            |                        |                 | 0           |
| 2020        | Total Financial Resources Available              |              | 40,887,104           | 11,314,540        | 1,468,201             | 25,976,417     | 0                          | 26,858,482             | 4,514,972       | 111,019,716 |
| 2020        | Budgeted Expenditures/Expenses                   | E 13         | 40,887,104           | 11,314,540        | 1,468,201             | 25,976,417     | 0                          | 26,858,482             | 4,514,972       | 111,019,716 |

**EXPENDITURE LIMITATION COMPARISON**

- 1 Budgeted expenditures/expenses
- 2 Add/subtract: estimated net reconciling items
- 3 Budgeted expenditures/expenses adjusted for reconciling items
- 4 Less: estimated exclusions
- 5 Amount subject to the expenditure limitation
- 6 EEC expenditure limitation

|   | 2019           | 2020           |
|---|----------------|----------------|
| 1 | \$ 142,906,231 | \$ 111,019,716 |
| 2 |                |                |
| 3 | 142,906,231    | 111,019,716    |
| 4 |                |                |
| 5 | \$ 142,906,231 | \$ 111,019,716 |
| 6 | \$ 142,906,231 | \$ 111,019,716 |

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

\* Includes Expenditure/Expense Adjustments Approved in 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).

**Town of Oro Valley  
Revenues Other Than Property Taxes  
Fiscal Year 2020**

| SOURCE OF REVENUES             | ESTIMATED<br>REVENUES<br>2019 | ACTUAL<br>REVENUES*<br>2019 | ESTIMATED<br>REVENUES<br>2020 |
|--------------------------------|-------------------------------|-----------------------------|-------------------------------|
| <b>GENERAL FUND</b>            |                               |                             |                               |
| <b>Local taxes</b>             |                               |                             |                               |
| Local Sales Tax                | \$ 18,752,418                 | \$ 19,081,797               | \$ 18,686,206                 |
| Cable Franchise Tax            | 685,000                       | 620,000                     | 625,000                       |
| <b>Licenses and permits</b>    |                               |                             |                               |
| Licenses                       | 204,000                       | 204,300                     | 206,300                       |
| Permits                        | 1,797,596                     | 1,753,734                   | 1,624,818                     |
| Fees                           | 134,500                       | 178,062                     | 153,000                       |
| <b>Intergovernmental</b>       |                               |                             |                               |
| State/County Shared            | 11,708,575                    | 11,708,575                  | 12,530,715                    |
| State Grants                   | 118,800                       | 75,000                      | 75,000                        |
| Federal Grants                 | 596,162                       | 409,607                     | 549,543                       |
| Reimbursements                 | 1,715,900                     | 1,311,639                   | 1,585,000                     |
| Other                          | 90,000                        | 90,000                      | 90,000                        |
| <b>Charges for services</b>    |                               |                             |                               |
| Reimbursements                 | 135,000                       | 173,400                     | 152,400                       |
| Fees                           | 1,259,945                     | 1,317,567                   | 1,369,700                     |
| Other                          | 1,013,917                     | 1,013,958                   | 1,030,539                     |
| <b>Fines and forfeits</b>      |                               |                             |                               |
| Fines                          | 120,000                       | 120,000                     | 120,000                       |
| <b>Interest on investments</b> |                               |                             |                               |
| Interest Income                | 150,000                       | 150,000                     | 150,000                       |
| <b>Miscellaneous</b>           |                               |                             |                               |
| Miscellaneous                  | 306,750                       | 316,600                     | 288,000                       |
| <b>Total General Fund</b>      | <b>\$ 38,788,563</b>          | <b>\$ 38,524,239</b>        | <b>\$ 39,236,221</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.

**Town of Oro Valley  
Revenues Other Than Property Taxes  
Fiscal Year 2020**

| SOURCE OF REVENUES                      | ESTIMATED<br>REVENUES<br>2019 | ACTUAL<br>REVENUES*<br>2019 | ESTIMATED<br>REVENUES<br>2020 |
|---|-------------------------------|-----------------------------|-------------------------------|
| <b>SPECIAL REVENUE FUNDS</b>            |                               |                             |                               |
| <b>Highway User Revenue Fund</b>        |                               |                             |                               |
| Highway User Fuel Tax                   | \$ 3,291,659                  | \$ 3,620,156                | \$ 3,604,407                  |
| Permits                                 | 48,700                        | 30,500                      |                               |
| Interest Income                         | 50,000                        | 50,000                      |                               |
| State Grants                            | 165,000                       | 126,767                     | 180,000                       |
| Other                                   | 3,000                         | 1,894                       | 1,500                         |
|   | <u>\$ 3,558,359</u>           | <u>\$ 3,829,317</u>         | <u>\$ 3,785,907</u>           |
| <b>Seizures &amp; Forfeitures</b>       |                               |                             |                               |
| Seizures & Forfeitures                  | \$ 325,000                    | \$ 75,730                   | \$ 325,000                    |
| Interest Income                         |                               | 7,000                       |                               |
|   | <u>\$ 325,000</u>             | <u>\$ 82,730</u>            | <u>\$ 325,000</u>             |
| <b>Community Center Fund</b>            |                               |                             |                               |
| Local Sales Tax                         | \$ 2,384,558                  | \$ 2,431,038                | \$ 2,478,552                  |
| Charges for Services                    | 4,253,088                     | 4,068,121                   | 4,250,551                     |
| Other                                   | 19,502                        | 19,377                      | 19,502                        |
|   | <u>\$ 6,657,148</u>           | <u>\$ 6,518,536</u>         | <u>\$ 6,748,605</u>           |
| <b>Total Special Revenue Funds</b>      | <u>\$ 10,540,507</u>          | <u>\$ 10,430,583</u>        | <u>\$ 10,859,512</u>          |
| <b>DEBT SERVICE FUNDS</b>               |                               |                             |                               |
| <b>Municipal Debt Service Fund</b>      |                               |                             |                               |
| Federal Grants                          | \$ 47,578                     | \$ 47,578                   | \$ 43,509                     |
| Interest Income                         |                               | 8,000                       | 5,000                         |
| Miscellaneous                           | 100,000                       | 100,000                     | 100,000                       |
|   | <u>\$ 147,578</u>             | <u>\$ 155,578</u>           | <u>\$ 148,509</u>             |
| <b>Oracle Road Improvement District</b> |                               |                             |                               |
| Special Assessments                     | \$ 184,428                    | \$ 176,076                  | \$ 176,912                    |
|   | <u>\$ 184,428</u>             | <u>\$ 176,076</u>           | <u>\$ 176,912</u>             |
| <b>Total Debt Service Funds</b>         | <u>\$ 332,006</u>             | <u>\$ 331,654</u>           | <u>\$ 325,421</u>             |

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.



**Town of Oro Valley  
Revenues Other Than Property Taxes  
Fiscal Year 2020**

| SOURCE OF REVENUES   | ESTIMATED<br>REVENUES<br>2019 | ACTUAL<br>REVENUES*<br>2019 | ESTIMATED<br>REVENUES<br>2020 |
|--|-------------------------------|-----------------------------|-------------------------------|
| <b>CAPITAL PROJECTS FUNDS</b>                                  |                               |                             |                               |
| <b>Alternative Water Resources Development Impact Fee Fund</b> |                               |                             |                               |
| Development Impact Fees  | \$ 1,476,597                  | \$ 1,497,625                | \$ 1,276,190                  |
| Interest Income  | 34,485                        | 34,485                      | 40,000                        |
|  | \$ 1,511,082                  | \$ 1,532,110                | \$ 1,316,190                  |
| <b>Potable Water System Development Impact Fee Fund</b>        |                               |                             |                               |
| Development Impact Fees  | \$ 735,557                    | \$ 709,669                  | \$ 635,728                    |
| Interest Income  | 37,238                        | 31,726                      | 36,800                        |
|  | \$ 772,795                    | \$ 741,395                  | \$ 672,528                    |
| <b>Townwide Roadway Development Impact Fee Fund</b>            |                               |                             |                               |
| Development Impact Fees  | \$ 510,964                    | \$ 413,044                  | \$ 541,430                    |
| Interest Income  | 10,000                        | 50,000                      | 30,000                        |
| State Grants   | 250,000                       | 250,000                     |                               |
|  | \$ 770,964                    | \$ 713,044                  | \$ 571,430                    |
| <b>Parks and Recreation Impact Fee Fund</b>                    |                               |                             |                               |
| Development Impact Fees  | \$ 261,936                    | \$ 269,403                  | \$ 244,816                    |
| Interest Income  | 2,000                         | 500                         |                               |
|  | \$ 263,936                    | \$ 269,903                  | \$ 244,816                    |
| <b>Police Impact Fee Fund</b>                                  |                               |                             |                               |
| Development Impact Fees  | \$ 111,678                    | \$ 103,093                  | \$ 111,074                    |
| Interest Income  |                               | 1,000                       |                               |
|  | \$ 111,678                    | \$ 104,093                  | \$ 111,074                    |
| <b>General Government Impact Fee Fund</b>                      |                               |                             |                               |
| Interest Income  | \$                            | \$ 25                       | \$                            |
|  | \$                            | \$ 25                       | \$                            |
| <b>Capital Fund</b>  |                               |                             |                               |
| Miscellaneous  | \$ 420,400                    | \$ 700,755                  | \$ 536,900                    |
| State Grants   |                               | 100,000                     | 100,000                       |
| Federal Grants   |                               |                             | 229,500                       |
|  | \$ 420,400                    | \$ 800,755                  | \$ 866,400                    |
| <b>PAG/RTA Fund</b>  |                               |                             |                               |
| State Grants   | \$ 11,964,000                 | \$ 5,489,953                | \$ 10,300,000                 |
| Other  | 22,500                        | 28,125                      | 28,125                        |
| Miscellaneous  |                               | 1,387                       |                               |
|  | \$ 11,986,500                 | \$ 5,519,465                | \$ 10,328,125                 |
| <b>Total Capital Projects Funds</b>                            | <b>\$ 15,837,355</b>          | <b>\$ 9,680,790</b>         | <b>\$ 14,110,563</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.



**Town of Oro Valley  
Revenues Other Than Property Taxes  
Fiscal Year 2020**

| SOURCE OF REVENUES                  | ESTIMATED<br>REVENUES<br>2019 | ACTUAL<br>REVENUES*<br>2019 | ESTIMATED<br>REVENUES<br>2020 |
|-------------------------------------|-------------------------------|-----------------------------|-------------------------------|
| <b>ENTERPRISE FUNDS</b>             |                               |                             |                               |
| <b>Water Utility Fund</b>           |                               |                             |                               |
| Water Sales                         | \$ 13,152,900                 | \$ 12,648,100               | \$ 13,714,000                 |
| Charges for Services                | 3,183,500                     | 3,164,900                   | 3,262,700                     |
| Interest Income                     | 62,333                        | 62,333                      | 63,000                        |
|                                     | <u>\$ 16,398,733</u>          | <u>\$ 15,875,333</u>        | <u>\$ 17,039,700</u>          |
| <b>Stormwater Utility Fund</b>      |                               |                             |                               |
| Charges for Services                | \$ 1,407,000                  | \$ 1,409,157                | \$ 1,422,000                  |
| Interest Income                     | 2,000                         | 1,300                       | 1,000                         |
| State Grants                        | 2,000,000                     |                             | 2,100,000                     |
| Miscellaneous                       |                               | 210                         |                               |
|                                     | <u>\$ 3,409,000</u>           | <u>\$ 1,410,667</u>         | <u>\$ 3,523,000</u>           |
| <b>Total Enterprise Funds</b>       | <u>\$ 19,807,733</u>          | <u>\$ 17,286,000</u>        | <u>\$ 20,562,700</u>          |
| <b>INTERNAL SERVICE FUNDS</b>       |                               |                             |                               |
| <b>Benefit Self Insurance Fund</b>  |                               |                             |                               |
| Miscellaneous                       | \$ 3,828,334                  | \$ 3,830,454                | \$ 4,014,972                  |
|                                     | <u>\$ 3,828,334</u>           | <u>\$ 3,830,454</u>         | <u>\$ 4,014,972</u>           |
| <b>Total Internal Service Funds</b> | <u>\$ 3,828,334</u>           | <u>\$ 3,830,454</u>         | <u>\$ 4,014,972</u>           |
| <b>TOTAL ALL FUNDS</b>              | <u>\$ 89,134,498</u>          | <u>\$ 80,083,720</u>        | <u>\$ 89,109,389</u>          |

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Town of Oro Valley**  
**Other Financing Sources/(Uses) and Interfund Transfers**  
**Fiscal Year 2020**

| <b>FUND</b>                         | <b>OTHER FINANCING<br/>2020</b> |               | <b>INTERFUND TRANSFERS<br/>2020</b> |              |
|-------------------------------------|---------------------------------|---------------|-------------------------------------|--------------|
|                                     | <b>SOURCES</b>                  | <b>(USES)</b> | <b>IN</b>                           | <b>(OUT)</b> |
| <b>GENERAL FUND</b>                 |                                 |               |                                     |              |
| Transfer from Community Center Fund | \$                              | \$            | \$ 120,000                          | \$           |
| Transfer to Capital Fund            |                                 |               |                                     | 1,100,000    |
| Transfer to Debt Service Fund       |                                 |               |                                     | 795,436      |
| <b>Total General Fund</b>           | \$                              | \$            | \$ 120,000                          | \$ 1,895,436 |
| <b>SPECIAL REVENUE FUNDS</b>        |                                 |               |                                     |              |
| Community Center Fund               | \$                              | \$            | \$                                  | \$ 268,810   |
| <b>Total Special Revenue Funds</b>  | \$                              | \$            | \$                                  | \$ 268,810   |
| <b>DEBT SERVICE FUNDS</b>           |                                 |               |                                     |              |
| Municipal Debt Service Fund         | \$                              | \$            | \$ 1,046,718                        | \$           |
| <b>Total Debt Service Funds</b>     | \$                              | \$            | \$ 1,046,718                        | \$           |
| <b>CAPITAL PROJECTS FUNDS</b>       |                                 |               |                                     |              |
| Capital Fund                        | \$                              | \$            | \$ 1,100,000                        | \$           |
| Community Center Bond Fund          | 3,000,000                       |               |                                     |              |
| Police Impact Fee Fund              |                                 |               |                                     | 100,000      |
| <b>Total Capital Projects Funds</b> | \$ 3,000,000                    | \$            | \$ 1,100,000                        | \$ 100,000   |
| <b>ENTERPRISE FUNDS</b>             |                                 |               |                                     |              |
| Water Utility Fund                  | \$ 2,305,000                    | \$            | \$                                  | \$ 2,472     |
| <b>Total Enterprise Funds</b>       | \$ 2,305,000                    | \$            | \$                                  | \$ 2,472     |
| <b>TOTAL ALL FUNDS</b>              | \$ 5,305,000                    | \$            | \$ 2,266,718                        | \$ 2,266,718 |

**Town of Oro Valley  
Expenditures/Expenses by Fund  
Fiscal Year 2020**

| FUND/DEPARTMENT                            | ADOPTED<br>BUDGETED<br>EXPENDITURES/<br>EXPENSES<br>2019 | EXPENDITURE/<br>EXPENSE<br>ADJUSTMENTS/<br>APPROVED<br>2019 | ACTUAL<br>EXPENDITURES/<br>EXPENSES*<br>2019 | BUDGETED<br>EXPENDITURES/<br>EXPENSES<br>2020 |
|--|--|---|--|---|
| <b>GENERAL FUND</b>                        |  |   |  |   |
| Administrative Services                    | \$ 4,450,555   | \$  | \$ 4,333,677                                 | \$ 4,648,370                                  |
| Clerk                                      | 444,559  |   | 414,826                                      | 366,336                                       |
| Community and Economic Development         | 2,869,324  |   | 2,743,269                                    | 3,039,421                                     |
| Council                                    | 210,494  |   | 203,910                                      | 206,001                                       |
| General Administration                     | 2,696,700  |   | 2,375,724                                    | 2,590,400                                     |
| Legal                                      | 793,567  |   | 773,423                                      | 874,057                                       |
| Magistrate Court                           | 884,385  |   | 873,266                                      | 923,561                                       |
| Town Manager's Office                      | 1,251,370  |   | 1,247,577                                    | 1,314,145                                     |
| Parks and Recreation                       | 3,606,586  |   | 3,519,644                                    | 3,808,366                                     |
| Police                                     | 16,557,555   |   | 16,064,374                                   | 17,448,615                                    |
| Public Works                               | 3,518,946  |   | 3,363,846                                    | 4,826,507                                     |
| Contingency Reserve                        | 11,959,316   |   |  | 841,325                                       |
| <b>Total General Fund</b>                  | <b>\$ 49,243,357</b>                                     | <b>\$</b>   | <b>\$ 35,913,536</b>                         | <b>\$ 40,887,104</b>                          |
| <b>SPECIAL REVENUE FUNDS</b>               |  |   |  |   |
| Highway User Revenue Fund                  | \$ 4,912,895   | \$  | \$ 4,162,204                                 | \$ 4,213,739                                  |
| Seizures & Forfeitures                     | 604,393  |   | 437,137                                      | 372,883                                       |
| Community Center Fund                      | 6,345,062  |   | 5,944,851                                    | 6,727,918                                     |
| <b>Total Special Revenue Funds</b>         | <b>\$ 11,862,350</b>                                     | <b>\$</b>   | <b>\$ 10,544,192</b>                         | <b>\$ 11,314,540</b>                          |
| <b>DEBT SERVICE FUNDS</b>                  |  |   |  |   |
| Municipal Debt Service Fund                | \$ 1,121,499   | \$  | \$ 1,038,671                                 | \$ 1,282,049                                  |
| Oracle Road Improvement District Fund      | 194,165  |   | 177,313                                      | 186,152                                       |
| <b>Total Debt Service Funds</b>            | <b>\$ 1,315,664</b>                                      | <b>\$</b>   | <b>\$ 1,215,984</b>                          | <b>\$ 1,468,201</b>                           |
| <b>CAPITAL PROJECTS FUNDS</b>              |  |   |  |   |
| Townwide Roadway Dev Impact Fee Fund       | \$ 3,152,090   | \$  | \$ 5,000                                     | \$ 3,010,000                                  |
| Alternative Water Rscs Dev Impact Fee Fund | 9,297,630  |   | 529,730                                      | 2,859,800                                     |
| Potable Water System Dev Impact Fee Fund   | 6,706,102  |   | 989,296                                      | 1,435,996                                     |
| Parks and Recreation Impact Fee Fund       | 502,602  |   | 5,000  | 781,806                                       |
| Police Impact Fee Fund                     | 760,029  |   | 5,000  | 764,149                                       |
| General Government Impact Fee Fund         | 3,539  |   |  | 3,580   |
| Recreation In Lieu Fee Fund                | 15,718   |   |  | 15,718  |
| Capital Fund                               | 7,253,256  |   | 6,790,988                                    | 3,315,100                                     |
| PAG/RTA Fund                               | 12,867,634   |   | 5,753,006                                    | 10,790,268                                    |
| Community Center Bond Fund                 | 3,000,000  |   |  | 3,000,000                                     |
| <b>Total Capital Projects Funds</b>        | <b>\$ 43,558,600</b>                                     | <b>\$</b>   | <b>\$ 14,078,020</b>                         | <b>\$ 25,976,417</b>                          |
| <b>ENTERPRISE FUNDS</b>                    |  |   |  |   |
| Water Utility Enterprise Fund              | \$ 28,415,612  | \$  | \$ 18,880,517                                | \$ 22,810,077                                 |
| Stormwater Utility Fund                    | 4,103,755  |   | 1,296,448                                    | 4,048,405                                     |
| <b>Total Enterprise Funds</b>              | <b>\$ 32,519,367</b>                                     | <b>\$</b>   | <b>\$ 20,176,965</b>                         | <b>\$ 26,858,482</b>                          |
| <b>INTERNAL SERVICE FUNDS</b>              |  |   |  |   |
| Benefit Self Insurance Fund                | \$ 4,406,893   | \$  | \$ 3,830,454                                 | \$ 4,514,972                                  |
| <b>Total Internal Service Funds</b>        | <b>\$ 4,406,893</b>                                      | <b>\$</b>   | <b>\$ 3,830,454</b>                          | <b>\$ 4,514,972</b>                           |
| <b>TOTAL ALL FUNDS</b>                     | <b>\$ 142,906,231</b>                                    | <b>\$</b>   | <b>\$ 85,759,151</b>                         | <b>\$ 111,019,716</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.

**Town of Oro Valley  
Expenditures/Expenses by Department  
Fiscal Year 2020**

| DEPARTMENT/FUND                              | ADOPTED<br>BUDGETED<br>EXPENDITURES/<br>EXPENSES | EXPENDITURE/<br>EXPENSE<br>ADJUSTMENTS<br>APPROVED | ACTUAL<br>EXPENDITURES/<br>EXPENSES* | BUDGETED<br>EXPENDITURES/<br>EXPENSES |
|--|--|--|--------------------------------------|---------------------------------------|
|  | 2019   | 2019   | 2019                                 | 2020                                  |
| <b>Administrative Services:</b>              |  |  |                                      |                                       |
| General Fund                                 | \$ 4,450,555                                     | \$   | \$ 4,333,677                         | \$ 4,648,370                          |
| <b>Department Total</b>                      | <b>\$ 4,450,555</b>                              | <b>\$</b>  | <b>\$ 4,333,677</b>                  | <b>\$ 4,648,370</b>                   |
| <b>Clerk:</b>                                |  |  |                                      |                                       |
| General Fund                                 | \$ 444,559                                       | \$   | \$ 414,826                           | \$ 366,336                            |
| <b>Department Total</b>                      | <b>\$ 444,559</b>                                | <b>\$</b>  | <b>\$ 414,826</b>                    | <b>\$ 366,336</b>                     |
| <b>Community &amp; Economic Development:</b> |  |  |                                      |                                       |
| General Fund                                 | \$ 2,869,324                                     | \$   | \$ 2,743,269                         | \$ 3,039,421                          |
| <b>Department Total</b>                      | <b>\$ 2,869,324</b>                              | <b>\$</b>  | <b>\$ 2,743,269</b>                  | <b>\$ 3,039,421</b>                   |
| <b>Council:</b>                              |  |  |                                      |                                       |
| General Fund                                 | \$ 210,494                                       | \$   | \$ 203,910                           | \$ 206,001                            |
| <b>Department Total</b>                      | <b>\$ 210,494</b>                                | <b>\$</b>  | <b>\$ 203,910</b>                    | <b>\$ 206,001</b>                     |
| <b>General Administration:</b>               |  |  |                                      |                                       |
| General Fund                                 | \$ 2,696,700                                     | \$   | \$ 2,375,724                         | \$ 2,590,400                          |
| General Fund - Contingency Reserve           | 11,959,316                                       |  |                                      | 841,325                               |
| Municipal Debt Service Fund                  | 1,121,499  |  | 1,038,671                            | 1,282,049                             |
| Oracle Road Improvement District Fund        | 194,165  |  | 177,313                              | 186,152                               |
| Benefit Self Insurance Fund                  | 4,406,893  |  | 3,830,454                            | 4,514,972                             |
| General Government Impact Fee Fund           | 3,539  |  |                                      | 3,580                                 |
| Capital Fund                                 | 7,253,256  |  | 6,790,988                            | 3,315,100                             |
| <b>Department Total</b>                      | <b>\$ 27,635,368</b>                             | <b>\$</b>  | <b>\$ 14,213,150</b>                 | <b>\$ 12,733,578</b>                  |
| <b>Legal:</b>                                |  |  |                                      |                                       |
| General Fund                                 | \$ 793,567                                       | \$   | \$ 773,423                           | \$ 874,057                            |
| <b>Department Total</b>                      | <b>\$ 793,567</b>                                | <b>\$</b>  | <b>\$ 773,423</b>                    | <b>\$ 874,057</b>                     |
| <b>Magistrate Court:</b>                     |  |  |                                      |                                       |
| General Fund                                 | \$ 884,385                                       | \$   | \$ 873,266                           | \$ 923,561                            |
| <b>Department Total</b>                      | <b>\$ 884,385</b>                                | <b>\$</b>  | <b>\$ 873,266</b>                    | <b>\$ 923,561</b>                     |
| <b>Town Manager's Office:</b>                |  |  |                                      |                                       |
| General Fund                                 | \$ 1,251,370                                     | \$   | \$ 1,247,577                         | \$ 1,314,145                          |
| <b>Department Total</b>                      | <b>\$ 1,251,370</b>                              | <b>\$</b>  | <b>\$ 1,247,577</b>                  | <b>\$ 1,314,145</b>                   |
| <b>Parks and Recreation:</b>                 |  |  |                                      |                                       |
| General Fund                                 | \$ 3,606,586                                     | \$   | \$ 3,519,644                         | \$ 3,808,366                          |
| Parks and Recreation Impact Fee Fund         | 502,602  |  | 5,000                                | 781,806                               |
| Recreation In Lieu Fee Fund                  | 15,718   |  |                                      | 15,718                                |
| Community Center Fund                        | 6,345,062  |  | 5,944,851                            | 6,727,918                             |
| Community Center Bond Fund                   | 3,000,000  |  |                                      | 3,000,000                             |
| <b>Department Total</b>                      | <b>\$ 13,469,968</b>                             | <b>\$</b>  | <b>\$ 9,469,495</b>                  | <b>\$ 14,333,808</b>                  |
| <b>Police:</b>                               |  |  |                                      |                                       |
| General Fund                                 | \$ 16,557,555                                    | \$   | \$ 16,064,374                        | \$ 17,448,615                         |
| Seizures and Forfeitures                     | 604,393  |  | 437,137                              | 372,883                               |
| Police Impact Fee Fund                       | 760,029  |  | 5,000                                | 764,149                               |
| <b>Department Total</b>                      | <b>\$ 17,921,977</b>                             | <b>\$</b>  | <b>\$ 16,506,511</b>                 | <b>\$ 18,585,647</b>                  |
| <b>Public Works:</b>                         |  |  |                                      |                                       |
| General Fund                                 | \$ 3,518,946                                     | \$   | \$ 3,363,846                         | \$ 4,826,507                          |
| Highway Fund                                 | 4,912,895  |  | 4,162,204                            | 4,213,739                             |
| Stormwater Utility Fund                      | 4,103,755  |  | 1,296,448                            | 4,048,405                             |
| PAG/RTA Fund                                 | 12,867,634                                       |  | 5,753,006                            | 10,790,268                            |
| Townwide Roadway Dev Impact Fee Fund         | 3,152,090  |  | 5,000                                | 3,010,000                             |
| <b>Department Total</b>                      | <b>\$ 28,555,320</b>                             | <b>\$</b>  | <b>\$ 14,580,504</b>                 | <b>\$ 26,888,919</b>                  |
| <b>Water Utility:</b>                        |  |  |                                      |                                       |
| Water Utility Fund                           | \$ 28,415,612                                    | \$   | \$ 18,880,517                        | \$ 22,810,077                         |
| Alternative Water Rscs Dev Impact Fee Fund   | 9,297,630  |  | 529,730                              | 2,859,800                             |
| Potable Water System Dev Impact Fee Fund     | 6,706,102  |  | 989,296                              | 1,435,996                             |
| <b>Department Total</b>                      | <b>\$ 44,419,344</b>                             | <b>\$</b>  | <b>\$ 20,399,543</b>                 | <b>\$ 27,105,873</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.

**Town of Oro Valley  
Full-Time Employees and Personnel Compensation  
Fiscal Year 2020**

| <b>FUND</b>                        | <b>Full-Time Equivalent (FTE)</b> | <b>Employee Salaries and Hourly Costs</b> | <b>Retirement Costs</b> | <b>Healthcare Costs</b> | <b>Other Benefit Costs</b> | <b>Total Estimated Personnel Compensation</b> |
|------------------------------------|-----------------------------------|---|-------------------------|-------------------------|----------------------------|---|
|                                    | <b>2020</b>                       | <b>2020</b>                               | <b>2020</b>             | <b>2020</b>             | <b>2020</b>                | <b>2020</b>                                   |
| <b>GENERAL FUND</b>                | 309.68                            | \$ 19,839,591                             | \$ 4,490,931            | \$ 2,759,980            | \$ 2,056,120               | \$ 29,146,622                                 |
| <b>SPECIAL REVENUE FUNDS</b>       |                                   |   |                         |                         |                            |   |
| Highway User Revenue Fund          | 15.00                             | \$ 1,021,661                              | \$ 123,723              | \$ 133,082              | \$ 99,732                  | \$ 1,378,198                                  |
| Community Center Fund              | 21.55                             | 732,846                                   | 16,976                  | 39,064                  | 61,848                     | 850,734                                       |
| Seizures and Forfeitures           | 1.00                              | 50,870                                    | 19,631                  | 5,480                   | 6,865                      | 82,846  |
| <b>Total Special Revenue Funds</b> | <b>37.55</b>                      | <b>\$ 1,805,377</b>                       | <b>\$ 160,330</b>       | <b>\$ 177,626</b>       | <b>\$ 168,445</b>          | <b>\$ 2,311,778</b>                           |
| <b>ENTERPRISE FUNDS</b>            |                                   |   |                         |                         |                            |   |
| Water Utility Fund                 | 39.48                             | \$ 2,441,056                              | \$ 293,582              | \$ 405,920              | \$ 230,021                 | \$ 3,370,579                                  |
| Stormwater Utility Fund            | 10.25                             | 574,862                                   | 69,616                  | 84,156                  | 56,946                     | 785,580                                       |
| <b>Total Enterprise Funds</b>      | <b>49.73</b>                      | <b>\$ 3,015,918</b>                       | <b>\$ 363,198</b>       | <b>\$ 490,076</b>       | <b>\$ 286,967</b>          | <b>\$ 4,156,159</b>                           |
| <b>TOTAL ALL FUNDS</b>             | <b>396.96</b>                     | <b>\$ 24,660,886</b>                      | <b>\$ 5,014,459</b>     | <b>\$ 3,427,682</b>     | <b>\$ 2,511,532</b>        | <b>\$ 35,614,559</b>                          |

# Glossary

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**ACCRUAL:** Accounting method that records revenues and expenses when they are incurred, regardless of when cash is exchanged.

**ADOPTED BUDGET:** Formal action made by Town Council that sets spending limits for the fiscal year.

**ALLOCATION:** Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.

**AMORTIZATION:** The systematic and rational distribution of the cost of an intangible capital asset over its estimated useful life.

**AUDIT:** The objective examination and evaluation of the financial statements of an organization by an outside Certified Public Accountant firm to ensure that the financial records are a fair and accurate representation of the transactions they claim to represent.

**BALANCED BUDGET:** A budget in which recurring revenues equal recurring expenditures.

**BOND:** A municipality will issue this debt instrument and agree to repay the face amount of the bond on the designated maturity date. Bonds are primarily used to finance capital projects.

**BUDGET:** A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.

**CAPITAL EXPENDITURE:** Those items valued over \$1000 with a life expectancy of at least five years.

**CAPITAL IMPROVEMENT PROGRAM (CIP):** A comprehensive ten-year plan consisting of items costing \$50,000 or more which will support the continued growth and development of the Town.

**CAPITAL PROJECT FUND:** Fund used to account for financial resources used for acquisition or construction of major assets.

**CARRYFORWARD:** Year-end savings that may be re-appropriated in the following fiscal year to cover one-time expenditures.

**CENTRAL ARIZONA PROJECT (CAP):** The system of aqueducts, tunnels, pumping plants and pipelines responsible for bringing Colorado River water to Arizona's Pima, Pinal, and Maricopa counties.

**CENTRAL ARIZONA WATER CONSERVATION DISTRICT (CAWCD):** A state agency with the primary responsibility of managing the Central Arizona Project (CAP).

**CLEAN RENEWABLE ENERGY BONDS (CREBs):** Bonds issued to finance certain renewable energy or "clean coal" facilities. Projects funded with CREBs must generate electricity and must be created from clean and/or renewable sources.

**CONTINGENCY:** Monies set aside as carryover to the following fiscal year, but which can be used to finance unforeseen expenditures of the various operating funds.

**DEBT SERVICE:** Principal and interest payments on outstanding bonds.

**DEBT SERVICE FUND:** Fund used to account for accumulation of resources that will be used to pay general long-term debt.

**DEPARTMENT:** A major administrative division of the Town that indicates overall management responsibility for an operation or group of related operations within a functional area.

**DEPRECIATION:** The systematic and rational distribution of the cost of a tangible capital asset (less salvage value) over its estimated useful life.

**DIVISION:** A functional unit of a department.

**ENTERPRISE FUND:** Accounts for expenses of programs or services, which are intended to be self-sustaining. User fees primarily cover the cost of services.

# Glossary

**ESTIMATED REVENUE:** The amount of projected revenue to be collected during the fiscal year.

**EXPENDITURE:** The use of government funds to acquire goods or services.

**EXPENDITURE LIMITATION:** The Arizona State Legislature imposed constitutional amendment that limits the annual expenditures of all municipalities. The Economic Estimates Commission sets the annual limit based on population growth and inflation. All municipalities have the option of (Home Rule Option) proposing an alternative expenditure limitation to its voters. Oro Valley citizens approved the Home Rule Option in 2018.

**FISCAL YEAR:** Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Oro Valley, this period begins July 1 and ends June 30.

**FULL ACCRUAL:** Basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**FULL TIME EQUIVALENT (FTE):** A position, permanent or temporary, based on 2,080 hours per year. Part-time positions are converted for budget purposes to a decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time employee working 20 hours per week would be equivalent to a 0.5 FTE.

**FUND:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources.

**FUND BALANCE:** The difference between assets and liabilities reported in a governmental fund.

**GENERAL FUND:** A fund used to account for all general purpose transactions of the Town that do not require a special type of fund.

**GENERAL OBLIGATION BONDS:** Bonds that are guaranteed by the full taxing power of a city or town. These bonds are usually retired from property tax funds.

**GENERAL PLAN:** A plan approved by Town Council and ratified by the voters that provides the fundamental policy direction and guidance on development decisions in the Town. The General Plan is the "constitution" for growth and development in the community.

**GIS:** Geographic Information System(s). A geographic information system is an integrated hardware, software and data system that allows for the capturing and analyzing of geographic information in forms such as maps and globes.

**GOAL:** A statement of broad direction, purpose or intent based on the needs of the community.

**GOVERNMENTAL FUNDS:** Funds generally used to account for tax-supported activities. Examples include the general fund, special revenue funds, debt service funds, and capital projects funds.

**GRANT:** A contribution by the state or federal government or other agency to support a particular function.

**HIGHWAY USERS REVENUE FUND (HURF):** This revenue source consists of the gasoline tax collected by the state and distributed to counties and cities based on the county of origin and population. These revenues are to be used for street and highway purposes.

**HOME RULE OPTION:** An alternative expenditure limitation that allows a municipality to expend what it anticipates in revenues each fiscal year. This limitation must be approved by the voters and is effective for four fiscal years.

**IMPACT FEES:** The fees charged to offset the cost of town improvements that are required due to growth-related development.

# Glossary

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**IMPROVEMENT DISTRICT BONDS:** Bonds that are issued to finance projects in a designated area within a town or city. The majority of property owners in this district must approve the formation of the district and the amount of indebtedness. The bonds are then repaid by the assessments levied on the property in the district.

**INFRASTRUCTURE:** Facilities that support the continuance and growth of a community.

**INTERFUND TRANSFER:** Movement of resources between two funds.

**INTERNAL SERVICE FUND:** Used to report any activity that provides goods or services to other funds, departments or agencies on a cost-reimbursement basis.

**LONG TERM DEBT:** Debt with a maturity of more than one year after date of issuance.

**MAJOR FUND:** As defined by the Government Finance Officers Association budget award criteria, a major fund is any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

**MODIFIED ACCRUAL:** Basis of accounting that reports those transactions, events, and interfund activity that affect inflows and outflows of financial resources in the near future.

**NON-MAJOR FUND:** As defined by the Government Finance Officers Association budget award criteria, a non-major fund is any fund whose revenues or expenditures, excluding other financing sources and uses, constitute less than 10% of the revenues or expenditures of the appropriated budget.

**OBJECTIVE:** A statement of specific measurable outcomes that contribute toward accomplishing the departmental goal.

**OPERATING BUDGET:** Appropriations for the day-to-day costs of delivering Town services.

**PAG:** Pima Association of Governments. Pima County's federally designated metropolitan planning organization that oversees long-range transportation planning and serves as the region's water quality, air quality and solid waste management and planning agency. PAG also manages the RTA of Pima County.

**PER CAPITA:** A unit of measure that indicates the amount of some quantity per person.

**PERFORMANCE MEASURES:** Indicators that measure how well an organization is performing on progress towards organizational objectives.

**PROGRAM:** A group of related functions or activities performed by a division where there is a desire to budget and identify expenditures independently of other activities within the division.

**PROPRIETARY FUNDS:** Funds that either (1) operate largely on fees and charges for services to external customers or (2) operate on a cost recovery basis with internal customers, such as other government departments, divisions or programs. Enterprise Funds and Internal Service Funds are the two types of proprietary funds.

**RESERVES:** To set aside a portion of a fund balance to protect against economic downturns or emergencies.

**REVENUE:** Amounts estimated to be received from taxes and other sources during the fiscal year.

**RTA:** Regional Transportation Authority. The government entity that manages the \$2.1 billion, 20-year regional transportation plan approved by Arizona's Pima County voters on May 16, 2006.



# Glossary

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**SPECIAL REVENUE FUND:** Fund used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government.

**STATE SHARED REVENUE:** Includes the Town's portion of state sales tax revenues, state income tax receipts, and motor vehicle taxes.

**STRATEGIC PLAN:** A plan updated and approved every two years by Town Council that provides short-term (2 to 5-year) policy direction and guidance for decision-making and budgeting by the Town and its staff.

**USER FEES:** Fees charged for the direct receipt of a public service to the party or parties who benefit from the service.

## **WATER INFRASTRUCTURE FINANCE**

**AUTHORITY BONDS (WIFA):** WIFA is a state agency that has specific programs that can improve a city or town's ability to use bonding as a revenue source. WIFA is charged to assist smaller to medium sized communities' pool their bond issues together to help lower the costs of issuing debt. They also have monies set aside to help secure the debt and allow the bonds to be issued at the lowest interest rate possible.