



Town of Oro Valley

FY 2009-2010

Annual Budget





Town of Oro Valley Arizona

2009 – 2010 Annual Budget



Organizational Mission

The Town of Oro Valley is a "Mission" driven organization. The mission statement is the fundamental purpose of local government. It focuses on what is most important and sets in motion an organizational culture that encourages innovation and strives for excellence.

Guiding Principles

- ⇒ Committed to *financial sustainability fundamentals*
- ⇒ *Building a strong team* – between Management, Town Council, and the community
- ⇒ *Engaging everyone* in the decision making process
- ⇒ *Consensus Decision Making* is how the Town operates
- ⇒ *Building strong Community Leadership* is a key to success

Mission

- ⇒ Act with openness, respect, integrity, accountability and quality;
- ⇒ Preserve and promote health, safety, and quality of life;
- ⇒ Continue to provide exceptional municipal services;
- ⇒ Ensure economic sustainability that maintains the community's quality of life; and
- ⇒ Becomes an efficient government that balances the Town's long-term interests while being responsive to present community needs.

Organizational Values

We are strongly committed to:

- ⇒ Honesty and Integrity
- ⇒ Openness and Transparent Government
- ⇒ Fairness and Trust Worthiness
- ⇒ Respect for Diversity
- ⇒ Creativity, Teamwork and Continuous Improvement
- ⇒ Excellent Customer Service



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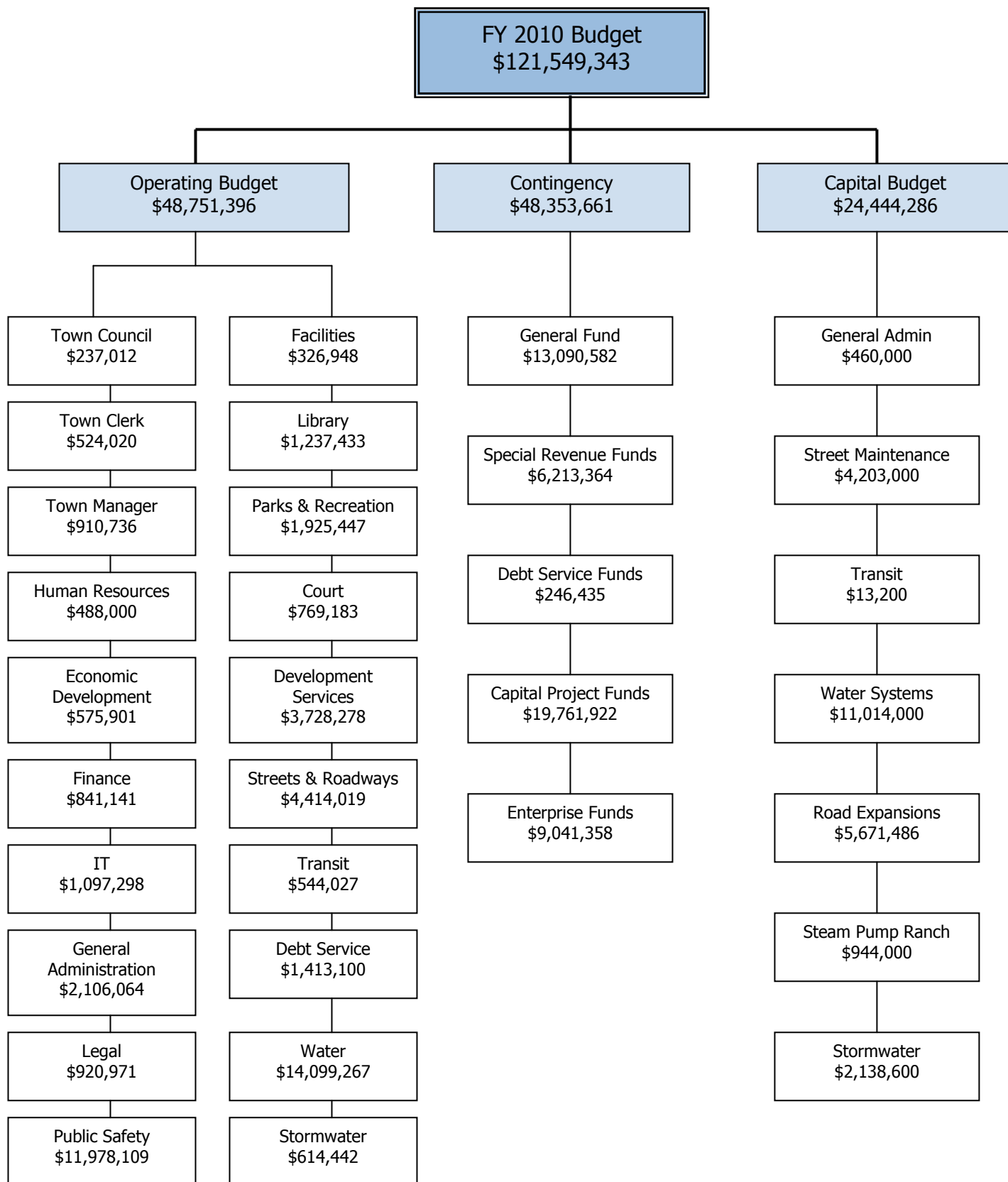
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Financial Organizational Chart



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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, 2008

President

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, 2008.

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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Budget Message

David Andrews, Town Manager



To All Oro Valley Residents and the Honorable Mayor and Town Council Members:

I am pleased to present the Town of Oro Valley balanced budget for fiscal year 2009/2010.

The preparation of this year's budget was one of the most challenging in the Town's 35-year history as we faced a projected \$5.2 million deficit between the General Fund and the Highway Fund. This deficit was due to the economic recession causing declines in our major revenue sources in those funds: local sales taxes, State shared revenues and residential and commercial building permit fees. Fortunately, through a variety of measures taken by the Town Council, management and staff, we were able to balance the budget through a combination of revenue enhancements, reduction of operations and maintenance (O&M) expenditures, elimination of vacant positions and limited use of contingency reserves for one-time, non-recurring expenditures. Also, with the adoption of the budget, the Town Council offered a voluntary severance plan to all Town employees that would avoid employee layoffs as a measure to reduce our recurring personnel expenditures. This plan was successful in allowing the budget to be balanced without having to dip into our contingency reserves to fund ongoing personnel costs.

BUDGET BALANCING MEASURES

The FY 2009/10 adopted budget totals \$121.5 million, which represents a 40% spending decrease from the prior year adopted budget. The operating budget of \$48.7 million represents a 7% reduction from the prior year, while the capital budget of \$24.4 million was reduced by 77% from the prior year. As mentioned above, various measures were taken to address the projected revenue shortfall for this year. To reduce personnel costs, the following actions were taken:

- A hiring freeze was implemented in November of 2008, resulting in 8.96 full-time equivalent (FTE) positions being eliminated from the FY 2009/10 budget, saving \$393,000.
- The Town's medical insurance contract was put out to bid, saving \$183,000 through a change in provider and minor changes in service levels and co-pays.
- No employee merit, step or cost of living adjustment increases were budgeted for FY 2009/10.
- A voluntary severance plan was offered to employees, resulting in 20.33 FTE vacancies town-wide and \$838,000 in estimated annual savings.

Council, management and staff also looked at the Town's operations to see where costs could be cut and efficiencies achieved by reducing line items and consolidating functions wherever possible. The following measures were taken in this area:

- Departments reduced travel and training and outside professional services line items and are more efficiently using in-house staff to perform duties previously contracted out.
- Capital expenditures have been significantly reduced with the expansion of municipal facilities at the Municipal Operations Center (Rancho Vitoso Municipal Complex) placed on hold for the next several years.
- No vehicle or computer replacements are included in this year's budget.
- No additional expenditures have been included for the construction of the Naranja Town Site park with the failure to pass the general obligation bond election in November of 2008.

- Communications, information technology and fleet maintenance functions previously budgeted in separate departments were consolidated town-wide in order to gain efficiencies and achieve some economies of scale.
- A volunteer driver program was also implemented in the Coyote Run public transit program aimed at reducing staffing costs.

Finally, the Town Council approved several revenue enhancement measures to close the projected deficit, which are explained in more detail below:

- In March of 2008, the Council approved the renewal of the 2% utility sales tax that was originally adopted in 2006 with a two-year sunset clause. This tax was most recently renewed indefinitely, and is expected to generate approximately \$1.6 million this fiscal year.
- \$700,000 in bed tax revenues have been allocated to the General Fund from the Bed Tax fund to supplement operations this fiscal year. These bed tax funds had previously been identified to pay for operations and maintenance of the Naranja Town Site park, which has been placed on hold since the failure of the November, 2008 bond election.
- User fees were also increased in 2009 to improve the cost recovery of parks and recreation programs and development plan review services. Additional fee increases are planned to be recommended later this fiscal year for parks facility usage.
- Approximately \$1.2 million in General Fund contingency reserves were budgeted to pay for one-time, non-recurring expenditures, such as carryforward projects from FY 2008/09 and continuing historic structure preservation efforts at Steam Pump Ranch.
- In an effort to ease the financial burden on the Town's residents, this year's adopted budget for the Water Utility did not include any base or commodity rate increases.

LOCAL ECONOMIC PROSPECTS

Even with the current economic slowdown and the fact that the Town is currently about 80% built out within our incorporated boundaries, there are still some areas of growth that we are seeing in our local economy. The Town has seen significant growth in its **bio-technology sector** with the recently completed expansion facility for Sanofi Aventis and continued expansion plans for Ventana Medical Systems, a member of the Roche Group. Ventana Medical Systems currently has plans to double its Oro Valley operations over the next three to five years and add hundreds of new employees to its workforce. It is anticipated that these jobs will add to Oro Valley's higher median income base and generate increased local demand in our housing industry and retail sectors.

Even as we've seen our local commercial construction activity decline in 2009 due to the economic recession and the recent completion of an 800,000 square foot commercial shopping center, the Oro Valley Marketplace, we will see the first full year impact of retail sales tax revenues generated by this **new commercial center** that includes a Wal-Mart Supercenter, Best Buy, a multi-screen movie theater complex, and several other restaurants and retail tenants. Further construction of a Cost Plus World Market and an In N' Out Burger restaurant are also planned for later this year. Due to these increased retail opportunities, the Town has seen steady year-over-year increases in its retail sales tax collections over the past several years and expects this to continue.

Last fiscal year, significant progress was made toward the potential annexation of 9,100 acres (14 square miles) of State Trust Land to the north of Oro Valley, referred to as the **Arroyo Grande Annexation**. While this annexation remains a priority for the Town, this process is currently impacted by the State's budget crisis and the staffing reductions made in the State Land Department. Staff will make every effort to keep this annexation process moving forward as allowable by State Land.

Finally, **two major hotel chains** have chosen to build new properties within Oro Valley in the coming year. The Hilton Homewood Suites is currently constructing a 120-room, all suite hotel in the El Corredor commercial development along Oracle Road at Linda Vista Boulevard. The Hampton Inn has also just

recently acquired property in the Oro Valley Marketplace at the intersection of Tangerine Road and Innovation Park Drive to build a 101-room hotel property due to open in December of 2010.

KEY INITIATIVES FUNDED FOR FY 2009/10

During FY 2008/09, the Town Council updated Oro Valley's Strategic Plan to address efforts and resources to the following four focus areas:

- Financial and Economic Sustainability
- Quality of Life
- Community Infrastructure
- Leadership and Communication

The adopted FY 2009/10 budget aims to achieve progress in each of the above areas. In the area of **Financial and Economic Sustainability**, management staff will provide monthly budget updates to the Town Council to closely monitor our progression through the budget year. We will also prepare a five-year Economic Resiliency Plan and financial forecast in the fall of 2009 for presentation to Town Council. The plan will include an evaluation of Town policies and practices related to existing and optional revenue sources, debt management, cash and investment analysis, capital programming, as well as service levels and operating expenditure analysis. We will also begin the development of meaningful program performance measures to support the elements of the Town's adopted Strategic Plan and program-based budget. These performance measures will then serve as a basis for preparation of the FY 2010/11 budget.

In the area of **Quality of Life**, the Town will continue its historic preservation efforts at Steam Pump Ranch and has allocated General Funds in combination with existing Pima County bond funds to complete renovation of the Pump House and the Pusch House back to their original 1870s look and also complete emergency repairs on the Leiber House pursuant to the adopted Steam Pump Ranch Master Plan.

In the area of **Community Infrastructure**, the Town was successful in recently receiving a \$164,000 grant from the U.S. Department of Energy to utilize as seed money toward the performance of an energy efficiency audit of Town facilities. This grant project and future environmental sustainability efforts will be managed by the Town's newly created Office of Conservation and Sustainability within the Planning and Zoning Department. Funds have also been carried over into this year's budget from the FY 2008/09 budget for the tenant improvements needed to construct a Police substation and emergency operations center to be located within the Oro Valley Marketplace. The Town also maintains the priority of its pavement preservation program in the FY 2009/10 budget with \$1.2 million dedicated to preserving the overall condition of its roadways in the Highway Fund. Finally, Oro Valley continues to be a key participant in the Northwest Water Providers alliance aimed at governing, financing and managing the construction of a Central Arizona Water Project (CAP) water delivery system to deliver CAP water to our residents within the next five years.

Finally, in the area of **Leadership and Communication**, the Town will continue to communicate with residents through its monthly Town newsletter, **The Oro Valley Vista**. It will be produced electronically and posted on the Town's website, thereby saving printing and postage costs previously incurred to mail it to each household in Town. Also, the Town's long-standing Citizen Planning Institute (CPI) program will be re-evaluated for purpose, focus and changing community needs for broader education on local government. The course content will be evaluated to ensure relevance to community needs going into the future.

EFFECT OF RECESSION ON FUTURE POLICIES AND TOWN OPERATIONS

This year's budget was balanced with the future in mind, as we have transitioned from "growth" mode into "maintenance" mode. After experiencing significant growth over the last decade, the community will soon be reaching build-out. As the Town has matured and growth has slowed, revenues generated by growth have diminished. Therefore, it is critical to ensure that the community has a realistic view of the

Town's financial situation balanced against demands for services. With the Town's reliance upon local sales taxes and State shared revenues to fund the majority of its operations, the next several years will likely be focused on operating within our available resource limits, maintaining control over our recurring personnel and operating costs and preserving our strong contingency reserves within all of our Town funds. In order to achieve this, we will communicate the Town's budget performance to the Mayor and Town Council and our citizens on a monthly basis and frequently update the Town's five-year financial forecast in order to be proactive, rather than reactive, in addressing the ever-changing economic climate.

Also, in response to having to make budget allocation decisions with fewer resources in the future, Town staff, working together with the Town Council, will be developing more meaningful performance measures for our various programs in order to enable our elected officials to make data-driven decisions with regard to future service levels and program delivery. As mentioned earlier, these performance measures will serve as the basis for the FY 2010/11 budget preparation.

CONCLUSION

By evaluating the way we do business and applying more qualitative and quantitative methods to measuring the outcomes of our services to the community, we will look to improve upon the excellent history of financial stewardship in this "Community of Excellence." The budget balancing measures taken this year will only strengthen the Town's ability to weather future economic downturns. I would like to express my appreciation to all of the Town staff who had a role in the preparation of the annual budget. Without their continued dedication, the budget process and resulting budget document would not be possible. Also, a special thanks goes to our citizens who closely followed the budget deliberations and offered their valuable suggestions and ideas. And lastly, thank you to our Mayor and Town Council for their guidance and support throughout the development of the FY 2009/10 budget.

Sincerely,



David L. Andrews
Town Manager



Town of Oro Valley
Community of Excellence

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Budget Document Guide

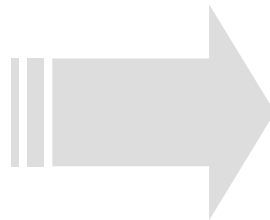
The budget document seeks to implement the Town of Oro Valley's adopted General Plan and Strategic Plan within the boundaries of its available financial resources. The budget is a policy document, financial plan, operations guide and communication device.

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 along with information on the Town's strategic plan, general plan, financial policies, fund structure and the budget process.

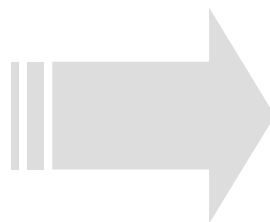


The Manager's budget message provides an introduction to the budget. The message outlines the assumptions used in the development of the budget, goals for the upcoming fiscal year, any new program enhancements or increased service levels, and any challenges for the upcoming year.

Also included is information on the Town's elected officials, an organization chart, elements of the Town's Strategic Plan and General Plan, and 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, types of debt issued and their uses, and a long range forecast.



The financial overview begins with the total source and use of funds. It depicts how revenue and expenditures are allocated among Town funds.

The fund balance provides a look, by major fund levels, of the sources and uses of funds, starting and ending fund balances, and explanations of any major 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 long term forecast discusses the financial condition and the future financial sustainability of the Town.

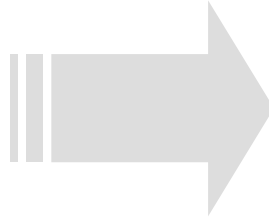
The debt section provides an overview on the types of debt used by the Town, their uses, and future debt requirements.



Budget Document Guide

Program Budgets

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

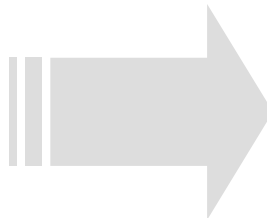


Each program budget begins with a department overview and a summary of expenditures. It also contains the following information -

- **Highlights:** Lists accomplishments achieved by the departments in the previous fiscal year.
- **Goals & Objectives:** Tie to the Town's Strategic Plan and lists what the departments plan to accomplish this budget year.
- **Departmental Budgets:** Each departmental budget is divided into program areas. The program areas give a brief description of each program and the service provided. It includes performance metrics and contains 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.

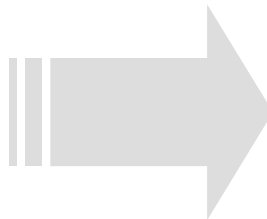


The capital improvement section describes the process and timeline for compiling the CIP budget, a summary of revenue sources to support the program, and a five-year CIP plan.

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

Appendix

The appendix section has various information pertaining to personnel, the Town's economic makeup and demographics, debt schedules and a glossary of terms.



The appendix section includes informational facts on the Town of Oro Valley, the resolution adopting the budget, Auditor General Statements, a listing of authorized personnel, complete debt payment schedules, and a glossary of frequently used terms.



Town of Oro Valley
Community of Excellence

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Mayor and Council



Paul H. Loomis
Mayor
Term Expires: May 2010

The Mayor and Council of Oro Valley are committed to the creation of a "Community of Excellence" where high quality municipal services are coupled with 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.



Kenneth "KC" Carter
Vice-Mayor
Term Expires: May 2010



Barry Gillaspie
Council Member
Term Expires: May 2012



Paula Abbott
Council Member
Term Expires: May 2010



Al Kunisch
Council Member
Term Expires: May 2010



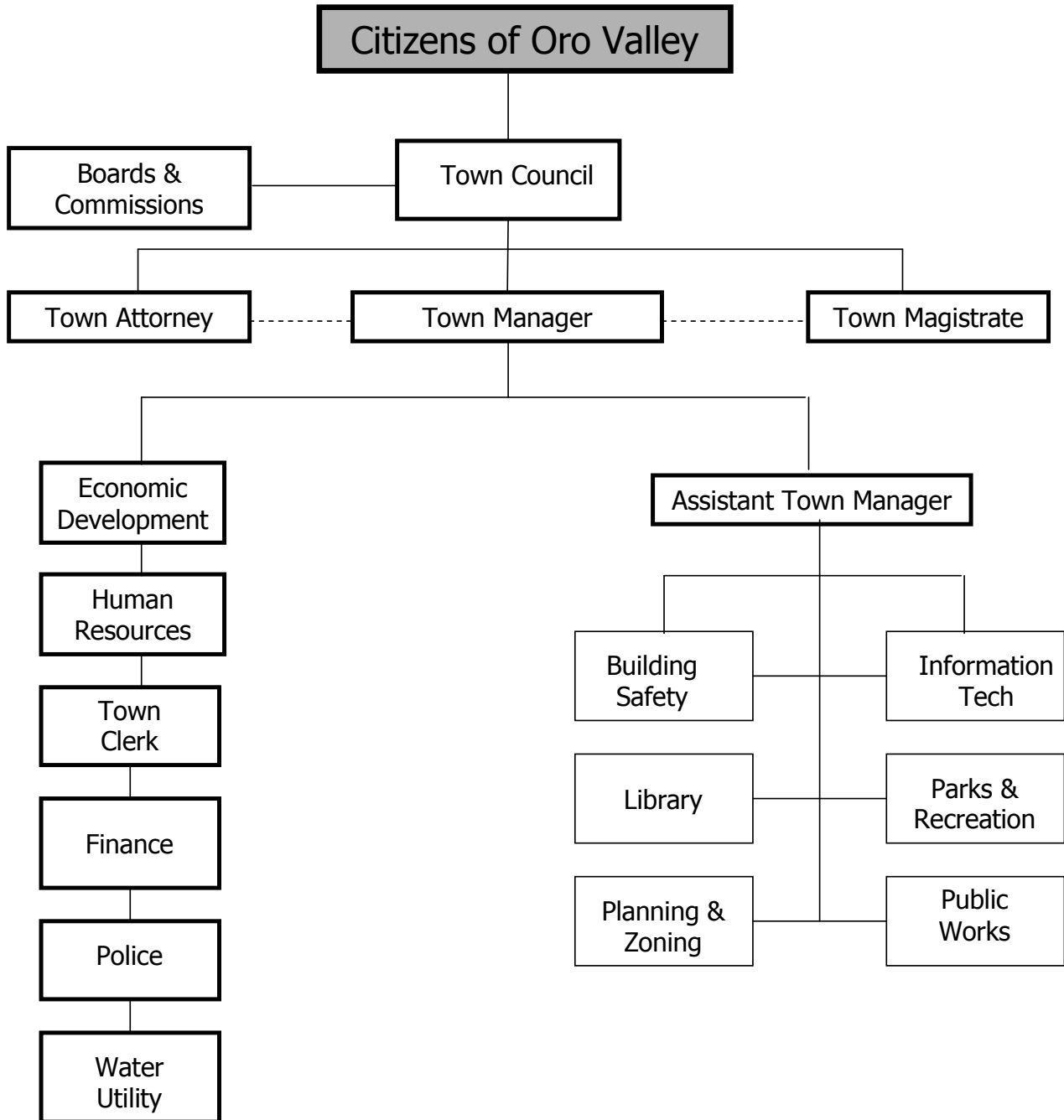
Bill Garner
Council Member
Term Expires: May 2012



Salette Latas
Council Member
Term Expires: May 2012



Organizational Chart





Town of Oro Valley
Community of Excellence

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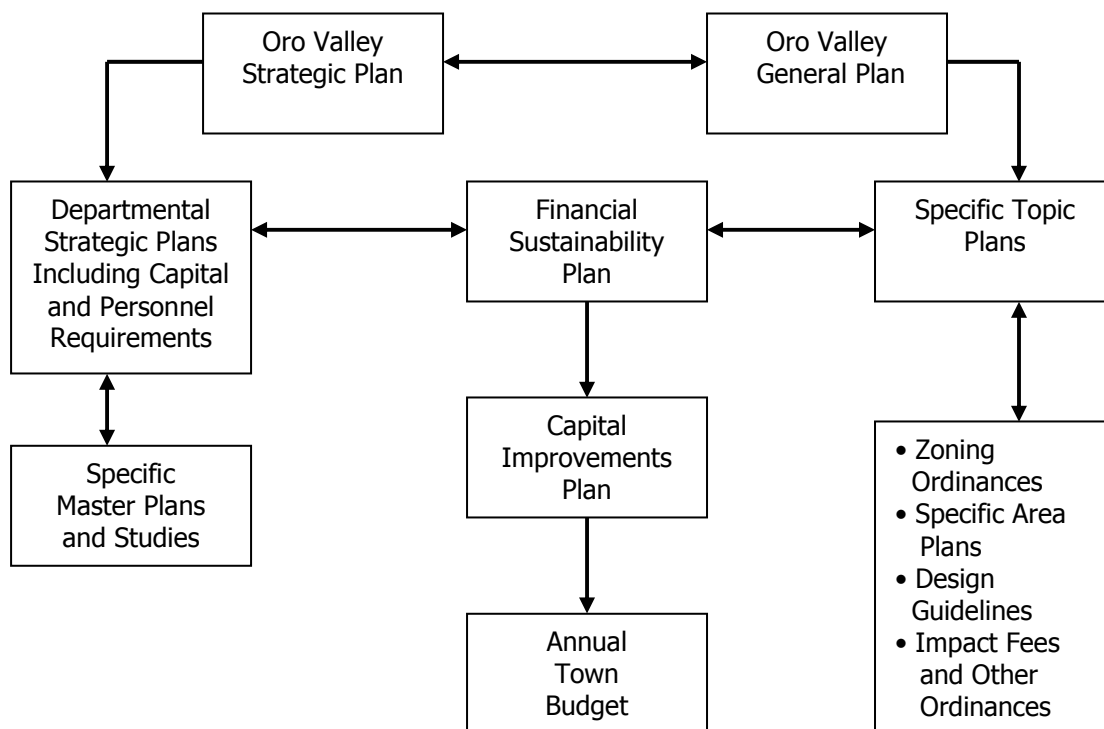
Overview

The Oro Valley Strategic Plan provides an examination of where the municipal organization is today, identifies priority focus areas and outlines steps to move the community toward its vision. Simply put, the strategic plan is a document that provides direction to local decision-making and a tool to manage resources.

In Oro Valley's 34-year history since incorporation, the challenge has been to balance the Town's long-term interests while being responsive to current community needs. After experiencing significant growth over the last decade, the community will soon be reaching build-out. As the community matures and growth slows, revenues generated by growth will diminish. Therefore, it is critical to ensure that the community has a realistic view of the Town's financial situation balanced against demands for services. Oro Valley is a "community of excellence." With this commitment comes a tremendous responsibility to sustain and balance needs, desires and expectations.

The Town of Oro Valley's strategic plan is a living document that guides the Town in its comprehensive community planning and prioritization process. It is purposely "strategic" in terms of its timeframe (2 to 5 years) because any successful organization must be flexible enough to respond to local, regional and national dynamics and comprehensive in its scope. The strategic plan provides direction for all municipal activities to move toward its ultimate community goal. The strategic plan will be reviewed and updated periodically by Town management and Council to ensure that the resources and focus are still relevant.

The strategic plan is grounded in the "vision" expressed in the Council-adopted and voter-ratified Oro Valley General Plan. The General Plan provides the long-term (up to 20 years) vision for community growth, development and redevelopment. The following diagram presents the relationship of the Oro Valley Strategic Plan and General Plan with other community documents.





Focus Areas

The Oro Valley Strategic Plan outlines the goals and strategies for the municipal government to successfully address the community's vision. Four Focus Areas provide the framework for the Strategic Plan. These focus areas indicate where Oro Valley must direct its attention in order to address community needs and desires. All of the Focus Areas are inter-related and not intended to be viewed independently. Implementing these Focus Areas will require leadership, financial commitment, effective management and continual evaluation. The Focus Areas are:

- Financial & Economic Sustainability
- Quality of Life
- Community Infrastructure
- Leadership and Communication

Within each Focus Area, there is a focus area description, goals, strategies and community indicators, as defined below. The goals and strategies are designed to be action-oriented, thereby yielding desired outcomes. The numbered goals and strategies do not indicate the order of priority for implementation.

Focus Areas are strategic initiatives that will be addressed.

Focus Area Discussion defines the focus area's situation.

Goals describe a fundamental direction or broad course of action.

Strategies are specific tasks that will be accomplished to assist in implementing the related goal.

Community Indicators are measures of activities that are important to the community. These indicators are used to track the progress toward established goals. They reveal whether the key organizational attributes are going up or down, forward or backward, getting better or worse, or staying the same.

A. Financial & Economic Sustainability

The Town has reduced its reliance on growth and development to fuel its economy. However, the community is susceptible to economic fluctuations and continues to rely on growth to a significant extent, especially commercial development. As the Town approaches build-out, revenue previously generated from growth must be replaced. Revenue diversification is essential for the Town to provide services commensurate with the expectations of the community as identified in the community survey and to implement this Strategic Plan.

Financial & Economic Sustainability is defined as the Town's ability to ensure stable, long-term resources to fund existing and future service levels.

Financial & Economic Sustainability Goals:

1. Maintain a balanced budget.
2. Develop a diverse revenue stream.
3. Adapt, as needed, contingency reserves to meet Town policies.
4. Ensure financial resources are available with a supportable level of community services
5. Cultivate healthy business relationships, opportunities and environment.



Strategies:

1. Maintain current service levels into the future through the following internal mechanisms and reviews:
 - a. Use the Economic Vitality Model to continuously monitor the Town's short-term and long-term financial forecast.
 - b. Prepare timely financial and budgetary performance reports for the Town Council and the Finance and Bond Committee.
 - c. Continuously evaluate Town's user fee policies.
 - d. Ensure compliance with the Town's adopted budget policy guiding the use of contingency funds.
2. Educate and communicate the cost of projects and services.
3. Understand priorities, desires and possibilities through ongoing use of community surveys.
4. Utilize performance measures for benchmarking and resource allocation decision-making.
5. Evaluate annexation opportunities that provide a positive cost/benefit to the Town.
6. Evaluate and determine economic incentive guidelines for high-paying, professional level jobs.
7. Consider new, stable revenue sources by the Town Council and/or the voting public of Oro Valley.
8. Encourage the attraction, expansion and retention of high-tech/bio-tech, tourism/resort/convention and hospital/medical facilities.
9. Collaborate with regional public and private economic development partners.

Community Indicators:

- Maintain bond rating of at least A+ (Fitch Ratings) and AA- (Standard and Poor's)
- Increase median wage rate within Oro Valley
- Increase in the number of primary jobs in Oro Valley
- Improve statistics showing attraction, expansion or retention in the high-tech/bio-tech, tourism/resort/convention and hospital/medical facilities target industries

B. Quality of Life & Environmental Sustainability

For decades, the Oro Valley area has been a preferred place to live. The challenge is to sustain rich cultural, artistic, safe and recreationally-oriented environments that continue to contribute to the area's desirable quality of life.

Amenities that contribute to our quality of life include:

- Parks, Recreation and trails
- Open Space Preservation
- Library
- Public Safety
- Archaeological & Historic Preservation
- Safe and clean community
- High quality water
- Good air quality
- Cultural events and venues
- Environmental sensitivity
- Archaeological preservation
- Sustainability
- Retail and dining opportunities
- Quality built environment



Quality of Life Goals:

1. Preserve open space and protect environmentally sensitive lands.
2. Cultivate and sustain archaeological and historic resources.
3. Develop and maintain parks and recreational assets.
4. Create an environment that supports cultural opportunities and events.
5. Maintain a safe community where residents feel secure.
6. Provide diverse educational, informational and recreational opportunities.
7. Manage development in order to assure a quality built environment.

Strategies:

1. Monitor and collaborate with other entities as appropriate on: land use, open space, water, public safety, transportation, information technology and economic development to ensure that growth and development within the Town's planning boundaries have a positive impact on Oro Valley's quality of life.
2. Survey the leadership and community to identify the level of satisfaction with Town services and establish benchmarks.
3. Coordinate and secure funding, either solely or in concert with other public or private entities, to identify and protect environmentally sensitive lands and open space.
4. Coordinate and secure funding, either solely or in concert with other public or private entities, to identify, acquire and manage archaeological, historic, cultural, parks and recreational assets as may be necessary to sustain, expand and diversify them.
5. Provide a high quality potable water supply, promote water conservation and foster regional cooperation for water development.
6. Work with local and regional performing and visual arts groups to provide cultural opportunities.
7. Maintain an efficient and effective local criminal justice system.
8. Maintain an emergency response and business continuity plan to deal with catastrophic events and maintain essential services.

Community Indicators:

- High level of citizen satisfaction as identified through a community survey
- High library usage per capita
- High park usage per capita
- Increase in number of citizens and volunteers involved in Town programs
- Ratings in lifestyle magazines or polls
- Low crime rates per capita
- Low accident rates per capita
- Increased number of environmentally-sensitive acres preserved
- Increased implementation of studies and plans developed to protect the environment, archaeological, historical and cultural assets
- Increased number of arts and cultural events and venues
- Increased number of LEED certified buildings

C. Community Infrastructure

Oro Valley's capacity to provide quality public service is critical. Therefore, adequate services and facilities are necessary to meet community expectations. Maintaining the infrastructure will strengthen the economic viability and quality of life in the Town.



Community Infrastructure Goals:

1. Ensure appropriate municipal facilities to meet service demands and staffing needs.
2. Plan for and provide the necessary infrastructure to support community growth and preservation.
3. Maintain and acquire sufficient water resources to ensure that the community has an adequate water supply.
4. Explore the development of transportation alternatives.
5. Partner with regional jurisdictions to cooperate in the development and maintenance of quality infrastructure, as appropriate.
6. Maintain a high-speed data network to meet information storage and data management needs to provide timely and accurate information.

Strategies:

1. Monitor and collaborate with other entities as appropriate on: land use, open space, water, public safety, transportation, information technology and economic development to ensure that growth and development within the Town's planning boundaries have a positive impact on Oro Valley's quality of life.
2. Develop and implement a comprehensive strategic and operational plan for municipal facilities and infrastructure.
3. Ensure infrastructure is maintained and replaced/upgraded to meet the community's short and long-term needs.
4. Maintain an assured water supply designation by planning and developing a renewable water supply (e.g., Central Arizona Project (CAP) and reclaimed water), providing a high quality potable water supply, promoting water conservation and fostering regional cooperation for water development.
5. Coordinate and secure funding, either solely or in concert with other public or private entities, for the development of community infrastructure.
6. Continue to implement network upgrades and infrastructure improvements, allowing the fastest data transmission speeds across all segments of our local area network (LAN). These improvements will also provide the means to monitor network performance and minimize vulnerabilities and downtime.

Community Indicators:

- Increased rating Overall Condition Index (OCI) of public streets
- Construction of Rancho Vistoso Municipal Complex and Town Hall addition
- Increased number of new lane miles
- Implementation of Regional Transportation Authority circulator and fixed routes
- Increased water storage reserves supply
- Reduce unaccounted for water
- Completion of business continuity plans
- Decreased IT downtime of network
- Completion of scheduled milestones for the CAP water delivery system

D. Leadership and Communication

Leadership and communication are interrelated principles. You cannot have one without the other. Leadership is the ability to communicate a vision well, which in turn motivates people, transforming great ideas into action. It is what makes all achievement possible. Oro Valley is committed to leadership and communication.



Strategic Plan

Through effective communication internally as well as externally, a leadership culture will be developed and strengthened at every organizational level.

Leadership and Communication Goals:

1. Build trust through effective public outreach and communication.
2. Create an environment conducive to effective dialogue among the Council, staff and community.
3. Improve intergovernmental relationships.
4. Encourage and develop leadership skills and opportunities.

Strategies:

1. Support and expand community and staff leadership development opportunities.
2. Expand public and organizational communications programs.
3. Develop the capabilities and vehicles to promote community leadership for positive change.
4. Develop and implement a clear, widely-shared and recognized Town identity (brand).
5. Conduct—at a minimum—a biennial community survey to identify levels of citizen expectations and satisfaction with Town services and quality of life indicators.
6. Attract, develop and retain talented employees.
7. Maintain consistency in implementing policy.

Community Indicators:

- High satisfaction level expressed from residents responding to community surveys
- Increased employee retention
- Increased staff participation in leadership development opportunities
- Increased participation in local, regional, state and federal collaborative government efforts that provide a positive impact for the town
- Develop opportunities for collaboration in local, regional, state and federal government efforts



General Plan

The citizens of the Town of Oro Valley established and ordained this General Plan for the development and support of the Town. The purpose of the General Plan is to provide basic direction and guidance to all elected and appointed officials, employees, and residents of the Town in their decision making process. The General Plan consists of eleven (11) main elements.

Land Use	Orderly growth that focuses primarily on low-density development is especially important to the community, as is development that is sensitive to and compatible with the Sonoran Desert environment.
Community Design	The Town should integrate the manmade elements into the natural environment with great sensitivity and with minimal disruption to existing topographic forms and ecosystems.
Economic Development	Diversification in the local revenue base is desirable, however, any new development must be consistent with the community's vision for the future and values.
Cost of Development	This Cost of Development element articulates the Town's interest in ensuring that new development does its fair share to perpetuate the high standards that the Town has established since its incorporation.
Transportation/Circulation	Oro Valley's transportation system must provide residents and visitors with safe, convenient and efficient mobility.
Public Facilities, Services and Safety	This element is to provide the Town with development oversight strategies that ensure orderly, rational development of infrastructure to support projected growth and to address the safety needs of its residents.
Housing	Efforts should continue to be made to provide a mix of housing at various densities and price ranges to allow people of all ages to enjoy the splendor of Oro Valley.
Parks and Recreation	This element is intended to protect and enhance the resort/residential image the Town wishes to maintain.
Arts and Culture	To enhance the quality of life by promoting and sustaining the arts and culture in our community.
Archaeological and Historic Resources	To preserve the unique archaeological, cultural, and historic resources within Oro Valley to the degree not already regulated by the State of Arizona.
Open Space and Natural Resources Conservation	This element is intended to identify and address the Town's environmental resources in a comprehensive manner. The protection, restoration, and maintenance of environmental resources require an integrated approach.

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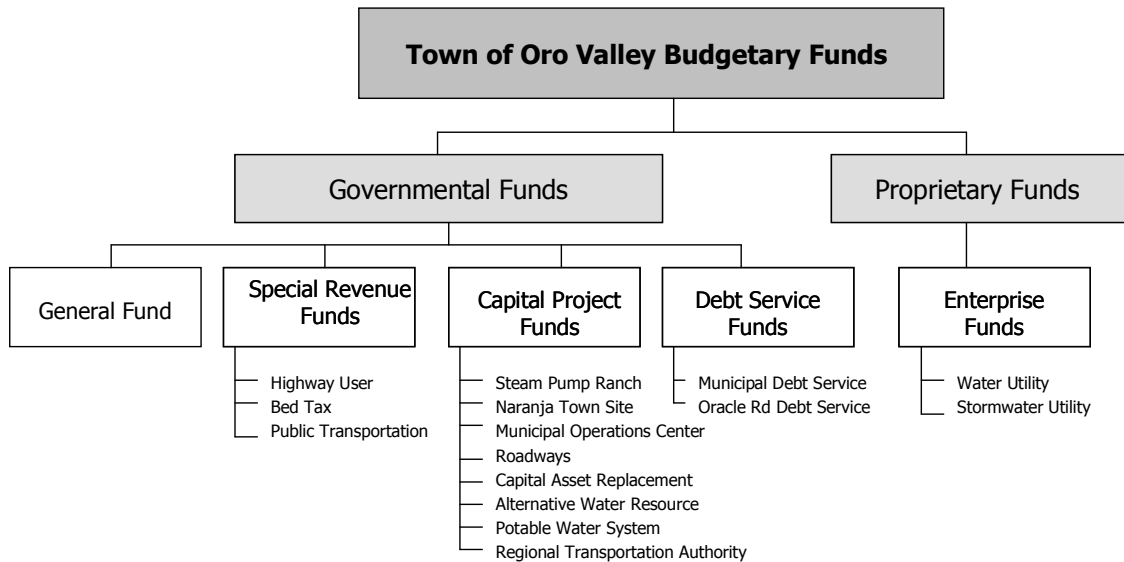
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Fund Structure

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.



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 and general administration are all 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.

Capital Project Funds are used to account for revenue received and expenses related to infrastructure improvements such as streets, water, buildings and historic preservation. Revenue is received from impact fees, the issuance of bonds, outside funding and special assessments.

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.

Budgetary Basis

Budgetary basis refers to the basis of accounting used to estimate financing sources and uses in the budget.

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." The Town's governmental fund type budgets are developed using the modified accrual basis of accounting.

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). The Town's proprietary fund budgets are developed using the full accrual basis of accounting.

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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 to plan for the adequate funding of services desired by the public. Sound financial policies will help to ensure the Town's capability to adequately fund and provide the government services desired by the community. These policies are designed to enhance 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 contained herein are further designed to foster and support the continued financial strength and stability of the Town of Oro Valley. The policies will serve as guidelines for the Town's overall fiscal planning and management. In addition, the Government Finance Officers Association (GFOA), as well as the National Advisory Council on State and Local Budgeting (NACSLB) recommends formal adoption of financial policies by the jurisdiction's governing board.

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.

Quarterly, budget to actual revenue and expenditure reports will be prepared, for all Town funds, by the Finance Department and presented to the Finance and Bond Committee and Town Council. The reports will also include revenue and expenditure projections through the end of the fiscal year and identify and explain any variances.

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 30th. 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.

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



Financial and Budgetary Policies

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

A.2.1 Long Range Forecasts

As part of the annual Town budget preparation cycle, the Finance Department shall prepare a 10-year financial forecast of projected revenues and expenditures to measure the financial sustainability of the Town's operations and service levels.

A.2.2 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.3 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 maintain a Capital Asset Replacement Fund to 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 this fund based on a portion of their annual asset depreciation.

The Finance Department is 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.

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 continued 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.



Financial and Budgetary Policies

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 considered 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.

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 operation 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 & 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.

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 compare the present value of the estimated refunding cost savings as a percentage of the amount of outstanding bonds to be refunded to determine the viability of the refunding. Considerations will be made with regard to the existing bond covenants when refunding any bonded debt.



Financial and Budgetary Policies

When utility revenues are pledged as debt service payments, the Town will strive to maintain a 1.3 debt service coverage ratio or the required ratio in the bond indenture (whichever is greater) to ensure debt coverage in times of revenue fluctuation.

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. 6% is the limit for general purpose projects; for water, light, sewer, open space, public safety, park, law enforcement, fire and emergency services, and streets and transportation facilities projects there is a 20% limit.

C.2 Capital Improvement Plan Policies

The purpose of the Capital Improvement Plan (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 five year Capital Improvement Plan will be developed and updated annually, including anticipated funding sources. Capital improvement projects include infrastructure, equipment purchases or construction resulting in or making improvements to a capitalized asset costing more than \$50,000 and having a useful life of five or more years.

The Capital Improvement Plan 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 by monies.

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.

The current fiscal year of the Capital Improvement Plan 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 monitoring each project's progress and identifying any significant issues.

C.3 Reserve or Stabilization Accounts

Contingency reserves, determined annually, are maintained to offset unanticipated revenue shortfalls and/or unexpected expenditure increases. Contingency reserves may also be used for unanticipated and/or inadequately budgeted events threatening the public health or safety. Use of contingency funds should be utilized only after all budget sources have been examined for available funds, and subject to Town Council approval.

The Town shall maintain, at a minimum, a contingency reserve in the General Fund which represents 25% of the General Fund's annual expenditures with no use of the General Fund contingency to support ongoing operational expenses.

Contingency reserves will be maintained at 5% of the operating budget expenditures for the Water Enterprise Fund.

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 financial sustainability model.



Financial and Budgetary Policies

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.

Quarterly, budget to actual revenue and expenditure reports will be prepared, for all Town funds, by the Finance Department and presented to the Finance and Bond Committee and 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 and 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 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.

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 will be performed by an independent 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 Certification 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 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

Overview

The budget process begins with a review of the current financial condition of the Town and a discussion on varying, high-level projections for the upcoming fiscal year which are presented to Council for consideration and approval. The following factors played a key role in the FY 2009/2010 budget development process:

- Local recessionary economy and decreased sales activity
- Decreases in state shared revenues due to the State's budget crisis
- Decrease in construction activity

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

In the previous budget year, departments used a base average recurring O&M target when developing their operating budget. This O&M target was based on a three (3) year historical trend and adjusted for one-time expenditures. For FY 2009/10 with the uncertainty of the economy, this approach was not acceptable. The Town Manager instructed each department to scrutinize their operating costs and start from the bottom up – a zero based budgeting approach – while keeping the services they provide to the community whole.

Budget Review

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. Any gaps existing between revenue and expenditures are discussed among Finance and Town management with a recommendation for closure.

Simultaneously, a financial sustainability plan is updated with various assumption factors, and projected revenue and departmental costs to complete a five (5) year financial picture. The financial sustainability plan is developed with input from the citizen-based Finance and Bond Committee and contains recommendations for sustaining the economic future of Oro Valley.

The Town Manager meets with each department director to discuss and review their budget and ultimately recommends a budget for Council consideration. The Town Manager's recommended balanced budget is delivered to the Council and Finance and Bond Committee along with an overview of the Town's five year (5) financial condition. 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.

Budget Adoption

The proposed budget was delivered and presented to Council for tentative adoption on June 3, 2009. The adoption of the tentative budget sets the expenditure limitation for the fiscal year. The budget is then available to the general public via newspaper and public hearings. After completion of public hearings, the final budget was adopted on June 17, 2009.



Budget Process

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 2006. 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 (4) years. The expenditure limit for Oro Valley is \$121,549,343.

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 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 Plan 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.



Budget Calendar

2009 Budget Calendar

January						
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December						
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27	28	29	30	31		

January

28 Update Council on mid-year financial status and preview FY 2009/10 budget process

29 Departments begin compiling requested budget for operations & maintenance and capital expenditures

February

13 The CIP Technical Advisory Committee (CIPTAC) reviews and ranks department project requests

13 Departments submit operating and capital expenditure requests to Finance

17-28 Finance reviews and analyzes department budget requests

March

9-13 Finance meets with departments to review their requested budget

10 CIPTAC receives and reviews draft CIP

16-20 Town Manager meets with department directors and Finance to review the proposed budget

23-27 Finance prepares Town Manager Recommended Budget

24 CIPTAC finalizes CIP and recommends for Council adoption

April

1 Town Manager Recommended Budget delivered to Council and Finance & Bond Committee

6 Council Budget Work Session

8 Council Budget Work Session

13 Council Budget Work Session

20 Council Budget Work Session

22 Council Budget Work Session

27 Council Budget Work Session

29 Council Budget Work Session

May

4 Council Budget Work Session

20 Council Budget Work Session

27 Council Budget Work Session

June

3 Adoption of Tentative Budget and CIP

17 Adoption of Final Budget and CIP

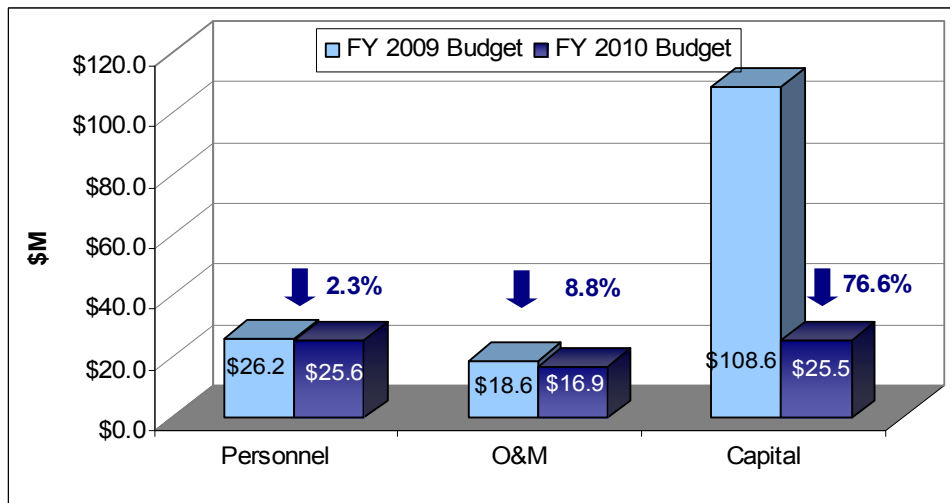
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Budget Overview

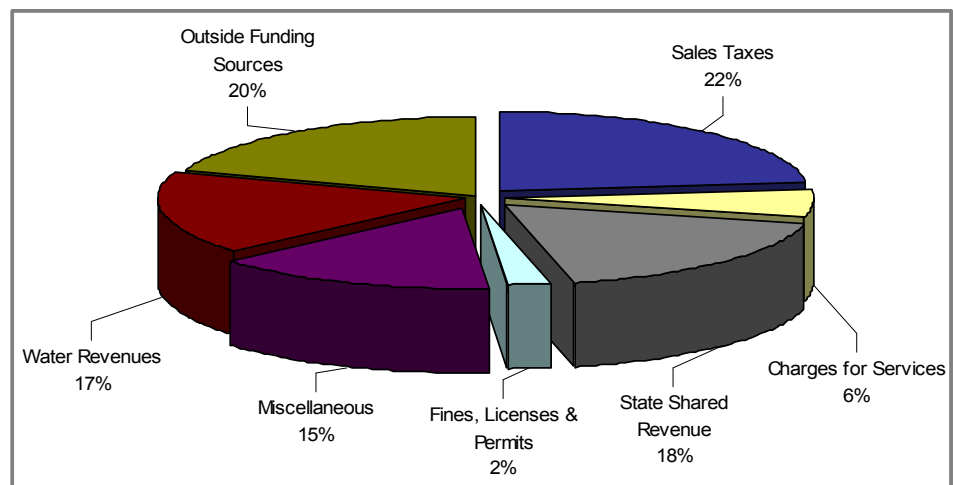
The budget for FY 2009/2010 totals \$121.5 million which includes a \$48.7 million operating budget and \$24.4 million for capital projects, and represents a 40% decrease over the previous year budget. With the FY 2009 budget, the Town focused on planning for the future and included several significant capital improvement projects relating to roadways and master planned projects. Many of the capital projects budgeted were put on hold or scaled down during the year due to the economic and financial conditions affecting the nation and local governments. Mid-year, Council also adopted a hiring freeze, on the recommendation of the Town Manager, with anticipated savings in personnel costs of \$244.3K. With these short-term fixes in place, the FY 2010 budget was developed looking not only at the year ahead, but through FY 2013/14 and ensuring the Town would be financially sustainable during these challenging economic times. Departments were instructed to "scrub" their budgets and reduce their operating costs, where appropriate, while maintaining current service levels. As depicted in the chart below, substantial reductions were taken in each of the operating categories. A more detailed discussion on the changes to each category can be found in the Expenditure Summary section of this document.

Comprehensive Budget Overview



Revenues

Budgeted revenue for FY 2009-10 totals \$71.1 million and represents a 52.3% decrease over FY 08/09. The Town receives a variety of funding sources to finance operations which will be discussed in further detail in the Financial Overview section of the budget document.



In FY 2010, the Town has budgeted revenue from Sales Taxes which is a major funding source (22% of the total), State Shared Revenues (18% of total), and Water Sales (17% of total).



Budget Overview

Revenue Sources

	FY 2008	FY 2008/09		FY 2009/10	Variance	%
	Actual	Budget	Projected	Budget		
Sales Taxes	17,685,649	18,877,356	16,666,314	16,343,805	(2,533,551)	-13.4%
Charges for Services	3,172,470	4,077,051	3,721,111	4,128,237	51,186	1.3%
State Shared Revenue	14,092,087	14,341,292	13,576,382	12,532,280	(1,809,012)	-12.6%
Fines, Licenses & Permits	3,042,625	2,124,250	1,857,321	1,625,385	(498,865)	-23.5%
Miscellaneous	5,004,768	4,653,158	3,676,646	10,595,393	5,942,235	127.7%
Water Revenues	13,610,624	12,346,100	13,154,460	11,782,604	(563,496)	-4.6%
Outside Funding Sources	16,590,311	92,537,934	4,656,628	14,089,550	(78,448,384)	-84.8%
Total Revenue	\$ 73,198,535	\$ 148,957,141	\$ 57,308,862	\$ 71,097,254	\$ (77,859,887)	-52.3%

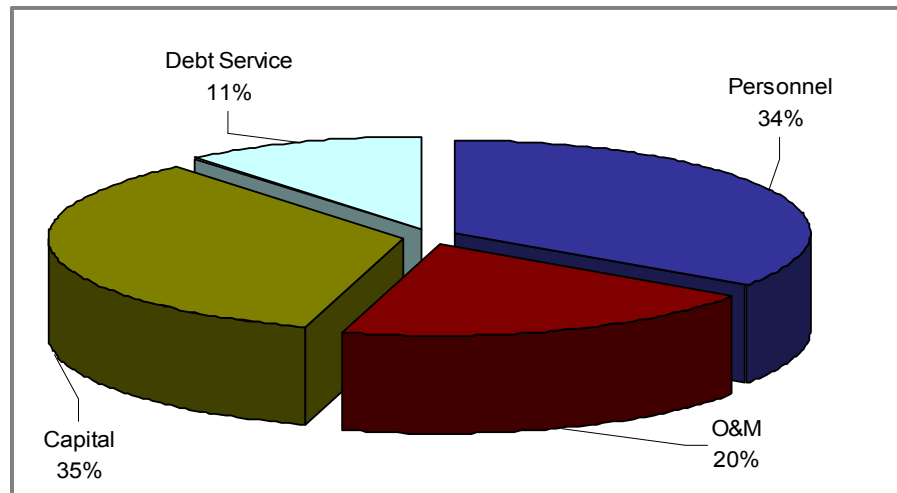
Does not include transfers or carry-forward fund balances

Expenditures

Budgeted expenditures for FY 2009-10 total \$73.8 million and represents a 54% decrease over FY 08/09. The budget includes \$48.7 million to support daily operations and services and \$24.4 million in capital projects to fund roadway expansions and improvements, master planned projects, and water infrastructure improvements.

Further detail on uses of

expenditures and types can be found further in the Financial Overview section of the budget document.



Budgeted Uses

	FY 2008	FY 2008/09		FY 2009/10	Variance	%
	Actual	Budget	Projected	Budget		
Personnel	24,014,645	26,169,851	25,936,156	25,570,985	(598,866)	-2.3%
O&M	12,789,448	16,405,875	14,808,796	14,630,379	(1,775,496)	-10.8%
Capital	22,112,413	108,644,567	17,438,052	25,476,161	(83,168,406)	-76.6%
Debt Service	7,038,927	9,072,596	7,558,292	8,118,159	(954,437)	-10.5%
Total Expenditures	\$ 65,955,432	\$ 160,292,889	\$ 65,741,296	\$ 73,795,684	\$ (86,497,205)	-54.0%

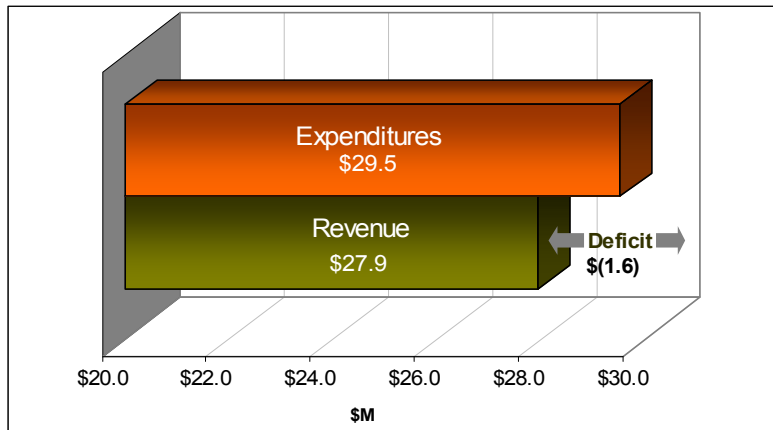
Does not include depreciation, transfers or contingency amounts



Budget Overview

Budget Policy

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

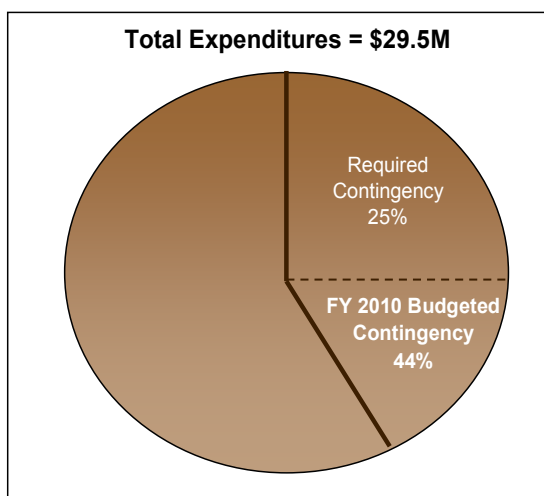


Revenues	\$27,938,656
Expenditures	<u>29,505,926</u>
(Deficit)/Surplus	\$ (1,567,270)

The negative difference of \$1.6 million between revenues and total expenditures in the General Fund for FY 2009/10 is attributed to one-time expenditures totaling \$1.2 million, and \$337.3K in recurring expenses to fund personnel costs. With the adoption of the budget, the Town Council offered a voluntary severance plan to all

employees that was expected to generate sufficient recurring savings such that the planned use of contingency reserves would be limited to funding only the one-time, non-recurring expenditures of \$1.2 million. A detailed listing of one-time expenditures and their uses can be found in the Expenditure Summary section of this document.

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 recurring expenditures must be set aside as a required contingency in the General Fund.



Expenditures	\$29,505,926
Contingency Requirement	<u>25%</u>
Required Contingency	\$ 7,376,482

The budgeted contingency reserve for FY 2009/10 is \$13,090,582 in the General Fund and is equal to 44.4% of expenditures.

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Fund Balances

	(1) General Fund	(2) Special Revenue Funds	(3) Enterprise Funds	(4) Capital Projects Funds	Internal Service Fund	Debt Service Funds	2009-2010 Total
Revenues and Other Sources							
Taxes	\$ 13,893,740	\$ 2,450,065	\$ -	\$ -	\$ -		\$ 16,343,805
Licenses and Permits	1,313,890	24,892	-	-	-		1,338,782
Water Sales	-	-	11,502,100	-	-		11,502,100
Charges for Services	1,039,137	120,900	1,187,200	1,756,000	-		4,103,237
State Shared Revenue	9,687,608	2,844,672	-	-	-		12,532,280
Intergovernmental	626,783	-	-	283,515	-		910,298
Other Financing Sources	-	302,000	4,850,000	2,970,000	895,914	1,034,297	10,052,211
Grants	733,165	1,175,000	2,001,600	9,269,487	-		13,179,252
Impact Fees	-	-	-	2,053,492	-		2,053,492
Interest Income	232,730	98,204	121,982	215,974	-	154,203	823,093
Miscellaneous	411,603	18,808	-	315,504	-	215,000	960,915
Total	\$ 27,938,656	\$ 7,034,541	\$ 19,662,882	\$ 16,863,972	\$ 895,914	\$ 1,403,500	\$ 73,799,465
Expenditures							
General Government	\$ 8,356,022	\$ 500,254	\$ -	\$ 51,000	\$ -	\$ 11,600	\$ 8,918,876
Public Safety	12,228,109	100,000	-	-	-		12,328,109
Public Works	-	3,784,372	614,442	25,000	895,914		5,319,728
Parks and Recreation	1,925,447	-	-	-	-		1,925,447
Development Services	3,728,278	-	-	-	-		3,728,278
Library Services	1,237,433	-	-	-	-		1,237,433
Water Utility	-	-	7,365,168	273,200	-		7,638,368
Capital Projects	-	1,813,200	8,232,600	14,535,486	-		24,581,286
Principal Payments	-	-	2,034,820	1,264,349	-	836,780	4,135,949
Interest Payments	-	-	2,091,428	1,326,062	-	564,720	3,982,210
Other Financing Uses	2,030,637	532,278	139,296	-	-		2,702,211
Total	\$ 29,505,926	\$ 6,730,104	\$ 20,477,754	\$ 17,475,097	\$ 895,914	\$ 1,413,100	\$ 76,497,895
Excess (Deficiency)	(1,567,270)	304,437	(814,872)	(611,125)	-	(9,600)	(2,698,430)
Beginning Fund Balance	\$ 14,657,852	\$ 5,908,926	\$ 9,856,228	\$ 19,773,048	\$ -	\$ 256,035	\$ 50,452,089
Ending Fund Balance	\$ 13,090,582	\$ 6,213,363	\$ 9,041,356	\$ 19,161,923	\$ -	\$ 246,435	\$ 47,753,659

This table depicts the estimated beginning fund balance at July 1, 2009, the budgeted revenues and expenditures for FY 2009/10 and the projected ending fund balance at June 30, 2010.

- (1) The General Fund has a planned deficiency of \$1,567,270. Of this amount, \$1.2 million will be used to fund one-time expenditures. The remaining \$337K is for recurring expenses to fund personnel costs.
- (2) Special Revenue Funds have a planned surplus of \$304,437.
- (3) The Enterprise Funds have a planned deficiency of \$814,872 which will be used to fund capital improvements and debt service payments.
- (4) The Capital Projects Funds have a planned deficiency of \$611,125 which will be used for roadway improvements and expansion, as well as Central Arizona Project (CAP) related water improvement projects.



Budget Summary

	FY 2007	FY 2008	FY 2009		FY 2010
	Actual		Budget	Projected	Budget
Personnel					
General Fund	275.75	289.00	290.30	286.28	279.44
Special Revenue Funds	45.10	46.12	46.80	46.23	46.53
Capital Project Funds	-	-	8.60	-	-
Enterprise Funds	36.50	37.50	38.50	38.80	38.80
Internal Service Fund	-	-	-	-	2.37
TOTAL PERSONNEL	357.35	372.62	384.20	371.31	367.14
Expenditures by Fund ¹⁾					
General Fund	23,177,436	26,480,868	29,850,655	27,614,186	27,475,289
Special Revenue Funds	6,753,854	7,700,336	7,225,359	6,898,449	6,197,826
Debt Service Funds	3,384,083	1,585,766	2,872,228	1,596,728	1,413,100
Capital Project Funds	9,210,279	15,520,918	102,295,413	13,199,074	17,475,097
Enterprise Funds	9,058,379	14,667,544	18,049,234	16,432,859	20,338,458
Internal Service Fund	-	-	-	-	895,914
TOTAL EXPENDITURES	51,584,031	65,955,432	160,292,889	65,741,296	73,795,684
Expenditures by Category ¹⁾					
Personnel	21,032,922	24,014,645	26,169,851	25,936,156	25,570,985
Contracts/Services	7,718,412	9,738,921	13,031,276	11,718,084	11,471,683
Supplies	762,788	979,275	1,032,890	875,586	861,065
Utilities	1,993,954	2,071,251	2,341,709	2,215,126	2,297,631
Capital Outlay	13,191,185	22,112,413	108,644,567	17,438,052	25,476,161
Debt Service	6,884,769	7,038,927	9,072,596	7,558,292	8,118,159
TOTAL EXPENDITURES	51,584,031	65,955,432	160,292,889	65,741,296	73,795,684
Operating Results					
Total Revenues ²⁾	58,984,879	73,198,535	148,957,141	57,308,862	71,097,254
Total Expenditures ¹⁾	51,584,031	65,955,432	160,292,889	65,741,296	73,795,684
NET OPERATING RESULTS	7,400,848	7,243,103	(11,335,748)	(8,432,434)	(2,698,430)

1) Excludes contingency amounts and transfers

2) Excludes carry-forward balances and transfers



Town of Oro Valley
Community of Excellence

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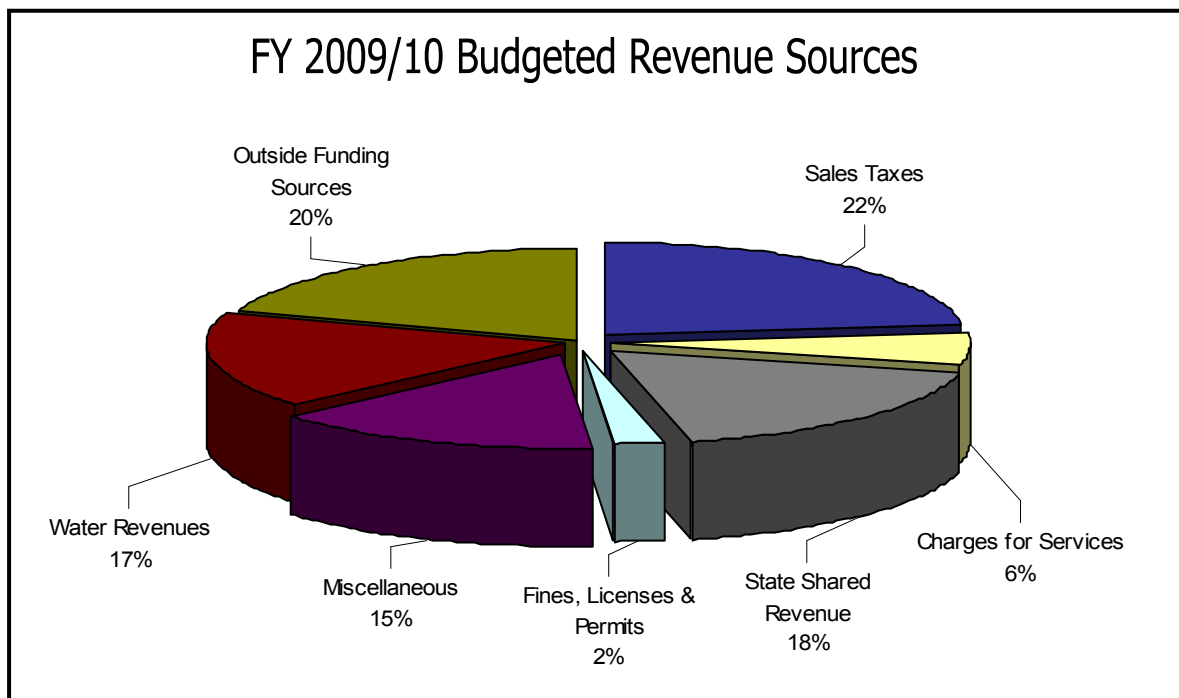


Revenue Summary

Revenue for FY 2009-10 is estimated to total \$71,097,254. In comparison to the FY 2008-09 budget, revenue is projected to decrease 52.3%. A brief description of the changes in revenue from budget year to budget year is detailed below. Compiling revenue estimates for FY 2010 was a challenging task. In previous years, revenue estimates were based on historical data, economic indicators, and information received from State reports and other sources. With the uncertainty of the State's budget and the duration of the recession, these methods were not acceptable. The Finance department analyzed each major revenue source, its vulnerability, and the drivers behind the source.

Local sales tax represents a significant source of the Town's budgeted revenue at 22% of total revenue. In this category, taxes relating to construction activity are the biggest contributor. In previous years, the Town relied on the expertise of a forecaster in the homebuilder industry to project revenue related to residential construction activity. For FY 2009-10, revenue was projected assuming limited development and declines in the double-digits from previous years. Commercial activity, however, is anticipated to remain fairly consistent. In collaboration with Economic Development and Development Services, the Finance department compiled a list of all commercial projects in the pipeline and their likelihood of completion in the next budget year. While residential activity is down, FY 2010 will see a major renovation undertaken at the Ventana Medical Systems facility (130K+ square feet), which will contribute significantly to taxes on construction, permit and impact fees. The FY 2010 budget is also forecasted to see an addition of 350K+ square feet of commercial building in the form of hotels, restaurants, retail, and office space.

The Town receives a variety of other funding sources to finance operations and further detail on the types of sources, their uses, and assumptions on future projections can be found further in the Financial Overview section of the budget document.





Revenue Summary

Revenue Sources

	FY 2008	FY 2008/09		FY 2009/10	Variance	%
	Actual	Budget	Projected	Budget		
Sales Taxes	17,685,649	18,877,356	16,666,314	16,343,805	(2,533,551)	-13.4%
Charges for Services	3,172,470	4,077,051	3,721,111	4,128,237	51,186	1.3%
State Shared Revenue	14,092,087	14,341,292	13,576,382	12,532,280	(1,809,012)	-12.6%
Fines, Licenses & Permits	3,042,625	2,124,250	1,857,321	1,625,385	(498,865)	-23.5%
Miscellaneous	5,004,768	4,653,158	3,676,646	10,595,393	5,942,235	127.7%
Water Revenues	13,610,624	12,346,100	13,154,460	11,782,604	(563,496)	-4.6%
Outside Funding Sources	16,590,311	92,537,934	4,656,628	14,089,550	(78,448,384)	-84.8%
Total Revenue	\$ 73,198,535	\$ 148,957,141	\$ 57,308,862	\$ 71,097,254	\$ (77,859,887)	-52.3%

Does not include transfers or carry-forward fund balances

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

Sales Taxes \$(2.5M)	<ul style="list-style-type: none"> \$300K increase in Utility Sales Tax due to Council's direction to extend the tax indefinitely \$800K decrease in construction taxes due to reduced residential building activity, and the near completion of Oro Valley Marketplace, an 800K SF commercial center developed in FY 2009 \$540K decrease (22.3%) in taxes relating to lodging \$890K budgeted in FY09 for projects relating to regional transportation, not to be repeated in FY10 \$200K decrease (3%) in retail activity; 11% decrease is projected in base businesses and offset by new commercial centers coming on-line in FY10
State Shared Revenue \$(1.8M)	<ul style="list-style-type: none"> \$720K decrease (12.4%) in State Income Tax \$535K decrease (15%) in State Sales Tax \$504K decrease (15.9%) in Highway User Tax
Fines, Licenses & Permits \$(499K)	<ul style="list-style-type: none"> \$193K increase in Commercial Building Permits due to the expansion of Ventana Medical Systems facility \$720K decrease in Residential Building Permits as permits drop from a budget of 250 in FY09 to 60 permits in FY10
Miscellaneous \$5.9M	<ul style="list-style-type: none"> \$6.7M increase for proceeds from WIFA loans for Water Utility \$577K increase in impact fees due to the adoption of additional impact fees in December 2008 to fund capital projects \$1.4M decrease in interest income due to the decline of the interest rate in the Local Government Investment Pool
Outside Funding Sources \$(78.4M)	<ul style="list-style-type: none"> \$74.6M decrease in bond proceeds for the construction of the Municipal Operations Center which has been postponed for the next few years (\$26M), and construction on the Naranja Town Site park (\$48.6M) for which the ballot measure did not pass in FY09 \$4.3M decrease in federal & state grants due to minimal funding available on roadway projects for FY10



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
General Fund						
Local Sales Tax:						
Local Sales Tax	11,830,736	12,712,712	13,337,072	12,442,610	13,318,740	-0.1%
Sales Tax Audit Recoveries	1,241,461	565,969	300,000	200,000	100,000	-66.7%
Cable Franchise Fees	478,175	516,652	475,000	475,000	475,000	0.0%
Total Local Sales Tax	13,550,372	13,795,333	14,112,072	13,117,610	13,893,740	-1.5%
License & Permit Fees:						
Business Licenses & Permits	163,885	170,930	178,520	178,520	184,920	3.6%
Residential Building Permits	1,325,202	1,250,093	1,100,000	629,100	381,250	-65.3%
Commercial Building Permits	749,890	1,272,320	486,730	680,000	679,521	39.6%
Sign Permits	32,146	36,386	28,000	47,524	47,638	70.1%
Special Inspection Fees	16,103	11,180	20,000	7,817	7,817	-60.9%
Grading Permit Fees	41,225	20,235	28,800	12,744	12,744	-55.8%
Floodplain Requests		180	200	-	-	-100.0%
Total License & Permit Fees	2,328,450	2,761,325	1,842,250	1,555,705	1,313,890	-28.7%
Federal Grants:						
Mantis	126,149	134,365	155,500	102,605	99,796	-35.8%
COPS Universal	32,592	-	-	-	-	0.0%
DEA OT Reimbursement	14,321	18,973	22,000	22,000	-	-100.0%
Miscellaneous Federal Grants	17,475	4,617	130,000	13,132	179,200	37.8%
HIDTA	110,794	101,786	99,186	81,780	-	-100.0%
HIDTA-DEA	83,872	54,375	63,079	68,169	78,169	23.9%
GOHS	47,787	16,414	56,884	24,527	100,000	75.8%
DOJ Homeland Security	88,411	-	175,000	-	170,000	-2.9%
Joint Terrorism Task Force	908	7,836	15,854	8,841	-	-100.0%
Total Federal Grants	522,309	338,365	717,503	321,054	627,165	-12.6%
State Grants:						
Safe Schools Grant	108,472	49,667	45,573	51,291	50,000	9.7%
Misc State Grants	23,056	83,086	230,171	110,151	36,000	-84.4%
Dept of Public Safety	13,839	-	-	-	-	0.0%
The 100 Club of Arizona	-	-	10,000	-	20,000	100.0%
Total State Grants	145,367	132,753	285,744	161,442	106,000	-62.9%
State/County Shared:						
State Income	4,473,305	5,544,763	5,808,138	5,800,000	5,086,802	-12.4%
State Sales	3,744,864	3,621,016	3,563,635	3,300,000	3,029,090	-15.0%
Vehicle License Tax	1,726,149	1,738,874	1,620,000	1,654,437	1,571,716	-3.0%
Total State/County Shared	9,944,318	10,904,654	10,991,773	10,754,437	9,687,608	-11.9%
Other Intergovernmental:						
JDK Park Contributions	30,000	30,000	30,000	30,000	30,000	0.0%
PCLD Reimbursements	592,769	368,205	620,083	591,783	596,783	-3.8%
Other	-	-	-	-	-	0.0%
Total Other Intergovernmental	622,769	398,205	650,083	621,783	626,783	-3.6%
Charges for Services:						
Court Costs	187,037	201,172	200,000	232,110	246,996	23.5%
Public Defender Fees	7,488	9,258	7,500	9,905	10,539	40.5%
Recording Fees	4,743	688	4,000	578	600	-85.0%
Zoning & Subdivision Fees	167,481	164,340	158,120	116,278	116,278	-26.5%
User Fees - Swimming Pool	86,438	64,601	85,000	86,246	87,108	2.5%
User Fees - Electricity	20,826	5,533	20,000	24,389	30,133	50.7%
User Fees - Miscellaneous	230,789	262,471	228,000	225,457	260,000	14.0%
Recreation In Lieu Fees	34,920	8,548	37,000	-	30,000	-18.9%
Copy Services	5,378	3,449	4,000	4,913	4,962	24.1%
Town Hall Usage Fees	4,366	3,285	3,500	3,026	3,056	-12.7%
General Government Other	3,055	2,666	3,000	692	699	-76.7%
Police Report Copying	17,052	18,838	18,000	19,017	19,207	6.7%
Police Other	13,226	5,603	8,000	4,809	4,857	-39.3%
Building Inspection Copying	217	45	100	-	-	-100.0%
Engineer Plan Review Fees	39,220	21,095	21,600	27,333	27,333	26.5%
Grading Review Fees	19,548	8,652	15,600	2,743	2,743	-82.4%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
Grading Inspection Fees	3,130	1,640	3,000	960	1,960	-34.7%
Financial Services	36,600	109,841	109,841	122,771	109,841	0.0%
Real Property Rental Income	82,000	89,100	82,000	82,000	82,000	0.0%
Maps	649	176	200	420	424	112.0%
Code Book Sales	972	1,915	1,500	397	401	-73.3%
Impound Processing		44,815	50,000	58,114	-	-100.0%
Total Charges for Services	965,134	1,027,729	1,059,961	1,022,158	1,039,137	-2.0%
Fines:						
Fines	215,500	249,762	250,000	277,090	286,603	14.6%
Total Fines	215,500	249,762	250,000	277,090	286,603	14.6%
Interest Income:						
Interest - Investments	791,304	744,384	600,000	232,730	232,730	-61.2%
Total Interest Income	791,304	744,384	600,000	232,730	232,730	-61.2%
Miscellaneous:						
Donations	(2,646)	-	-	-	-	0.0%
Miscellaneous	10,440	16,862	5,000	10,882	5,000	0.0%
Insurance Recoveries	26,091	117,362	20,000	13,268	20,000	0.0%
In-Lieu Income	80,747	141,874	100,000	100,000	100,000	0.0%
Sale of Assets	-	513	-	736	-	0.0%
Total Miscellaneous	114,632	276,611	125,000	124,886	125,000	0.0%
TOTAL GENERAL FUND	29,200,154	30,629,121	30,634,386	28,188,895	27,938,656	-8.8%
Highway Fund						
Local Sales Tax:						
Construction Sales Tax	2,585,667	2,639,189	2,231,463	2,320,450	1,899,884	-14.9%
Total Local Sales Tax	2,585,667	2,639,189	2,231,463	2,320,450	1,899,884	-14.9%
License & Permit Fees:						
Road Permits	37,781	30,619	30,000	23,892	23,892	-20.4%
Floodplain Use Permits	2,620	920	2,000	634	1,000	-50.0%
Total License & Permit Fees	40,401	31,539	32,000	24,526	24,892	-22.2%
State Grants:						
PAG Reimbursements	-	695,464	-	77,274	-	0.0%
RTA Reimbursements	-	-	-	37,555	-	0.0%
Total State Grants	-	695,464	-	114,829	-	100.0%
State/County Shared:						
Highway User	3,031,223	3,002,828	3,160,116	2,631,021	2,656,128	-15.9%
Total State/County Shared	3,031,223	3,002,828	3,160,116	2,631,021	2,656,128	-15.9%
Charges for Services:						
Engineer Plan Review Fees	2,276	-	-	-	-	0.0%
Total Charges for Services	2,276	-	-	-	-	0.0%
Interest Income:						
Interest - Investments	192,680	187,687	180,000	75,223	75,223	-58.2%
Total Interest Income	192,680	187,687	180,000	75,223	75,223	-58.2%
Miscellaneous:						
Miscellaneous	7,950	11,185	5,000	10,193	10,193	103.9%
Sale of Assets	-	50,316	-	-	-	0.0%
Insurance Recoveries	3,962	17,388	-	2,084	2,084	100.0%
Total Miscellaneous	11,912	78,889	5,000	12,277	12,277	145.5%
TOTAL HIGHWAY FUND	5,864,159	6,635,595	5,608,579	5,178,326	4,668,404	-16.8%
Seizures & Forfeitures Funds						
Interest Income:						
Interest - Investments	23,191	21,586	-	6,538	7,000	100.0%
Total Interest Income	23,191	21,586	-	6,538	7,000	100.0%
Miscellaneous:						
Forfeitures	213,958	97,344	11,000	91,033	450,000	3990.9%
Total Miscellaneous	213,958	97,344	11,000	91,033	450,000	3990.9%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
TOTAL SEIZURES & FORFEITURES FUNDS	237,149	118,930	11,000	97,571	457,000	4054.5%
Bed Tax Fund						
Local Sales Tax:						
Local Sales Tax	1,215,766	1,251,128	1,639,071	1,228,254	550,181	-66.4%
Total Local Sales Tax	1,215,766	1,251,128	1,639,071	1,228,254	550,181	-66.4%
Interest Income:						
Interest - Investments	14,851	23,791	20,000	13,512	13,512	-32.4%
Total Interest Income	14,851	23,791	20,000	13,512	13,512	-32.4%
TOTAL BED TAX FUND	1,230,617	1,274,919	1,659,071	1,241,766	563,693	-66.0%
Regional Transportation Authority (RTA) Fund						
Local Sales Tax:						
Local Sales Tax			894,750			0.0%
Total Local Sales Tax	-	-	894,750	-	-	0.0%
State Grants:						
RTA Reimbursements	-	-	-	-	600,000	0.0%
Total State Grants	-	-	-	-	600,000	0.0%
TOTAL RTA FUND	-	-	894,750	-	600,000	-32.9%
Public Transportation Fund						
Federal Grants:						
Miscellaneous Grants	-	-	60,000	60,000	-	-100.0%
Total Federal Grants	-	-	60,000	60,000	-	-100.0%
State Grants:						
PAG Reimbursements	52,927	64,418	64,418	76,590	75,000	16.4%
RTA Reimbursements		705,020	675,000	740,000	50,000	-92.6%
LTAF II	116,316	-	46,500	-	-	-100.0%
Miscellaneous Grants	-	-	-	-	-	0.0%
Total State Grants	169,243	769,438	785,918	816,590	125,000	-84.1%
State/County Shared:						
LTAF	189,000	184,606	189,403	190,924	188,544	-0.5%
Total State/County Shared	189,000	184,606	189,403	190,924	188,544	-0.5%
Charges for Services:						
Fare Box	59,511	57,600	62,830	56,568	60,900	-3.1%
Total Charges for Services	59,511	57,600	62,830	56,568	60,900	-3.1%
Interest Income:						
Interest - Investments	9,166	16,175	20,000	2,469	2,469	-87.7%
Total Interest Income	9,166	16,175	20,000	2,469	2,469	-87.7%
Miscellaneous:						
Miscellaneous	8,024	99	-	771	-	0.0%
Sale of Assets	8,024	28,000	10,000	6,600	6,531	-34.7%
Total Miscellaneous	8,024	28,099	10,000	7,371	6,531	-34.7%
TOTAL PUBLIC TRANSPORTATION FUND	434,944	1,055,918	1,128,151	1,133,922	383,444	-66.0%
Economic Stimulus Fund						
Federal Grants:						
Miscellaneous Grants	-	-	-	-	3,000,000	0.0%
Total Federal Grants	-	-	-	-	3,000,000	0.0%
TOTAL ECONOMIC STIMULUS FUND	-	-	-	-	3,000,000	0.0%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
Impound Fee Fund						
Charges for Services:						
Impound Fees	-	-	-	-	60,000	0.0%
Total Charges for Services	-	-	-	-	60,000	0.0%
TOTAL IMPOUND FEE FUND	-	-	-	-	60,000	0.0%
Municipal Debt Service Fund						
Interest Income:						
Interest	7,937	5,051	5,000	1,859	2,000	-60.0%
Total Interest Income	7,937	5,051	5,000	1,859	2,000	-60.0%
Other Financing Sources:						
Bond Proceeds	1,414,899	-	-	-	-	0.0%
Total Other Financing Sources	1,414,899	-	-	-	-	0.0%
TOTAL MUNICIPAL DEBT SERVICE FUND	1,422,836	5,051	5,000	1,859	2,000	-60.0%
Oracle Road Debt Service Fund						
Interest Income:						
Special Assessments	190,020	172,788	167,828	167,828	152,203	-9.3%
Penalties	6,213	-	-	2,298	-	0.0%
Total Interest Income	196,233	172,788	167,828	170,126	152,203	-9.3%
Principal Repayments:						
Principal Repayments	183,607	193,023	205,000	205,000	215,000	4.9%
Total Principal Repayments	183,607	193,023	205,000	205,000	215,000	4.9%
TOTAL ORACLE RD DEBT SERVICE FUND	379,840	365,811	372,828	375,126	367,203	-1.5%
Townwide Roadways Development Impact Fee Fund						
Federal Grants:						
Miscellaneous Grants		500,000	500,000	34,000	-	-100.0%
Total Federal Grants	-	500,000	500,000	34,000	-	-100.0%
State Grants:						
PAG Reimbursements/HELP Loans	3,742,554	10,922,116	11,811,500	1,218,513	5,919,487	-49.9%
RTA Reimbursements	-	1,184,484	1,050,000	967,155	-	-100.0%
Total State Grants	3,742,554	12,106,600	12,861,500	2,185,668	5,919,487	-54.0%
Other Intergovernmental:						
Pima County Bond Proceeds	38,930	591,572	-	56,315	-	0.0%
Total Other Intergovernmental	38,930	591,572	-	56,315	-	0.0%
Impact Fees:						
Residential Development Impact Fees	1,038,217	910,741	843,750	412,703	143,100	-83.0%
Commercial Development Impact Fee		-	-	-	908,449	100.0%
Total Impact Fees	1,038,217	910,741	843,750	412,703	1,051,549	24.6%
Interest Income:						
Interest - Investments	162,164	339,628	220,000	93,358	46,679	-78.8%
Total Interest Income	162,164	339,628	220,000	93,358	46,679	-78.8%
Miscellaneous:						
Miscellaneous	693	157,229	-	26,104	10,000	100.0%
Real Property Rental Income		14,961	7,000	18,000	18,000	157.1%
Total Miscellaneous	693	172,191	7,000	44,104	28,000	300.0%
TOTAL DEVELOPMENT IMPACT FEE FUND	4,982,557	14,620,732	14,432,250	2,826,148	7,045,715	-51.2%
Parks & Recreation Development Impact Fee Fund						



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
Impact Fees:						
Residential Development Impact Fees	-	-	-	140,348	202,425	100.0%
Total Impact Fees	-	-	-	140,348	202,425	100.0%
TOTAL PARKS DEV. IMPACT FEE FUND	-	-	-	140,348	202,425	100.0%
Library Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	-	-	-	36,088	52,050	100.0%
Total Impact Fees	-	-	-	36,088	52,050	100.0%
TOTAL LIBRARY DEV. IMPACT FEE FUND	-	-	-	36,088	52,050	100.0%
Police Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	-	-	-	26,676	38,475	100.0%
Commercial Development Impact Fee	-	-	-	-	31,358	100.0%
Total Impact Fees	-	-	-	26,676	69,833	100.0%
TOTAL POLICE DEV. IMPACT FEE FUND	-	-	-	26,676	69,833	100.0%
General Government Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	-	-	-	32,634	29,175	100.0%
Commercial Development Impact Fee	-	-	-	-	90,476	100.0%
Total Impact Fees	-	-	-	32,634	119,651	100.0%
TOTAL GENERAL GOVT. IMPACT FEE FUND	-	-	-	32,634	119,651	100.0%
Steam Pump Ranch Acquisition Fund						
Federal Grants:						
Miscellaneous Federal Grants	-	-	450,000	-	250,000	-44.4%
Total Federal Grants	-	-	450,000	-	250,000	-44.4%
Other Intergovernmental:						
Pima County Bond Proceeds	-	32,890	200,000	88,196	283,515	41.8%
Total Other Intergovernmental	-	32,890	200,000	88,196	283,515	41.8%
TOTAL STEAM PUMP RANCH FUND	-	32,890	650,000	88,196	533,515	-17.9%
Honey Bee Village Development Fund						
State Grants:						
Miscellaneous State Grants	-	206,500	216,186	-	100,000	-53.7%
Total State Grants	-	206,500	216,186	-	100,000	-53.7%
TOTAL HONEY BEE VILLAGE FUND	-	206,500	216,186	-	100,000	-53.7%
Naranja Town Site Acquisition Fund						
Other Financing Sources:						
Bond Proceeds	-	-	48,600,000	-	-	-100.0%
Total Other Financing Sources	-	-	48,600,000	-	-	-100.0%
Interest Income:						
Interest - Investments	-	-	350,000	-	-	-100.0%
Total Interest Income	-	-	350,000	-	-	-100.0%
Miscellaneous:						
Miscellaneous	19,171	250,000	20,000	-	-	-100.0%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
Total Miscellaneous	19,171	250,000	20,000	-	-	-100.0%
TOTAL NARANJA TOWN SITE FUND	19,171	250,000	48,970,000	-	-	-100.0%
Municipal Operations Center Fund						
Other Financing Sources:						
Bond Proceeds		-	26,000,000	-	-	-100.0%
Total Other Financing Sources	-	-	26,000,000	-	-	-100.0%
Interest Income:						
Interest - Investments	34,119	31,773	20,000	15,295	15,295	-23.5%
Total Interest Income	34,119	31,773	20,000	15,295	15,295	-23.5%
TOTAL MUNICIPAL OPERATIONS CENTER	34,119	31,773	26,020,000	15,295	15,295	-99.9%
Enterprise Fund						
Water Sales:						
Residential Water Sales	7,187,885	7,511,067	7,652,600	7,600,700	7,600,700	-0.7%
Commercial Water Sales	614,404	667,910	612,100	687,300	687,300	12.3%
Irrigation Water Sales	980,111	1,147,018	1,131,800	1,057,600	1,057,600	-6.6%
Turf Related Water Sales	1,696,542	1,706,528	1,873,000	1,757,900	1,757,900	-6.1%
Construction Water Sales	542,879	652,446	275,700	391,600	391,600	42.0%
Other		1,630	2,700	7,000	7,000	159.3%
Total Water Sales	11,021,820	11,686,598	11,547,900	11,502,100	11,502,100	-0.4%
Charges for Services:						
Engineer Plan Review Fees	29,529	3,911	5,000	9,000	5,000	0.0%
Construction Inspection Fees	83,871	83,458	50,000	30,000	25,000	-50.0%
Misc Service Revenue	26,592	22,649	20,000	30,000	20,000	0.0%
Backflow-Install Permit Fee	2,713	3,150	2,500	5,000	4,000	60.0%
Served by Tucson	13,154	12,537	11,900	11,000	11,000	-7.6%
Served by Metro	8,650	8,640	8,300	8,000	8,000	-3.6%
Sewer Fees	112,580	136,665	138,000	138,000	140,000	1.4%
Late Fees	95,540	100,985	75,000	75,000	65,000	-13.3%
NSF Fees	5,274	6,853	5,000	6,000	5,000	0.0%
Rain Sensors	1,172	382	300	200	200	-33.3%
Meter Income	61,570	73,025	75,000	65,000	30,000	-60.0%
New Service Establish Fees	51,624	50,707	40,000	40,000	25,000	-37.5%
Reconnect Fees	28,414	35,647	20,000	35,000	25,000	25.0%
Other	42,862	81,561	102,000	102,000	84,000	-17.6%
Total Charges for Services	563,545	620,169	553,000	554,200	447,200	-19.1%
Interest Income:						
Interest - Investments	436,789	420,611	275,000	120,000	120,000	-56.4%
Total Interest Income	436,789	420,611	275,000	120,000	120,000	-56.4%
Miscellaneous:						
Miscellaneous	15,307	17,753	-	12,079	-	0.0%
Insurance Recoveries		2,522	-	300,000	-	0.0%
Sale of Assets		-	-	4,752	-	0.0%
Total Miscellaneous	15,307	20,276	-	316,831	-	0.0%
Other Financing Sources:						
WIFA Loan Proceeds	-	-	-	-	4,850,000	100.0%
Total Other Financing Sources	-	-	-	-	4,850,000	100.0%
TOTAL ENTERPRISE FUND	12,037,461	12,747,655	12,375,900	12,493,131	16,919,300	36.7%
Alternative Water Resources Development Impact Fee Fund						
Charges for Services:						
Groundwater Preservation Fee	767,993	1,092,778	1,656,560	1,332,300	1,756,000	6.0%
Total Charges for Services	767,993	1,092,778	1,656,560	1,332,300	1,756,000	6.0%
Impact Fees:						



Revenue Schedule by Fund

Major Revenue Accounts	FY 2007	FY 2008	FY 2009		FY 2010	% to Budget
	Actual		Budget	Projected	Budget	
Development Impact Fees	148,200	512,543	632,580	755,000	557,984	-11.8%
Total Impact Fees	148,200	512,543	632,580	755,000	557,984	-11.8%
Interest Income:						
Interest - Investments	228,301	65,719	15,800	18,000	18,000	13.9%
Total Interest Income	228,301	65,719	15,800	18,000	18,000	13.9%
Miscellaneous:						
Miscellaneous	85,000	170,000	-	-	-	0.0%
Total Miscellaneous	85,000	170,000	-	-	-	0.0%
Other Financing Sources:						
WIFA Loan Proceeds	-	-	623,000	693,522	2,500,000	301.3%
Total Other Financing Sources	-	-	623,000	693,522	2,500,000	301.3%
TOTAL AWRDIF FUND	1,229,494	1,841,041	2,927,940	2,798,822	4,831,984	65.0%
Potable Water System Development Impact Fee Fund						
Special Assessments:						
Single Family Connections	672,523	835,264	485,900	450,000	143,360	-70.5%
Multi-Family Connections	4,435	374,780	10,000	-	-	-100.0%
Commerical Connections	270,965	507,600	200,000	760,000	112,000	-44.0%
Irrigation Connections	70,248	160,210	80,000	329,360	28,373	-64.5%
TURF Connections	3,230	(13,568)	-	-	-	0.0%
Fire-Flow Connections	29,070	61,370	25,000	120,000	3,771	-84.9%
Total Special Assessments	1,050,471	1,925,656	800,900	1,659,360	287,504	-64.1%
Interest Income:						
Interest - Investments	492,744	377,930	315,200	136,000	136,000	-56.9%
Total Interest Income	492,744	377,930	315,200	136,000	136,000	-56.9%
TOTAL PWSDIF FUND	1,543,215	2,303,586	1,116,100	1,795,360	423,504	-62.1%
Stormwater Utility Fund						
Federal Grants:						
Miscellaneous Federal Grants	-	-	900,000	105,718	1,275,500	41.7%
Total Federal Grants	-	-	900,000	105,718	1,275,500	41.7%
State Grants:						
Miscellaneous State Grants	363,038	721,180	300,000	-	726,100	142.0%
Total State Grants	363,038	721,180	300,000	-	726,100	142.0%
Charges for Services:						
Late Fees	-	-	-	970	500	100.0%
Stormwater Utility Fee	-	357,602	735,000	729,915	739,500	0.6%
Total Charges for Services	-	357,602	735,000	730,885	740,000	0.7%
Interest Income:						
Interest - Investments	5,998	233	-	1,982	1,982	100.0%
Total Interest Income	5,998	233	-	1,982	1,982	100.0%
Miscellaneous:						
Miscellaneous	125	-	-	114	-	0.0%
Total Miscellaneous	125	-	-	114	-	0.0%
TOTAL STORMWATER UTILITY FUND	369,161	1,079,015	1,935,000	838,699	2,743,582	41.8%
TOTAL REVENUE - ALL FUNDS	\$ 58,984,879	\$ 73,198,535	\$ 148,957,141	\$ 57,308,862	\$ 71,097,254	-52.3%

Note: Does not include Transfers or Carry-Forward Balances

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Revenue Sources

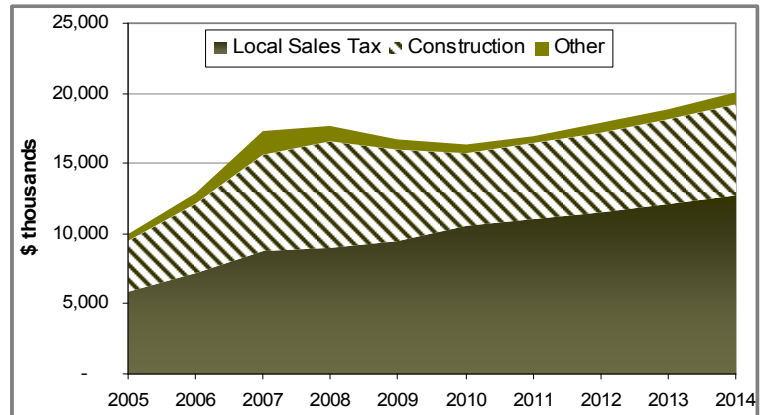
Local Sales Tax

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, has been increasing in importance. The Town of Oro Valley levies a 2.0% tax on sales collected within the Town boundaries, with the exception of sales on construction activity, which is a 4.0% tax. The Town also levies an additional 6.0% tax on lodging. The sales tax is collected by the State and remitted to the Town on a weekly basis.

Uses

The 2.0% sales tax is used for various general governmental purposes. A portion of the 6.0% tax on lodging is used for economic development marketing efforts, and 1.5% of the 4.0% tax on construction activity is used to fund maintenance on Town-wide roads. The remaining portion of these two categories goes to various governmental purposes.



Projections

Local sales tax and construction sales tax has increased significantly in the last several years due to an influx of commercial activity. In FY09, a major commercial center opened, adding 1.1 million square feet of retail space. While this commercial center is the last of this magnitude for the Town, minimal commercial activity is still expected in years out as the amount of available space within Town boundaries is limited. In response to the recessionary state of the economy, tax revenue generated from base businesses will remain flat with recovery beginning in FY 2013, at the earliest. The following assumptions were used in compiling the projections:

- base retail business is projected to decrease 2% in FY 2010 and remain flat through FY 2012. Business begins to recover in FY 2013 with an inflation growth rate of 2.2%
- new commercial development continues at an average rate of 480K square feet per year through FY 2013 and begins to subside in FY 2014
- no sunset of the 2% utility sales tax
- construction sales tax decreases 20% in FY 2010 and begins a slow recovery in FY 2011 through FY 2014 with the anticipated expansion of a major bio-tech firm, Ventana Medical Systems

		Local Sales Tax	Construction Sales Tax	Other
ACTUAL	2005	5,943,051	3,593,740	402,482
	2006	7,261,072	4,887,926	742,038
	2007	8,737,056	6,895,113	1,719,637
	2008	8,983,504	7,619,524	1,082,621
PROJECTION	2009	9,492,140	6,499,174	675,000
	2010	10,593,699	5,175,106	575,000
	2011	11,033,407	5,397,566	575,000
	2012	11,532,477	5,667,444	648,750
	2013	12,124,873	6,064,165	723,688
	2014	12,797,242	6,488,657	749,872



Revenue Sources

Fines, Licenses and Permits

Description

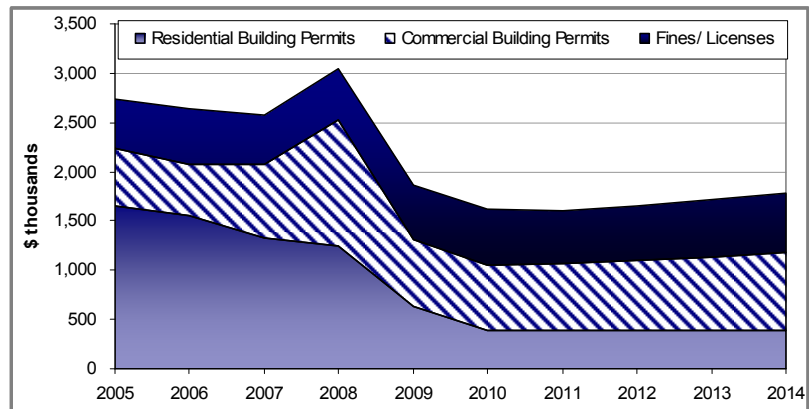
Revenue from court fines comes from traffic violations and other fines paid for the violation of municipal ordinances. License revenue includes fees charged for obtaining a business license to operate a business with Town boundaries. Permit fee revenue includes fees collected from building permits, both 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 licenses are projected to remain relatively flat for the next 5 years. Fiscal Years 2005 – 2008 saw significant growth in permit revenues from an influx of



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

- 60 single family residential (SFR) permits will be issued for FY 2010, and remain steady at 75 permits per year through FY 2014
- an 800K+ square foot expansion is projected over the next 5 years at a major bio-tech facility
- 300K+ square feet of new hotel space is anticipated to be added in the next 5 years
- approximately 25K+ square feet of miscellaneous commercial activity will be added each year for the next 5 years
- revenue from business licenses and fines remain steady

		Residential Building Permits	Commercial Building Permits	Business Licenses, Fines & Other
ACTUAL	2005	1,647,290	584,262	501,605
	2006	1,553,105	526,860	567,048
	2007	1,325,202	749,890	509,258
	2008	1,250,093	1,272,320	520,212
PROJECTION	2009	629,100	680,000	548,221
	2010	381,250	679,521	564,614
	2011	382,500	679,521	544,284
	2012	382,500	713,497	561,611
	2013	382,500	749,172	579,345
	2014	382,500	801,614	603,321



Revenue Sources

State Shared Revenue

Description

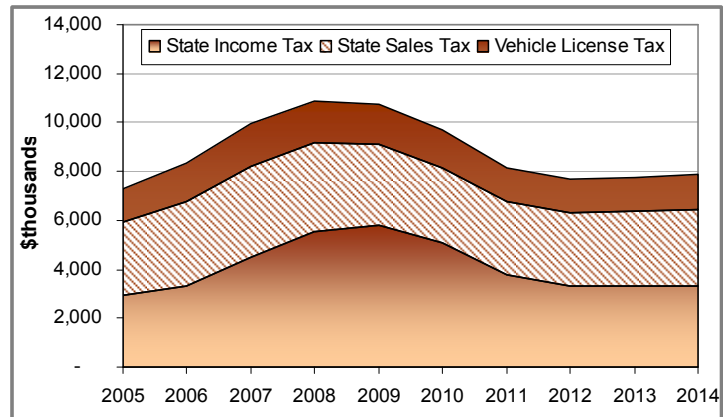
Cities and towns in the State receive a portion of the revenues collected by the State of Arizona. These sources consist of the state sales tax, income tax, and vehicle license tax. Oro Valley receives its share of the state sales and income tax based on the relation of its population to the total population 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.

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 for the General Fund and represents 35% of budgeted revenue for FY 2010. With the uncertainty of the State's budget and the current financial crisis, revenue generated from these sources is projected to decrease through FY 2012. The following assumptions were used in compiling the projections:



- a 10% decrease is projected in FY 2010
- a 15% decrease is projected for FY 2011
- a 5% decrease is projected for FY 2012
- very limited growth in State Sales Tax only for fiscal years 2013 and 2014

		State Income Tax	State Sales Tax	Vehicle License Tax
ACTUAL	2005	2,935,615	2,958,376	1,395,094
	2006	3,343,471	3,432,007	1,541,560
	2007	4,473,305	3,744,864	1,726,149
	2008	5,544,763	3,621,016	1,738,874
PROJECTION	2009	5,800,000	3,300,000	1,654,437
	2010	5,086,802	3,029,090	1,571,716
	2011	3,800,000	2,968,508	1,400,000
	2012	3,300,000	2,998,193	1,400,000
	2013	3,300,000	3,058,157	1,400,000
	2014	3,300,000	3,149,902	1,400,000

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 which 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



Revenue Sources

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.

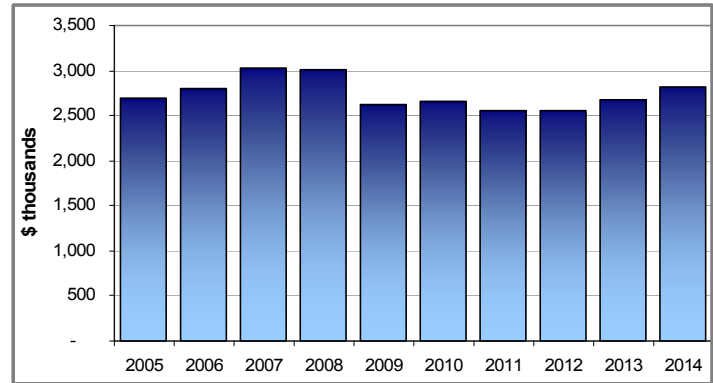
Uses

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.

Projections

HURF revenue collections are a significant source of funding for roadway improvements and account for 57% of total revenue in the Highway Fund. As mentioned in the State Shared Revenue section, with the uncertainty of the State's budget and the current financial crisis, revenue is projected to remain flat through the end of FY 2012. The following assumptions were used in compiling the projections:

- revenue is projected to remain flat in FY 2010
- revenue is forecasted to decrease 4% in FY 2011 and remain flat in FY 2012
- slight recovery begins in FY 2013 with a modest growth rate of 5% each year

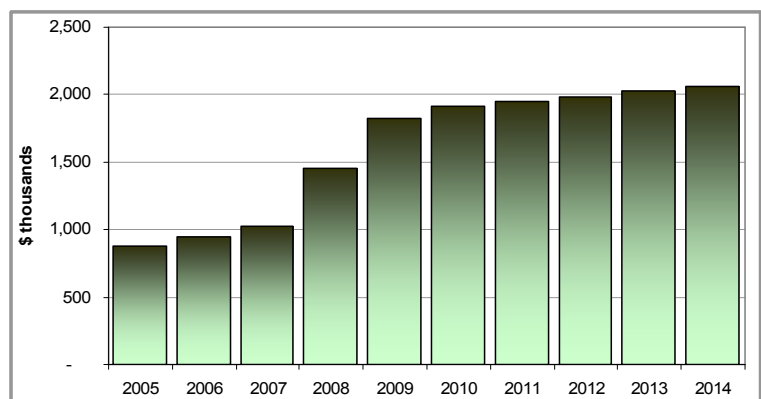


		HURF Revenue
ACTUAL	2005	2,693,604
	2006	2,793,322
	2007	3,031,223
	2008	3,002,828
PROJECTION	2009	2,631,021
	2010	2,656,128
	2011	2,549,319
	2012	2,549,319
	2013	2,676,785
	2014	2,810,624

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, fees collected for Stormwater collection, and fares received from transit services, to name a few. With the exception of Development Services fees, the anticipated revenue generated from charges for services is





Revenue Sources

tyed to the population and will increase/decrease as the population changes. Fees for development services are tied to development activity and will increase/decrease accordingly based on development growth within the Town.

Projections

As depicted in the graph on the prior page, beginning in 2008 revenue increased significantly due to the implementation of the stormwater utility fee. Total revenue from the charges for service category is projected to increase at a small percentage for 2009 - 2014. The following assumptions were used in compiling the projections:

- revenue generated from commercial activity remains flat through FY 2014
- recreation fees increases slightly in FY 2010, due to the increase in fees for summer camps, and remains flat through FY 2014
- the stormwater utility fee increases slightly each year, as Town population changes

		General Services	Development Services	Recreation Fees	Transit	Stormwater
ACTUAL	2005	285,639	241,778	317,713	35,451	-
	2006	348,014	261,038	295,105	38,471	-
	2007	360,944	233,493	372,973	59,511	-
	2008	503,675	197,862	341,153	57,600	357,602
PROJECTION	2009	555,935	148,131	336,092	56,568	729,915
	2010	560,757	149,139	407,241	60,900	739,500
	2011	577,580	153,613	388,558	62,727	761,685
	2012	589,131	156,685	396,329	63,982	776,919
	2013	600,914	159,819	404,256	65,261	792,457
	2014	612,932	163,016	412,341	66,566	808,306

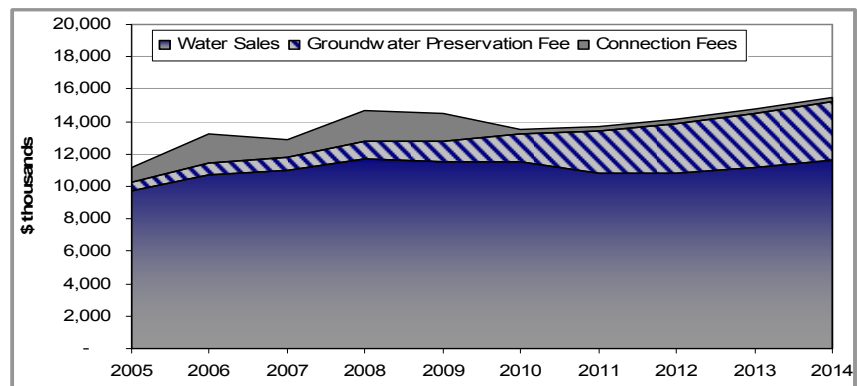
Water Revenue

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.

Uses

The revenue collected from water sales is used for personnel, operations and maintenance, 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. Revenue from the potable water system connection fees is used for expansion related potable water system capital infrastructure costs and related debt service.





Revenue Sources

Projections

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

- growth was estimated at 250 new connections for FY 08/09, 60 new connections for FY 09/10 and 75 new connections annually through FY 2014
- water rate increases to average 4% per year over the next five years
- average monthly water use remains at 8,000 gallons

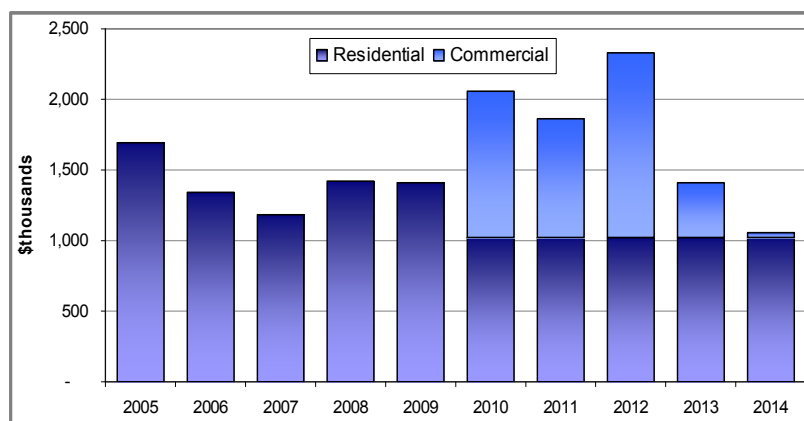
		Water Sales	Groundwater Preservation Fee	Connection Fees
ACTUAL	2005	9,709,471	589,788	886,402
	2006	10,743,852	695,300	1,838,526
	2007	11,021,820	767,993	1,050,471
	2008	11,686,598	1,092,778	1,925,656
PROJECTION	2009	11,502,100	1,332,300	1,659,360
	2010	11,502,100	1,756,000	287,504
	2011	10,798,419	2,583,844	287,504
	2012	10,818,624	3,015,405	287,504
	2013	11,192,513	3,294,444	287,504
	2014	11,638,781	3,574,874	287,504

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. In previous years, the Town assessed impact fees only on residential growth to support roadways and water facilities. In December 2008, Town Council adopted additional impact fees for both residential and commercial to support Police, Library, and Parks and Recreation facilities.



Uses

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



Revenue Sources

Projections

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

- 60 single family residential (SFR) permits will be issued for FY2010, and will remain steady at 75 permits per year through 2014
- commercial activity includes a 800K+ square foot expansion of a bio-tech facility, and the development of three new hotels over the next 5 years

		Residential Fees	Commercial Fees
ACTUAL	2005	1,695,269	-
	2006	1,345,714	-
	2007	1,186,417	-
	2008	1,423,284	-
PROJECTION	2009	1,403,449	-
	2010	1,023,209	1,030,283
	2011	1,023,209	835,093
	2012	1,023,209	1,301,734
	2013	1,023,209	380,935
	2014	1,023,209	37,804

Loan Proceeds

Description

In 2009, the Town plans to apply for up to \$7.35 million in loan funding from the Water Infrastructure Finance Authority (WIFA). WIFA is a state agency that pools the bond issues of smaller to medium sized communities to help lower their costs of issuing debt.

Uses

Proceeds from the 2009 loan funds will be used to finance existing water system infrastructure improvements. These improvements include the rebuilding and re-equipping of a well, booster station and replacement of a 16-inch water main. The final loan proceeds from the 2007 WIFA loan were received in FY 2008/09 to finance the expansion of the Town's reclaimed water system.

		WIFA Loan Proceeds
PROJECTION	2009	693,522
	2010	7,350,000
	2011	-
	2012	-
	2013	-
	2014	-

More information on debt and bond proceeds can be found in the Debt Service section of the budget document.

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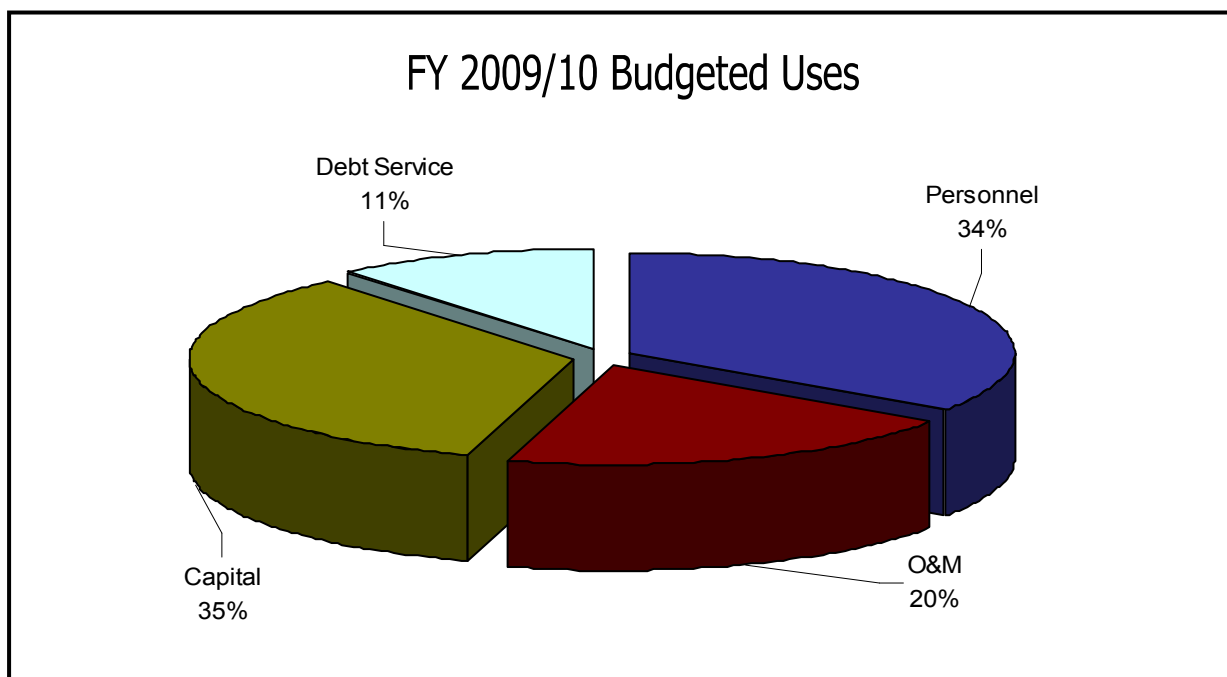
Expenditure Summary

The expenditure budget for FY 2009-10 is estimated to total \$73,795,684 and represents a 54.0% decrease over the prior year budgeted expenditures. The budget includes \$49.2 million to support daily operations and services and \$24.6 million in capital projects to fund roadway expansions and improvements, master planned projects, transit related services, and water infrastructure improvements.

At the onset of the budget planning phase, all departments were instructed to scrutinize their operating costs and find ways of reducing costs while keeping service levels whole. By reducing the need for outside consultants and services, and re-thinking our current ways of doing business, operations and maintenance costs (O&M) were reduced by 10.8% over the FY 08/09 budget. A more comprehensive discussion of significant O&M costs can be found further in the Expenditure section.

In November 2008, the Town Council implemented a hiring freeze as another measure to save on operating costs. It is estimated that the hiring freeze will save approximately \$393K in personnel costs for FY 08/09. The hiring freeze will be carried into FY 09/10 and reviewed periodically to determine its continued feasibility. In the development of the personnel budget for FY 09/10, 8.96 full-time equivalent (FTE) positions were eliminated resulting in a decrease of 2.3% from the FY 08/09 budget. Please reference the Personnel section of the budget document for further explanations.

The FY 08/09 budget included many significant capital projects centered on planning for the future. Due to limited funding, capital projects have been scaled down, and/or, put on hold until the Town's funding situation begins to recover. The capital budget for FY 09/10 was prepared through the Capital Improvement Plan (CIP) process.





Expenditure Summary

Expenditures by Category						
	FY 2008	FY 2008/09		FY 2009/10	Variance	%
	Actual	Budget	Projected	Budget		
Personnel	24,014,645	26,169,851	25,936,156	25,570,985	(598,866)	-2.3%
O&M	12,789,448	16,405,875	14,808,796	14,630,379	(1,775,496)	-10.8%
Capital	22,112,413	108,644,567	17,438,052	25,476,161	(83,168,406)	-76.6%
Debt Service	7,038,927	9,072,596	7,558,292	8,118,159	(954,437)	-10.5%
Total Expenditures	\$ 65,955,432	\$ 160,292,889	\$ 65,741,296	\$ 73,795,684	\$ (86,497,205)	-54.0%

Does not include depreciation, transfers or contingency amounts

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

Personnel \$(599K)	<ul style="list-style-type: none"> 8.96 FTE's were eliminated from the FY 09/10 budget. Further discussion can be found in the Personnel section of the document
O&M \$(1.8M)	<ul style="list-style-type: none"> Travel and training decreased \$131.5K (36.1%) due to efforts on reducing costs Retail sales tax rebates decreased \$281.1K as retail sales for FY10 are projected to decline from FY09 levels \$177K in regulatory expense for Water Utility has been reduced due to using long-term storage credits to offset payments to the Central Arizona Groundwater Replenishment District In FY09 \$317K in repair costs for the "Big Wash" reservoir were incurred, not to be repeated in FY10 Distribution of the community newsletter, Oro Valley Vista, will be through the Towns website resulting in savings of \$92K in printing and postage costs Funding to outside agencies was reduced \$220K The use of outside services and consultants decreased \$535K (22%) due to reductions in the following: <ul style="list-style-type: none"> "on call" engineering services landscaping training fire marshal services the use of 3rd party services for building inspections and plan reviews
Capital \$(83.2M)	<ul style="list-style-type: none"> \$44.8M was budgeted in FY 08/09 for construction of Naranja Town Site. The bond measure did not pass. \$30.4M was budgeted in FY 08/09 for construction of a Municipal Operations Center. The project has been put on hold. Roadway improvements, due to limited funding, decreased \$15.8M. Projects relating to water system improvements and expansion have increased \$5.1M.
Debt Service \$(954K)	<ul style="list-style-type: none"> The Series 1999 Excise Tax Revenue Bonds were paid in full in FY 08/09 resulting in a FY 09/10 decrease to debt service. In addition, debt service on the Municipal Operations Center put on hold was not included for FY09/10.



Expenditure Summary

The FY 2009/10 budget includes \$1.2 million in one-time expenditures in the General Fund. These one-time expenditures will be funded by cash reserves. The following list identifies the expenditures and their uses.

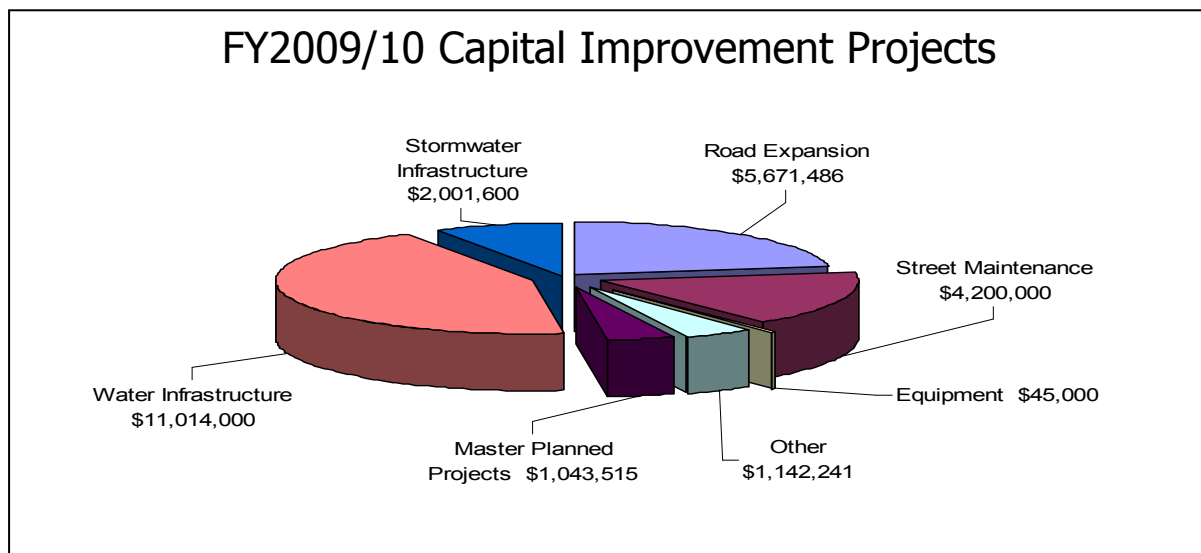
Summary of One-Time Expenditures

Department	Description of One-Time Expenditure	Budgeted Amount
General Administration	Cost of legal services for proposed annexation of Arroyo Grande corridor	100,000
	Transfer of funds to Steam Pump Ranch	410,000
	Animal Licensing Feasibility study	10,000
Human Resources	Training and assistance for health-care open enrollment	10,000
Planning & Zoning	Outside consulting services for planning of Arroyo Grande corridor	200,000
	Carry-forward costs from FY09 for Environmentally Sensitive Land Ordinances (ESLO) and Historic Inventory projects	150,000
Public Safety	Carry-forward project costs for substation construction at Oro Valley Marketplace	350,000

Capital Improvement Program

The Capital Improvement Program (CIP) is a comprehensive, five-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 implement the Town's General Plan. It allocates funds to programs specified in the General Plan, uses implementation of the General Plan in the project evaluation criteria, and its evaluation criteria are based on the goals established in the General Plan.

The FY 09/10 adopted budget includes \$25.1 million in capital improvement projects, funded with a variety of sources. Projects to be completed include roadway improvements, stormwater drainage projects, and water utility system expansions and improvements. Further information 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 2007		FY 2008		FY 2009		FY 2010	%
		Actual		Budget	Projected	Budget	to budget	
General Fund								
Town Council		196,911	185,548	242,051	238,459	237,012		-2.1%
Town Clerk		327,470	487,784	463,791	412,216	524,020		13.0%
Town Manager		615,689	930,909	962,962	940,523	910,736		-5.4%
Human Resources		334,505	341,806	392,659	360,496	488,000		24.3%
Economic Development		194,143	146,114	188,747	75,895	75,649		-59.9%
Finance		893,157	884,752	864,411	849,540	841,141		-2.7%
Information Technology		706,218	1,113,646	1,074,651	1,073,056	1,097,298		2.1%
General Administration		313,914	1,034,017	2,629,696	1,719,157	2,165,064		-17.7%
Police		11,304,901	12,743,461	13,674,100	13,318,723	12,228,109		-10.6%
Magistrate Court		665,418	746,530	815,079	749,937	769,183		-5.6%
Legal		808,250	888,361	994,667	936,732	920,971		-7.4%
Community Development		417,152	-	-	-	-		0.0%
Planning & Zoning		885,456	1,131,630	1,614,458	1,346,879	1,794,040		11.1%
Building Safety		1,460,424	1,569,783	1,604,616	1,454,809	1,411,625		-12.0%
Library Services		1,202,920	1,118,993	1,309,983	1,260,385	1,237,433		-5.5%
Parks & Recreation		2,229,126	2,459,078	2,192,280	2,066,543	1,925,447		-12.2%
Development Review		400,372	500,563	523,225	513,215	522,613		-0.1%
Custodial/Facilities Maintenance		221,410	197,892	303,279	297,620	326,948		7.8%
TOTAL GENERAL FUND		23,177,436	26,480,868	29,850,655	27,614,186	27,475,289		-8.0%
Special Revenue Funds								
Highway User Revenue Fund		4,818,618	5,383,828	5,154,860	4,753,111	4,440,345		-13.9%
Public Transportation Fund		727,101	1,265,301	1,385,929	1,364,819	557,227		-59.8%
Regional Transportation Authority Fund		-	-	-	-	600,000		0.0%
Bed Tax Fund		989,363	985,090	684,570	627,049	500,254		-26.9%
Impound Fee Fund		-	-	-	-	100,000		0.0%
Seizures & Forfeitures Funds		218,772	66,117	-	153,471	-		0.0%
TOTAL SPECIAL REVENUE FUNDS		6,753,854	7,700,336	7,225,359	6,898,449	6,197,826		-14.2%
Debt Service Funds								
Municipal Debt Service Fund		3,010,116	1,210,327	2,497,800	1,222,300	1,044,297		-58.2%
Oracle Road Improvement District Fund		373,967	375,439	374,428	374,428	368,803		-1.5%
TOTAL DEBT SERVICE FUNDS		3,384,083	1,585,766	2,872,228	1,596,728	1,413,100		-50.8%
Capital Project Funds								
Steam Pump Ranch Acquisition		120,000	266,378	914,000	155,450	995,000		8.9%
Honey Bee Village Development		-	483,750	216,186	8,229	-		-100.0%
Naranja Town Site Fund		-	10,350	44,914,571	-	-		-100.0%
Capital Asset Replacement Fund		-	-	-	500,000	-		0.0%
Municipal Operations Center		113,978	672,370	30,413,000	60,361	-		-100.0%
Alternative Water Resource Dev. Impact Fee		1,425,300	3,600,006	2,885,010	2,748,554	4,973,830		72.4%
Potable Water Systems Dev. Impact Fee		1,163,932	737,568	1,207,646	772,859	2,554,021		111.5%
Economic Stimulus Fund		-	-	-	-	3,000,000		0.0%
Townwide Roadway Dev. Impact Fees		6,387,069	9,750,498	21,745,000	8,953,621	5,952,246		-72.6%
TOTAL CAPITAL PROJECT FUNDS		9,210,279	15,520,918	102,295,413	13,199,074	17,475,097		-82.9%
Enterprise Funds								
Water Utility		8,984,144	13,689,331	16,229,723	15,652,818	17,585,416		8.4%
Stormwater Utility		74,235	978,213	1,819,511	780,041	2,753,042		51.3%
TOTAL ENTERPRISE FUNDS		9,058,379	14,667,544	18,049,234	16,432,859	20,338,458		12.7%
Internal Service Funds								
Fleet Maintenance		-	-	-	-	895,914		0.0%
TOTAL INTERNAL SERVICE FUNDS		-	-	-	-	895,914		0.0%
TOTAL EXPENDITURES - ALL FUNDS		\$ 51,584,031	\$ 65,955,432	\$ 160,292,889	\$ 65,741,296	\$ 73,795,684		-54.0%

Note: Does not include Transfers or Contingency amounts

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Expenditures by Program

The below table represents a summary of the adopted FY 2009 - 2010 budget and is structured around major program areas within departments which represents services and operations viable to the Town and to which resources are allocated on a fiscal year basis. The table also includes funding sources and full-time equivalent employees (FTE) for each program. Further information on a specific program can be found in the Program Section of the budget document.

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Fund	Total
Town Council	7.00	237,012	-	-	-	-	-	237,012
	7.00	237,012						237,012
Town Clerk								
Administration	2.61	392,906						392,906
Meeting Management	1.05	77,897						77,897
License Management	0.97	53,217						53,217
	4.63	524,020						524,020
Town Manager								
Administration	4.00	517,368						517,368
Community Relations	3.10	282,991						282,991
Constituent Services	2.00	110,377						110,377
	9.10	910,736						910,736
Human Resources								
Administration	2.00	249,502						249,502
Recruitment & Employment	1.00	70,671						70,671
Benefits & Safety	2.00	167,827						167,827
	5.00	488,000						488,000
Economic Development								
	1.80	75,649	500,254					575,903
	1.80	75,649	500,254					575,903
Finance								
Administration	2.00	199,568						199,568
Accounting Services	4.00	362,678						362,678
Budgeting	2.00	161,396						161,396
Procurement	1.00	117,499						117,499
	9.00	841,141						841,141



Expenditures by Program

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Fund	Total
Information Technology								
Administration	1.00	270,122	-	-	-	-	-	270,122
GIS Services	2.00	187,728	-	-	-	-	-	187,728
Technical Services	3.00	360,402	-	-	-	-	-	360,402
Web Services	2.00	160,421	-	-	-	-	-	160,421
Telecommunications	-	118,625	-	-	-	-	-	118,625
	8.00	1,097,298	-	-	-	-	-	1,097,298
Police								
Administration	4.00	1,632,018	-	-	-	-	-	1,632,018
Support Services	56.00	4,348,644	100,000	-	-	-	-	4,448,644
Field Operations	68.00	5,819,449	-	-	-	-	-	5,819,449
Professional Development & Training	3.38	321,656	-	-	-	-	-	321,656
Professional Standards	1.00	106,342	-	-	-	-	-	106,342
	132.38	12,228,109	100,000	-	-	-	-	12,328,109
Magistrate Court								
Administration	1.10	140,977	-	-	-	-	-	140,977
Adjudication	2.30	326,178	-	-	-	-	-	326,178
Case Processing & Collections	4.70	247,085	-	-	-	-	-	247,085
Security & Transportation	0.90	54,943	-	-	-	-	-	54,943
	9.00	769,183	-	-	-	-	-	769,183
Legal								
Civil	5.25	519,653	-	-	-	-	-	519,653
Prosecution	4.00	401,318	-	-	-	-	-	401,318
	9.25	920,971	-	-	-	-	-	920,971
Planning & Zoning								
Administration	5.50	639,739	-	-	-	-	-	639,739
Planning	4.50	500,182	-	-	-	-	-	500,182
Zoning Enforcement	6.00	365,288	-	-	-	-	-	365,288
CPI & Clean-up Programs	-	17,500	-	-	-	-	-	17,500
Conservation & Sustainability	1.00	271,331	-	-	-	-	-	271,331
	17.00	1,794,040	-	-	-	-	-	1,794,040
Building Safety								
Administration	4.00	360,241	-	-	-	-	-	360,241
Inspection	7.00	546,531	-	-	-	-	-	546,531
Plan Review	4.00	385,428	-	-	-	-	-	385,428
Intake & Permitting	2.00	95,585	-	-	-	-	-	95,585
Implementation Plan	-	23,840	-	-	-	-	-	23,840
	17.00	1,411,625	-	-	-	-	-	1,411,625



Expenditures by Program

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Fund	Total
Library Services								
Administration	2.00	335,882						335,882
Youth Services	4.18	230,867						230,867
Adult Services	6.66	363,324						363,324
Technology	5.70	307,360						307,360
	18.53	1,237,433	-	-	-	-	-	1,237,433
Parks & Recreation								
Administration	3.00	333,185						333,185
Parks	8.40	648,995						648,995
Recreation Programs	6.10	398,896						398,896
Trails	1.00	72,514						72,514
Aquatics	8.55	471,857						471,857
	27.05	1,925,447	-	-	-	-	-	1,925,447
Public Works								
Administration	3.00		564,502		280,760			845,262
Construction Design & Management	6.75		1,895,165		3,000,000			4,895,165
Highway Permitting	1.00		69,862					69,862
Pavement Management	3.66		294,273					294,273
Street Maintenance	13.21		1,010,254					1,010,254
Traffic Engineering	6.01		606,289					606,289
Development Review	6.00	522,613						522,613
Facilities	2.00	326,948					895,914	326,948
Fleet Maintenance	2.37							895,914
Stormwater Utility	2.30					2,753,042		2,753,042
Roadway Design	-				927,000			927,000
Roadway Construction	-				4,744,486			4,744,486
	46.30	849,561	4,440,345	-	8,952,246	2,753,042	895,914	17,891,108
Public Transportation								
Administration	0.70		90,427					90,427
Fleet Maintenance	0.60		41,006					41,006
Dispatch/Scheduling	1.20		69,391					69,391
Driver Operations	7.60		306,403					306,403
RTA Program	-		650,000					650,000
	10.10	-	1,157,227	-	-	-	-	1,157,227



Expenditures by Program

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Fund	Total
Water Utility								
Administration	15.50					7,266,356		7,266,356
Engineering & Planning	6.00					6,724,613		6,724,613
Production	7.00					2,744,026		2,744,026
Distribution	8.00					850,421		850,421
Alternative Water Resources	-				4,973,830			4,973,830
Potable Water Systems	-				2,554,021			2,554,021
	36.50	-	-	-	7,527,851	17,585,416	-	25,113,267
Debt Service								
	-			1,413,100				1,413,100
	-	-	-	1,413,100			-	1,413,100
General Administration								
	-	2,165,064			995,000			3,160,064
	-	2,165,064	-	-	995,000		-	3,160,064
FY 2009/10 Adopted Budget	367.64	27,475,289	6,197,826	1,413,100	17,475,097	20,338,458	895,914	73,795,684

Note: Does not include Transfers or Contingency amounts



Town of Oro Valley
Community of Excellence

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Personnel Summary

Personnel and Employee Compensation

Personnel service represents 52.5% of the total operating budget. As it is a significant portion of the budget, employee compensation is heavily scrutinized. Due to the economic and financial conditions affecting many cities and towns, and escalating benefit premiums, Town management sought ways to somewhat lessen this rising cost.

Mid-year of FY09, as revenues continued to decline, the Town Manager, with Council's approval, implemented a hiring freeze. In total, 8.96 FTE's were affected with anticipated savings of \$393K. The hiring freeze will be carried into FY 09/10 and reviewed periodically to determine its continued feasibility.

In compiling the FY 2010 personnel budget, positions which were vacant at mid-year FY09 due to the hiring freeze were removed from the budget unless the position was considered crucial for Town operations. For FY10, the following positions were removed from the personnel budget:

- Economic Development Administrator
- GIS Technician
- Patrol Officers (two full-time FTE's)
- Reserve Officer (part-time)
- Records Specialist (part-time)
- Court Clerk (part-time)
- Assistant Civil Attorney
- Senior Building Permit Technician
- Library Page (two part-time FTE's)
- Transit Dispatcher (part-time)

The FY 2009/10 budget also does not include funding for employee merits, step increases, and cost of living adjustments. Based on the financial scenario laid out for the next five years, increases of this kind are not anticipated until FY 2011/12.

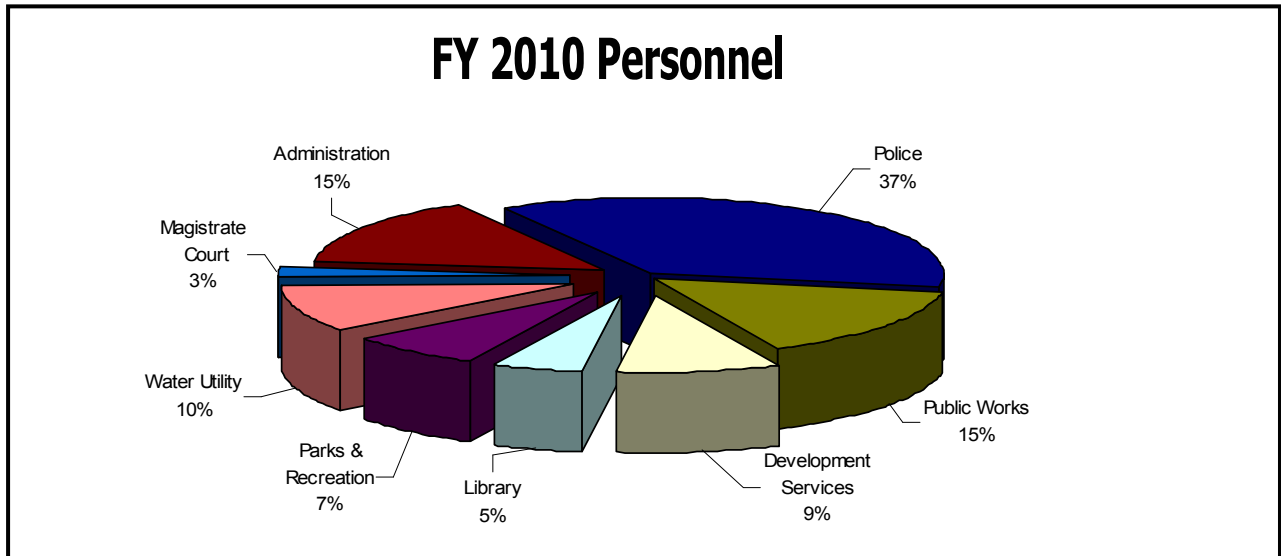
The following table summarizes the changes in staffing levels for the new fiscal year. A detailed listing of positions by department can be found in the Appendix section of the budget document.

	FY 2008/09 Budget	FY 2009/10 Budget	+/-
Police	138.85	131.88	(6.97)
Public Works	63.70	56.40	(7.30) *
Development Services	35.00	34.00	(1.00)
Library	19.35	18.53	(.82)
Parks & Recreation	28.10	27.05	(1.05)
Water Utility	36.50	36.50	-
Magistrate Court	9.50	9.00	(.50)
Administration	53.20	53.78	.58
Total Positions	384.20	367.14	(17.06)

* Includes 8.60 FTE's for RTA funded Circulator Service budgeted for FY09 which was not implemented.



Personnel Summary

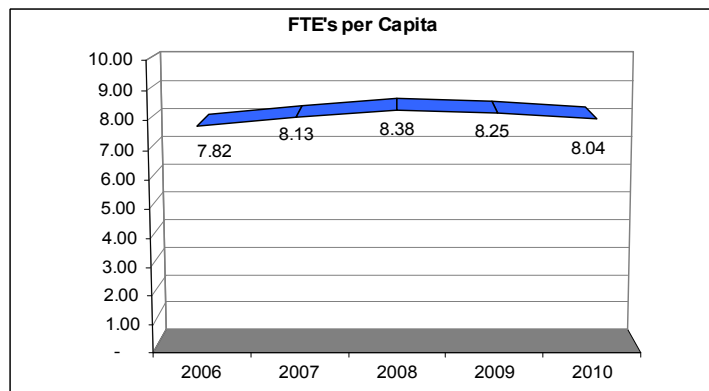


On a positive note, our third party benefits broker was able to negotiate a 2.5% decrease to health care premiums for FY 09/10, with minimal plan design changes. As well, the contribution rates for two of the Town's retirement plans, Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS) decreased for FY 09/10. The table below illustrates the changes to employee benefit rates over the last several years.

	Employer Matching Rates			
	FY 06/07	FY 07/08	FY 08/09	FY 09/10
AZ State Retirement System (ASRS)	9.10%	9.60%	9.45%	9.00%
Correction Officers Retirement Plan (CORP)	10.18%	6.94%	7.40%	9.52%
Public Safety Personnel Retirement System (PSPRS)	9.86%	10.12%	16.07%	14.88%
Health Care Premiums (per year)*	\$2,957	\$3,244	\$3,730	\$3,595
Dental Premiums (per year)*	\$253	\$253	\$290	\$282

* based on single-employee HMO coverage

Looking at an employee per capita trend, employee growth was lagging in FY 2006, but began to play "catch-up" the last couple of years as the Town staffed to support new residential and commercial development. In FY 2009, the trend begins to flatten as the Town approaches residential build-out and population growth remains at an average rate of 1.5% over the next ten years. The trend indicates the ability to keep up with current service levels. Any new services and/or enhancements would require an adjustment to the personnel base.





Personnel Summary by Fund

	FY 2007	FY 2008	FY 2009		FY 2010	+/- to Budget
	Actual		Budget	Projected	Budget	
General Fund						
Town Council	7.00	7.00	7.00	7.00	7.00	-
Town Clerk	4.60	4.60	4.60	4.27	4.63	0.03
Town Manager	6.00	8.10	8.10	8.10	9.10	1.00
Human Resources	4.00	4.00	4.00	4.00	5.00	1.00
Economic Development	2.25	2.25	2.25	1.00	1.00	(1.25)
Finance	8.00	9.00	9.00	9.00	9.00	-
Information Technology	5.00	8.00	8.00	7.00	8.00	-
Police	135.85	138.85	138.85	138.85	129.88	(8.97)
Magistrate Court	8.50	8.50	9.50	9.00	9.00	(0.50)
Legal	10.25	10.25	10.25	10.25	9.25	(1.00)
Planning & Zoning	14.00	16.00	17.00	16.88	17.00	-
Building Safety	17.00	18.00	18.00	17.00	17.00	(1.00)
Library Services	19.30	19.35	19.35	18.93	18.53	(0.82)
Parks & Recreation	27.00	28.10	27.40	28.00	27.05	(0.35)
Development Review	6.00	6.00	6.00	6.00	6.00	-
Facilities Maintenance	1.00	1.00	1.00	1.00	2.00	1.00
General Fund Personnel	275.75	289.00	290.30	286.28	279.44	(10.86)
Special Revenue Funds						
Highway Fund	34.50	35.50	35.50	34.63	33.63	(1.87)
Bed Tax Fund	-	-	0.70	1.50	0.80	0.10
Impound Fee Fund	-	-	-	-	2.00	2.00
Public Transportation Fund	10.60	10.62	10.60	10.10	10.10	(0.50)
Special Revenue Funds Personnel	45.10	46.12	46.80	46.23	46.53	(0.27)
Capital Projects Funds						
Townwide Roadways	-	-	-	-	-	-
Regional Transportation Fund	-	-	8.60 ⁽¹⁾	-	-	(8.60)
Capital Projects Funds Personnel	-	-	8.60	-	-	(8.60)
Enterprise Funds						
Water Utility	35.50	35.50	36.50	36.50	36.50	-
Stormwater Utility	1.00	2.00	2.00	2.30	2.30	0.30
Enterprise Funds Personnel	36.50	37.50	38.50	38.80	38.80	0.30
Internal Service Fund						
Fleet Maintenance	-	-	-	-	2.37	2.37
Internal Service Fund Personnel	-	-	-	-	2.37	2.37
Total Town Personnel	357.35	372.62	384.20	371.31	367.14	(17.06)

(1) Positions contingent on Regional Transportation Authority (RTA) funding for new Circulator Service

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Town of Oro Valley
Community of Excellence

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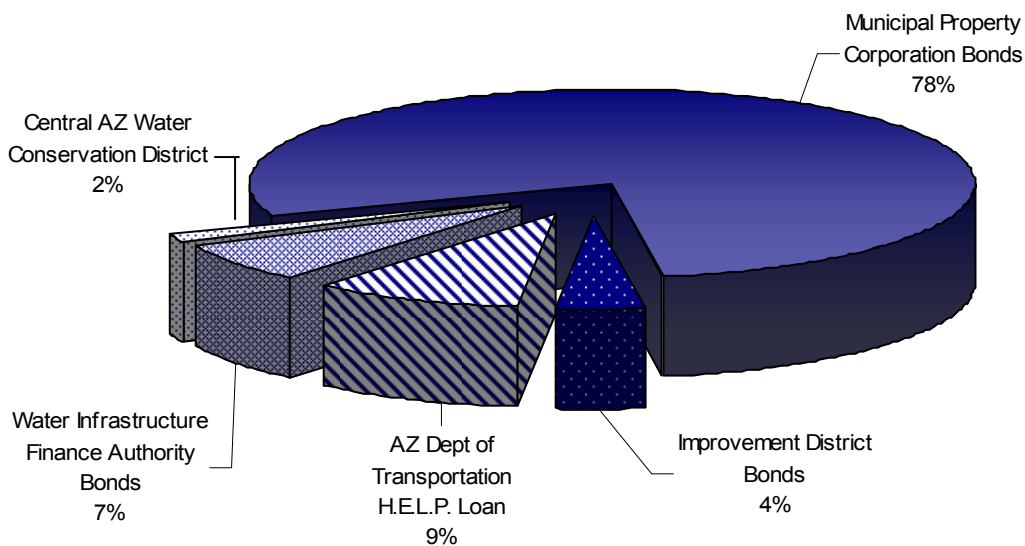


Debt Service

The Town of Oro Valley assumes debt to provide funding for the construction of capital projects. The Town has adopted financial policies on debt capacity that sets guidelines for issuing debt and provides 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 Municipal Property Corporation Bonds, Improvement District 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, 2009.

Outstanding Principal = \$85,603,470



The information presented in this section discusses the type of debt issued, the Town's debt capacity and legal debt limitation, and debt requirements for the next twenty (20) years. Specific information on outstanding debt, its uses, and payment schedule can be found in the Appendix section of the budget document.

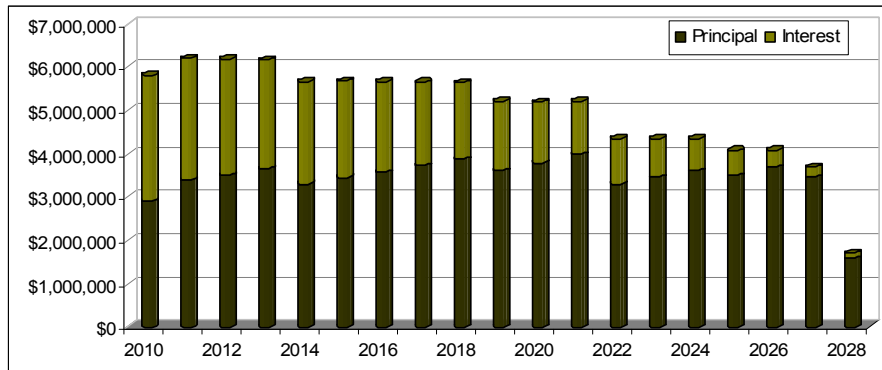
Financing Sources

Municipal Property Corporation Bonds

Municipal Property Corporation Bonds (MPC) are issued by a non-profit corporation formed 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 MPC 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.



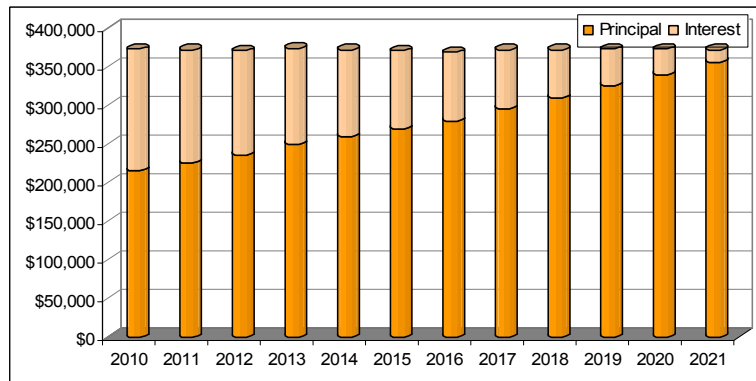
Debt Service



Bond Rating
 Standard & Poor's AA -
 Fitch A +

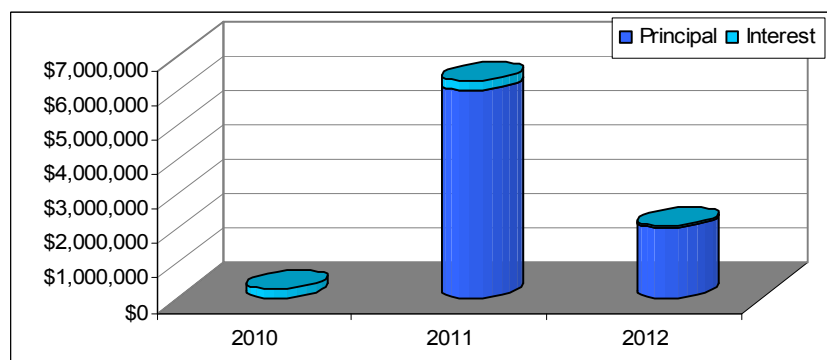
Improvement District Bonds

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.



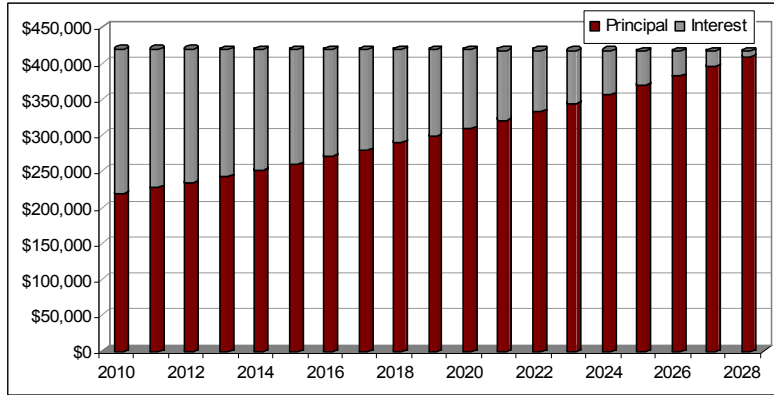
Highway Expansion and Extension Fund Loans (HELP)

The HELP program is a financing option where Arizona's State Infrastructure Bank Loan bridges the gap between roadway improvement needs and available funds. The intent of the HELP program is to accelerate the construction of road projects. Some limitations of the loan include: the amount must be over \$250,000 and the State Infrastructure Bank requires a pay back period of five years or less. In 2007 the Town received \$8M in HELP loan proceeds for the widening of La Canada Drive between Tangerine Road and Naranja Drive. The Town will receive funding from the Pima Association of Governments (PAG) in 2011 and 2012 to assist in the payments of principal on this loan. The interest on this loan is paid with the Town's roadway development impact fees.





Water Infrastructure Finance Authority Bonds (WIFA)

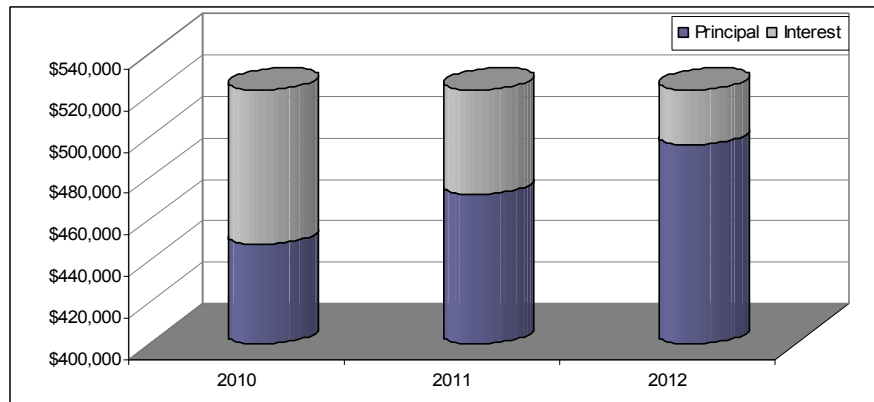


WIFA is a state agency that has specific programs that can improve a city or town’s ability to use bonding as a revenue source. WIFA has statutory charges to assist smaller to medium sized communities in pooling their bond issues to help lower the costs of issuing debt. They also have monies set aside 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 was approved for up to \$6M in WIFA loan proceeds for construction of infrastructure to expand the reclaimed water system in the Town.

Central Arizona Water Conservation District (CAWCD)

CAWCD is a state agency with the primary responsibility of managing the Central Arizona Project (CAP). The district is concerned with water fees and property taxes for CAP, water allocation, canal operation and maintenance. CAWCD is responsible for repaying the CAP reimbursable construction costs to the federal



government. In 2007, the Town was charged in the amount of \$2.4M for repayment of capital costs associated with the reallocation of 3,557 acre feet of CAP water payable over a five year period.

Debt Capacity

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.



Debt Service

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 strong growth in revenues and a very strong coverage of debt service which contributes to the favorable bond ratings received from Standard & Poor's and Fitch Investors Service.

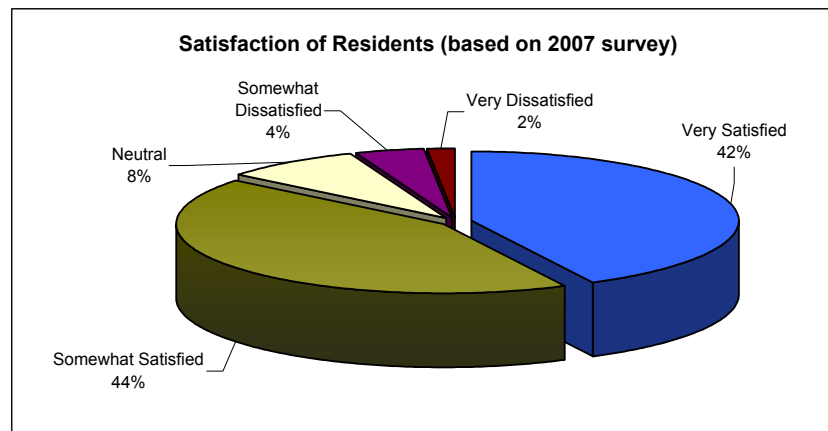
	MPC Bonds	Improvement District Bonds	HELP Loans	WIFA Bonds	CAWCD	Total
2010	5,807,365	372,578	255,760	419,673	521,494	7,376,870
2011	6,190,465	371,828	6,255,760	419,537	521,494	13,759,083
2012	6,185,059	370,578	2,063,940	419,395	521,494	9,560,465
2013	6,166,301	373,828	-	419,248	-	6,959,377
2014	5,657,381	371,328	-	419,096	-	6,447,805
2015	5,668,273	370,408	-	418,939	-	6,457,619
2016	5,655,441	368,798	-	418,776	-	6,443,015
2017	5,652,829	371,478	-	418,608	-	6,442,914
2018	5,634,266	371,728	-	418,433	-	6,424,427
2019	5,207,275	372,623	-	418,253	-	5,998,150
2020	5,195,201	372,673	-	418,066	-	5,985,939
2021	5,209,331	371,863	-	417,872	-	5,999,066
2022	4,349,669	-	-	417,671	-	4,767,340
2023	4,347,125	-	-	417,464	-	4,764,589
2024	4,348,919	-	-	417,249	-	4,766,168
2025	4,076,978	-	-	417,026	-	4,494,004
2026	4,083,956	-	-	416,796	-	4,500,752
2027	3,696,313	-	-	416,557	-	4,112,870
2028	1,702,750	-	-	416,310	-	2,119,060
2029	1,706,625	-	-	-	-	1,706,625
	96,541,521	4,459,705	8,575,460	7,944,971	1,564,482	119,086,139



Department Overview

The Mayor and Council consist 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. Council Members serve four-year overlapping terms in the manner prescribed by State Law and are charged with developing policies for the public health, safety, and welfare of Town residents.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Mayor	1.0	1.0	1.0	1.0	-
Council Member	6.0	6.0	6.0	6.0	-
Total FTE's	7.0	7.0	7.0	7.0	-
Expenditures					
Personnel	\$ 76,091	\$ 76,885	\$ 76,909	\$ 76,896	0.0%
Contracts/Services	106,680	157,766	152,300	149,766	-5.1%
Supplies	2,777	7,400	9,250	10,350	39.9%
Total Expenditures	\$ 185,548	\$ 242,051	\$ 238,459	\$ 237,012	-2.1%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 5.1% as part of the Town-wide effort to reduce operations and maintenance expenditures. Costs associated with travel and training and the volunteer recognition ceremony were reduced in order to flat-line O&M budgets.

Supplies

The increase of 39.9% in supplies is attributed to expenses relating to Council meetings and sessions, and miscellaneous expenses Council may incur.

Mission

The Town of Oro Valley is a "Mission" driven organization. It focuses on what is most important and sets in motion an organizational culture that encourages innovation and strives for excellence. The Mayor and Council of Oro Valley are committed to responsive governance and the creation of a "Community of Excellence." 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.

Our Mission is to:

- act with openness, respect, integrity, accountability, and quality;
- preserve and promote health, safety and quality of life;
- continue to provide exceptional municipal services;
- ensure economic sustainability that maintains the community's quality of life; and
- become an efficient government that balances the Town's long-term interests while being responsive to present community needs.

FY 2009 Highlights	FY 2010 Goals and Objectives Cont'd
<ul style="list-style-type: none"> - Adoption of the Arroyo Grande General Plan Amendment - Adoption of the Sonoran Desert Conservation Plan - Adoption of the 2009 Town of Oro Valley Strategic Plan Update - Held bond election for the Naranja Town Site - Began working to draft a pre-annexation development agreement for the area known as Arroyo Grande - Developed a long-term financial sustainability plan 	<ul style="list-style-type: none"> ■ Provide diverse educational, informational and recreational opportunities ■ Manage development in order to assure a quality built environment <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Ensure appropriate municipal facilities to meet service demand and staffing needs ■ Plan for and provide the necessary infrastructure to support community growth and preservation ■ Maintain and acquire sufficient water resources to ensure that the community has an adequate water supply ■ Explore the development of transportation alternatives ■ Partner with regional jurisdictions to cooperate in the development and maintenance of quality infrastructure, as appropriate ■ Maintain a high-speed data network to meet information storage and data management needs to provide timely and accurate information <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Support and expand community and staff leadership development and opportunities ■ Expand public and organizational communications programs ■ Develop the capabilities and vehicles to promote community leadership for positive change ■ Develop and implement a clear, widely-shared and recognized Town identity (brand) ■ Conduct - at a minimum- a biennial community survey to identify levels of citizen expectations and satisfaction with Town services and quality of life indicator ■ Attract, develop and retain talented employees ■ Maintain consistency in implementing policy
FY 2010 Goals and Objectives	
<p>Focus Area: Financial Sustainability/Economic Development</p> <ul style="list-style-type: none"> ■ Maintain a balanced budget ■ Develop a diverse revenue stream ■ Adapt, as needed, contingency reserves to meet Town policies ■ Ensure financial resources are available with a supportable level of community services ■ Cultivate healthy business relationships, opportunities and environment <p>Focus Area: Quality of Life</p> <ul style="list-style-type: none"> ■ Preserve open space and protect environmentally sensitive lands ■ Cultivate and sustain archaeological and historic resources ■ Develop and maintain parks and recreational assets ■ Create an environment that supports cultural opportunities and events ■ Maintain a safe community where residents feel secure 	



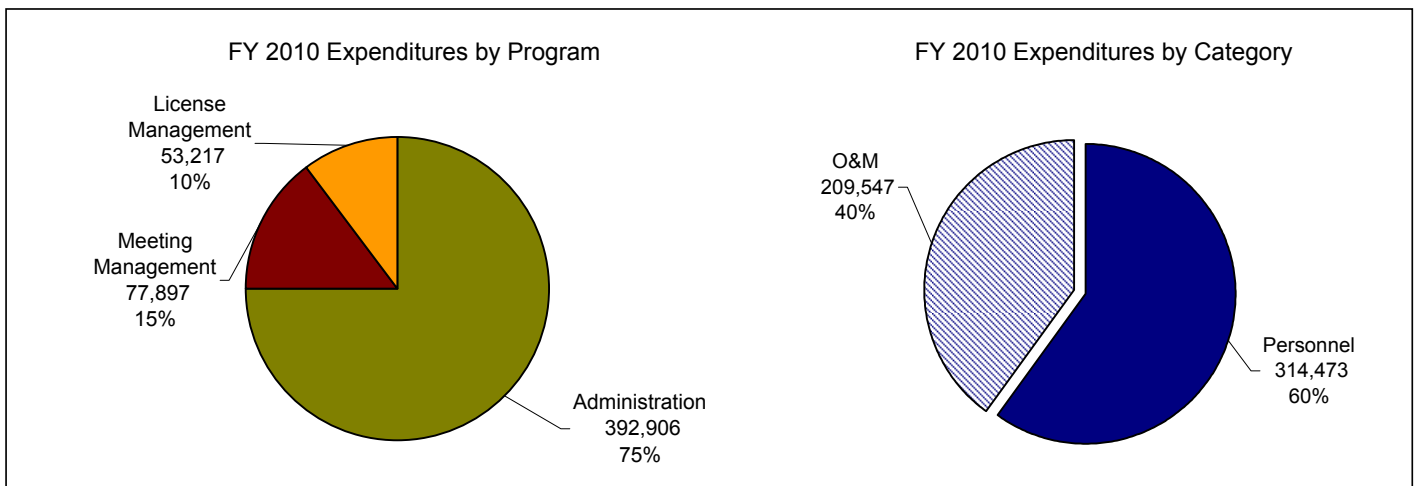
Department Overview

The Clerk's Office is the centralized information distribution point for our citizens, Town Council and staff. The Clerk's Office is responsible for 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 & Information; 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.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
4.60	4.60	4.27	4.63

	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Town Clerk Administration	\$ 381,411	\$ 326,160	\$ 279,470	\$ 392,906	20.5%
Meeting Management	66,136	78,598	80,022	77,897	-0.9%
License Management	40,238	59,033	52,724	53,217	-9.9%
	\$ 487,784	\$ 463,791	\$ 412,216	\$ 524,020	13.0%

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Business Licenses & Permits	\$ 170,930	\$ 178,520	\$ 178,520	\$ 184,920	3.6%
Copy Services	3,449	4,000	4,913	4,962	24.1%
	\$ 174,380	\$ 182,520	\$ 183,433	\$ 189,882	4.0%



Mission

The Town Clerk Department is committed to maintaining public confidence and trust. The Department continually strives to improve the quality and accessibility of public information, provide fair and impartial elections and provide quality customer service to our citizens, Town Council, and Staff.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - All regular Council meetings video streamed. All other public meetings now audio streamed using Granicus system. - Developed Business License Information Brochure. - Provided educational sessions on minute preparation and using the Granicus Mobile Encoder and Minutesmaker system. - Assisted with November 2008 Oro Valley Bond Election. 	<p>Focus Area: Financial Sustainability</p> <ul style="list-style-type: none"> ■ Administer Chapter 8 of the Oro Valley Town Code related to businesses ■ Issue business licenses and collect business license fees in accordance with Chapter 8 of the Oro Valley Town Code ■ Disseminate Oro Valley sales tax information to applicable businesses and assist Finance Department with monitoring businesses to ensure that the proper sales tax is collected. ■ Facilitate the processing of liquor license applications in accordance with Arizona State Law and provide accurate information of same. <p>Focus Area: Quality of Life</p> <ul style="list-style-type: none"> ■ Provide excellent customer service in a professional, accurate, timely, courteous and impartial manner. ■ Continue to maintain and provide public records in accordance with Arizona State Law. ■ Continue to provide Agendas, Minutes, Ordinances, Resolutions and Council Meeting materials and audio/video streaming of public meetings on the Town's website for on-line public access. ■ Continue to maintain accurate legislative history of the Town Council. ■ Continue to conduct fair and impartial elections, and when possible conduct ballot by mail elections to increase voter participation and provide convenience to our voters in accordance with Arizona State Law and the Federal Voting Rights Act. ■ Assist with Boards/Commission training <p>Focus Area: Economic Development</p> <ul style="list-style-type: none"> ■ Continue to facilitate the annexation process to ensure compliance with Arizona Annexation Law. ■ Continue to provide Economic Development Specialist with updated Business License information. ■ Assist businesses with understanding the business licensing process.

Administration Program Overview

The Town Clerk is responsible for the general management of the Clerk's Office including Boards/Commission processing, Elections, Voter Registration, Records Management, codification of Town Code and Notary Services.

Performance & Workload Indicators			
	CY 2007 Actual	CY 2008 Actual	CY 2009 Projection
Elections Held	0	3	0
Cost of Elections	\$ -	\$ 134,223	\$ 33,000 *

**carry over of CY08 election*

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Town Clerk	1.00	1.00	1.00	1.00	-
Deputy Town Clerk	0.33	0.33	0.33	0.40	0.07
Senior Office Specialist	0.35	0.35	0.35	0.30	(0.05)
Senior Office Assistant	0.95	0.95	0.73	0.91	(0.04)
Total FTE's	2.63	2.63	2.41	2.61	(0.02)

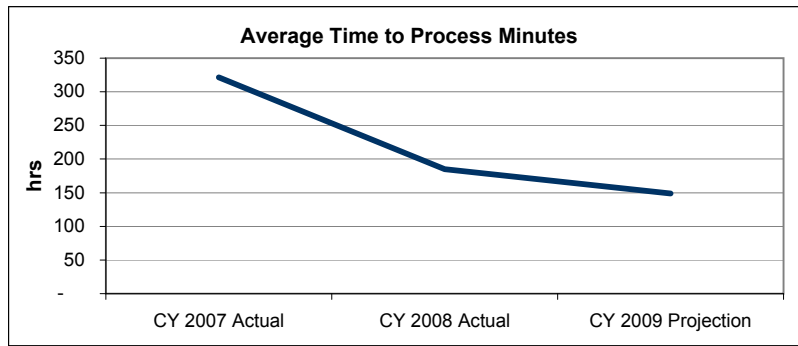
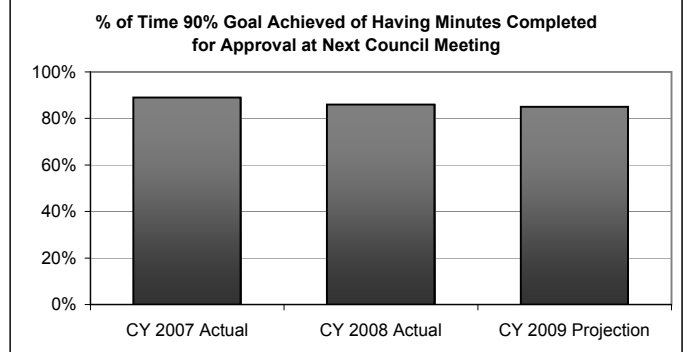
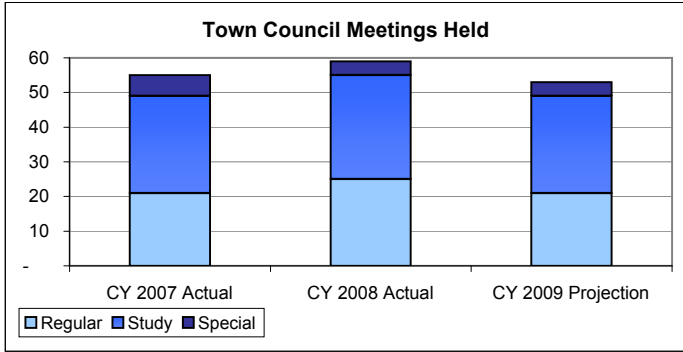
Personnel	\$ 169,877	\$ 208,523	\$ 197,399	\$ 205,959	-1.2%
Contracts/Services	197,540	114,037	78,306	183,347	60.8%
Supplies	5,459	3,600	3,765	3,600	0.0%
Capital	8,536	-	-	-	0.0%
Total Expenditures	\$ 381,411	\$ 326,160	\$ 279,470	\$ 392,906	20.5%

FY 2009/2010 Expenditure and Staffing Changes	
Contracts/Services	
Contracts/Services increased 60.8% for election expenses for the FY 2009/10 Spring Election cycle (March & May).	

Meeting Management Program Overview

The Clerk's Office is responsible for preserving the legislative history of the Town by attending all Town Council meetings, preparing and archiving minutes of those meetings in accordance with Arizona State Law, and assisting Boards/Commission staff support in the use of the Granicus minutes maker software and meeting etiquette.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Deputy Town Clerk	0.33	0.33	0.33	0.35	0.02
Senior Office Specialist	0.65	0.65	0.65	0.70	0.05
Total FTE's	0.98	0.98	0.98	1.05	0.07
Expenditures					
Personnel	\$ 44,226	\$ 51,198	\$ 55,342	\$ 59,097	15.4%
Contracts/Services	17,828	27,400	24,600	18,800	-31.4%
Supplies	52	-	80	-	0.0%
Capital	4,030	-	-	-	0.0%
Total Expenditures	\$ 66,136	\$ 78,598	\$ 80,022	\$ 77,897	-0.9%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

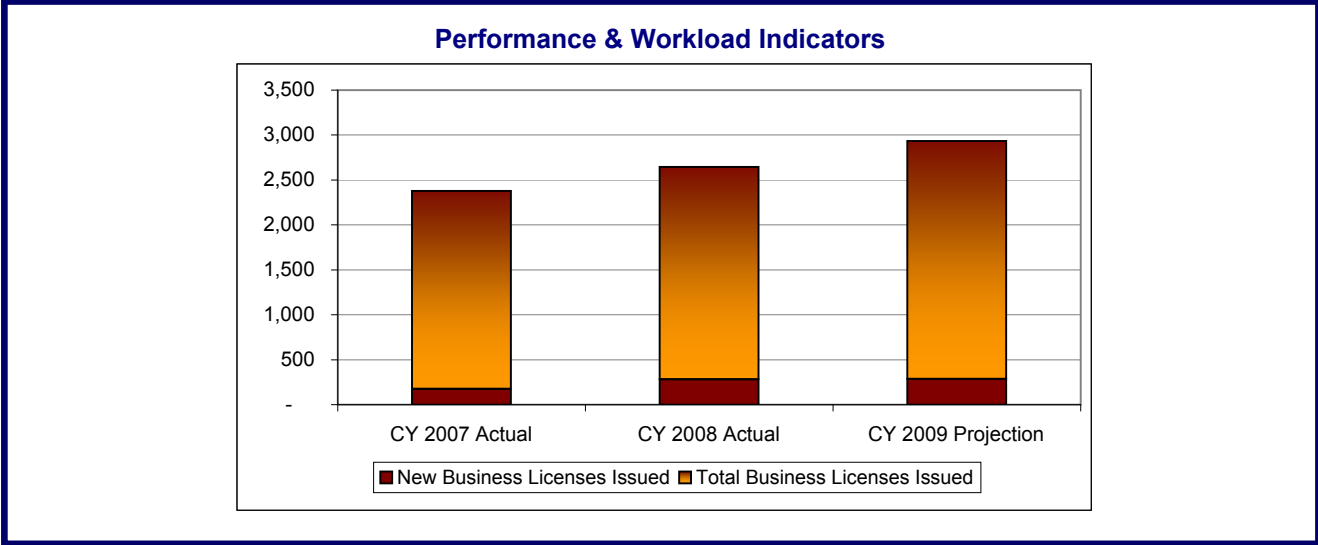
Personnel expenditures increased 15.4%, the result of a shift in personnel allocation between program areas.

Contracts/Services

Contracts/Services decreased 31.4% due to a re-negotiated lease contract for the department copy machine.

License Management Program Overview

The Clerk's Office is responsible for issuing Business Licenses to businesses that provide a service to our residents and/or are located within the Town limits, as well as issuing solicitor licenses and liquor licenses.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Deputy Town Clerk	0.34	0.34	0.34	0.25	(0.09)
Senior Office Assistant	0.65	0.65	0.54	0.72	0.07
Total FTE's	0.99	0.99	0.88	0.97	(0.02)
Expenditures					
Personnel	\$ 38,959	\$ 55,233	\$ 48,924	\$ 49,417	-10.5%
Contracts/Services	1,279	1,300	1,300	1,300	0.0%
Supplies	-	2,500	2,500	2,500	0.0%
Total Expenditures	\$ 40,238	\$ 59,033	\$ 52,724	\$ 53,217	-9.9%

FY 2009/2010 Expenditure and Staffing Changes

Personnel
 Personnel expenditures decreased 10.5%, the result of a shift in personnel allocation between program areas.



Town Manager

Department Overview

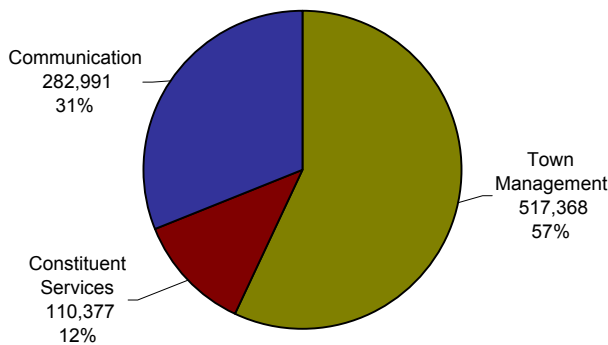
The Town Manager is responsible for the proper management and administration of the Town and serves as the Chief Administrative Officer of the government under the control and direction of the Town Council.

The Town Manager is further responsible for the 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: Town Clerk, Human Resources, Finance, Police Department, Water Utility, Planning and Zoning, Building Safety, Parks and Recreation, Information Technology, the Oro Valley Public Library, Legal, Magistrate Court and Public Works.

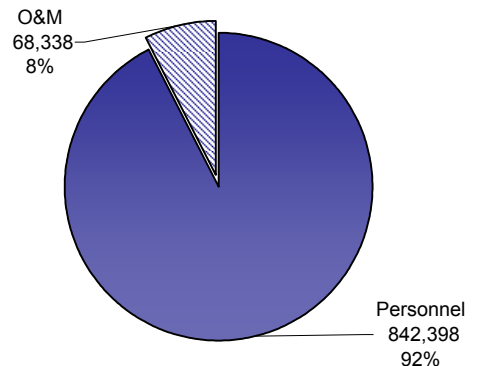
Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
8.10	8.10	8.10	9.10

	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Town Management	\$ 537,271	\$ 567,705	\$ 565,845	\$ 517,368	-8.9%
Constituent Services	85,812	81,569	69,150	110,377	35.3%
Communications	307,826	313,688	305,528	282,991	-9.8%
	\$ 930,909	\$ 962,962	\$ 940,523	\$ 910,736	-5.4%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



Mission

The Town Manager's office provides high-quality, executive level leadership for the community by efficiently planning and directing Town services. These services are provided to implement the policies, rules, and regulations of the Town Council. The Town Manager strives to maintain open communication with the Mayor and Council, Town Management, Town Employees and the greater community as a whole

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Oro Valley named one of Family Circle Magazines "10 Best Towns for Families" - Adopted the Arroyo Grande General Plan Amendment - Adopted 5 new impact fees for Parks and Recreation, Library, Police, Transportation and General Government - Successfully held the second annual Homeowners Association Forum - Implemented a New Council Member Orientation Process - Initiated "Council on your Corner" to increase public outreach - Formalized a state and federal legislative intergovernmental affairs program 	<p>Focus Area: Financial Sustainability/Economic Development</p> <ul style="list-style-type: none"> ■ Ensure the Town's fees are updated periodically (impact and user fees) ■ Explore opportunities for additional revenue streams ■ Seek grants and funding sources to supplement Town funds ■ Continue to promote the "Shop Oro Valley Campaign" ■ Continue to develop Oro Valley as a home for high-tech and bio-tech companies <p>Focus Area: Quality of Life</p> <ul style="list-style-type: none"> ■ Begin Steam Pump Ranch Historical Gardens Project ■ Continue with the development of Steam Pump Ranch and Naranja Town Site ■ Continue to work with the Arizona State Land Department on the Arroyo Grande Planning area ■ Develop a signature community event <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Work with both state and federal legislators to secure and protect funding for Town projects ■ Develop a town-wide environmental sustainability plan ■ Continue with the implementation of CAP water delivery ■ Continue work on Rancho Vistoso Municipal Complex <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Continue to strengthen regional and intergovernmental program and activities ■ Continue to provide focused leadership and management training

Administration Program Overview

The Town Manager’s office is responsible for the direction and the 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 press and media relations, promotes the Town’s legislative agenda through Intergovernmental Programs, seeks opportunities for partnerships and financial assistance at the county, state and federal levels through grants, legislation and appropriation requests. The Town Manager’s office also maintains Oro Valley representation on regional boards and quasi-governmental councils to keep our needs considered in regional decision-making.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Town Manager	1.00	1.00	1.00	1.00	-
Assistant Town Manager	1.00	1.00	1.00	1.00	-
Management Assistant	1.00	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	-	(1.00)
Total FTE's	5.00	5.00	5.00	4.00	(1.00)
Expenditures					
Personnel	\$ 485,350	\$ 527,690	\$ 515,649	\$477,428	-9.5%
Contracts/Services	40,954	16,515	25,296	16,240	-1.7%
Supplies	6,325	8,500	9,900	8,700	2.4%
Contingency	4,641	15,000	15,000	15,000	0.0%
Total Expenditures	\$ 537,271	\$ 567,705	\$ 565,845	\$517,368	-8.9%

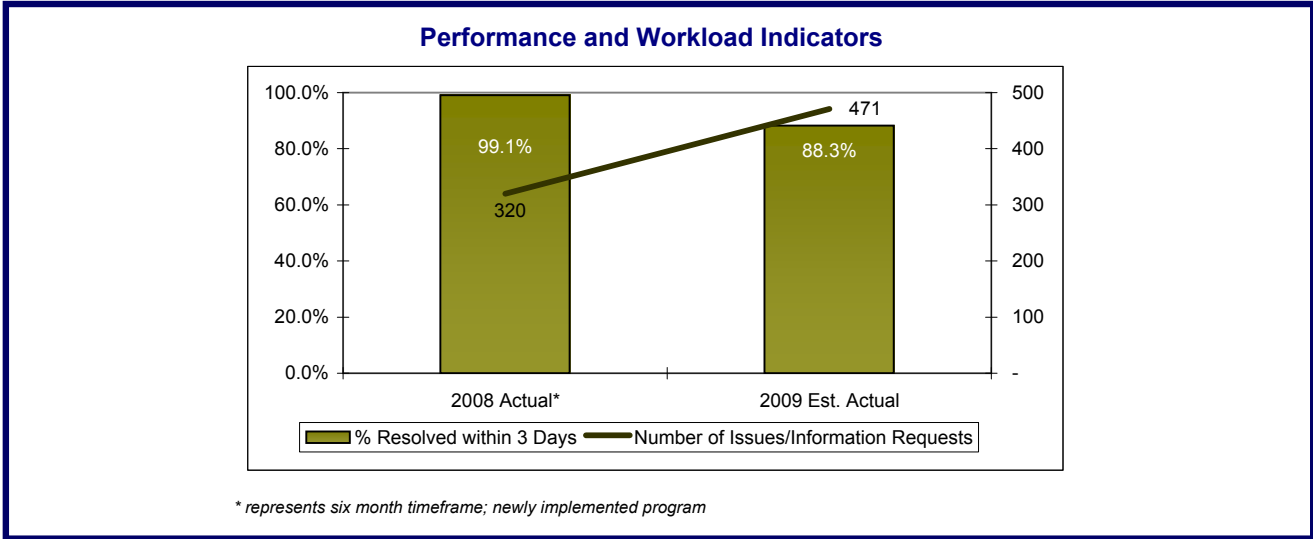
FY 2009/2010 Expenditure and Staffing Changes

Personnel

The decrease of 9.5% in Personnel is due to the transfer of the Senior Office Specialist position to the Constituent Services program area.

Constituent Services Program Overview

The role of Constituent Services is to develop a one-stop citizen “office” (Constituent Services Office) where concerns and complaints, inquiries and referrals and information are taken care through stellar customer service and a common sense approach. The Constituent Services Coordinator (CSC) will facilitate this through information gathering and sharing, personal assistance, education to the ways of Town government responsibilities and processes, coordination among the various departmental responses and ensuring that citizen voices and perspectives are consistently captured and passed along to the leaders of the Town government. The result desired is to streamline information and facilitate quicker resolution to citizen needs or requests. Tracking constituent issues will help capture community desires and needs, having an impact on future policies and budget decisions of the Town to ultimately serve our residents better.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Constituent Services Coordinator	1.00	1.00	1.00	1.00	-
Senior Office Specialist	-	-	-	1.00	1.00
Total FTE's	1.00	1.00	1.00	2.00	1.00
Expenditures					
Personnel	\$ 84,655	\$ 74,426	\$ 64,040	\$107,177	44.0%
Contracts/Services	1,130	4,893	2,860	1,950	-60.1%
Supplies	27	2,250	2,250	1,250	-44.4%
Total Expenditures	\$ 85,812	\$ 81,569	\$ 69,150	\$110,377	35.3%

FY 2009/2010 Expenditure and Staffing Changes

Personnel
Personnel increased 44% due to the transfer of the Senior Office Specialist position from the Administration program area.

Contracts/Services
The decrease of 60.1% is a result of the Town-wide effort to reduce operations and maintenance costs.

Supplies
Supplies decreased 44.4% from the FY 2009 budget as expenditures for postage were aligned to what actual spending represented.

Communications Program Overview

The Communications division coordinates activities related to public and community relations, public information, and inter-governmental relations. This division also, tracks legislation and lobbies issues that significantly impact the municipality. Further, the division plans, develops, and produces publications and services designed to facilitate communication with residents, in order to inform them of services, activities and programs.

Performance & Workload Indicators			
	FY 2008 Actual	FY 2009 Est. Actual	FY 2010 Projected
Frequency of Oro Valley Vista Publication	Monthly	Monthly	Monthly
Distribution Method	Mailing	Mailing	Website

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Communications Administrator	1.00	1.00	1.00	1.00	-
Public Information Officer	-	-	-	1.00	1.00
Communications Specialist	1.00	1.00	1.00	1.00	-
Communications Intern	0.10	0.10	0.10	0.10	-
Total FTE's	2.10	2.10	2.10	3.10	1.00
Expenditures					
Personnel	\$ 171,813	\$ 185,458	\$ 178,483	\$257,793	39.0%
Contracts/Services	74,261	81,130	79,845	18,698	-77.0%
Supplies	31,377	47,100	47,200	6,500	-86.2%
Capital	30,376	-	-	-	0.0%
Total Expenditures	\$ 307,826	\$ 313,688	\$ 305,528	\$282,991	-9.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel
Personnel increased 39% from the FY09 budget due to the transfer of the Public Information Officer position from the Police department as part of their department reorganization.

Contracts/Services
The decrease of 77% is a result of the Town-wide effort to reduce operations and maintenance costs. The printing of the Oro Valley Vista, a monthly publication distributed to Town residents, will discontinue and be distributed via the Town website. Expenses related to travel and training and the use of outside consulting were also reduced in an effort to streamline O&M costs.

Supplies
Supplies decreased 86.2% as part of the change in distribution of the Oro Valley Vista publication.



Human Resources

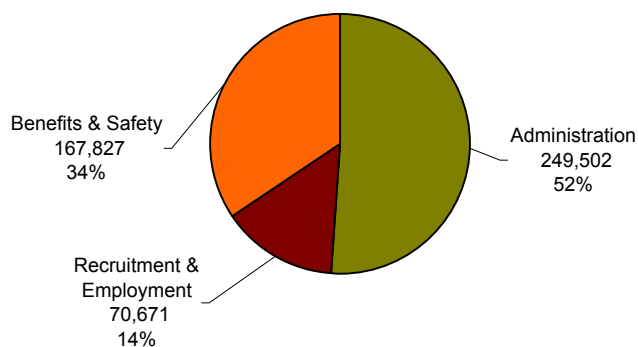
Department Overview

The Human Resource Department includes three divisions, providing a full range of services for Town employees. The Administration division provides policy guidance including compliance, performance and compensation management plus training and development; the Recruitment and Employment division provides staff planning, recruiting and employee relations services; the Benefits and Safety division provides group benefits programs and safety and risk management services.

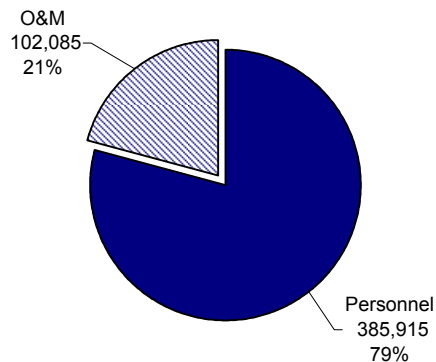
FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Projected	
4.00	4.00	4.00	5.00

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Projected		
Human Resources Administration	\$ 180,050	\$ 193,902	\$ 195,858	\$ 249,502	28.7%
Recruitment & Employment	110,597	133,970	99,645	70,671	-47.2%
Benefits & Safety	51,159	64,787	64,993	167,827	159.0%
	\$ 341,806	\$ 392,659	\$ 360,496	\$ 488,000	24.3%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



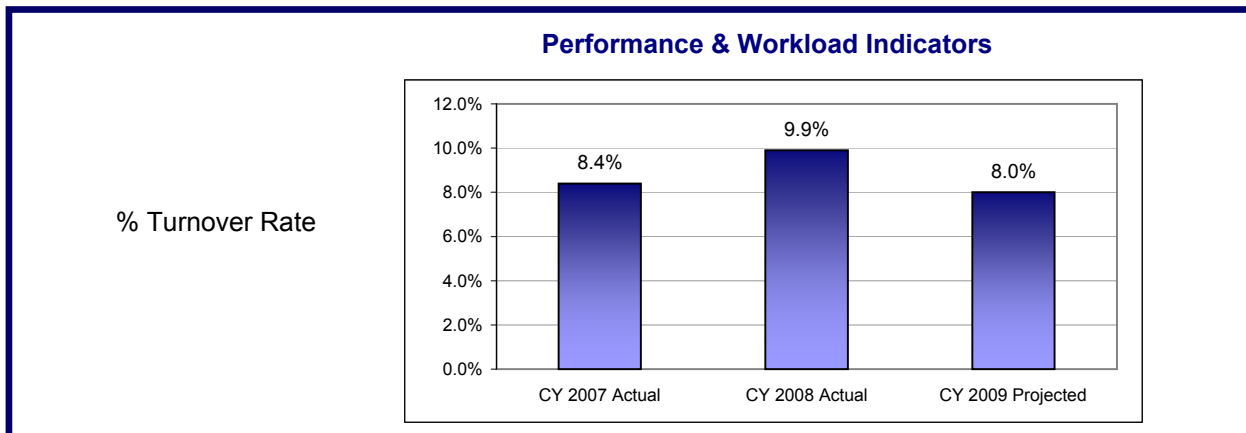
Mission

We provide a complete suite of human resource services from recruitment through retirement. This includes attracting staff with the skills, knowledge and abilities to accomplish the Town's strategic goals; providing policy and procedure administration and compliance, compensation and benefits, training and education, performance management, employee relations, and safety and risk management assistance. Our aim is that all Town employees have the resources needed to improve, develop and continue to add value for the Town's changing needs.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Completed phase II of ID/Access card system. Phase III is currently underway. - Completed administrative directive on compensation and developed job families for the FY 2010 salary grade structure. Implementation is on hold. - Made new benefits consulting arrangements as part of 3 - 5 year benefits strategic plan. - Developed a new employee orientation that we hope to implement for any future hires. - Implemented employee self service for benefits open enrollment for the FY 2010 plan year. - Established an employee discount program on the Human Resources intranet website. - Facilitated selected reorganization and strategic planning sessions for Town departments. 	<p>Focus Area: Financial and Economic Sustainability</p> <ul style="list-style-type: none"> ■ Develop department standard operating procedures that streamline or maximize processes. Focus will be on automating or using employee self service for more routine functions. ■ Enhance fledging wellness program to develop health incentives or other cost savings in order to turn around the negative trend in claims to premiums ratio; and complete the benefits strategic plan. <p>Focus Area: Quality of Life</p> <ul style="list-style-type: none"> ■ Implement online benefits enrollment allowing employees to see insurance information and select benefits at their own convenience through employee self-service. ■ Implement new employee orientation to engage employees in the culture, mission and values of the Town. ■ Encourage participation in employee wellness and health programs in order to improve the quality of life for employees by helping them develop healthy life styles. <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Finalize development of customer service training programs for front-line employees. ■ Implement supervisory training programs and coordinate or facilitate leadership and organizational management development programs. ■ Work with the ABOVE group to revise the employee focus group and employee forum policies and procedures in order to foster enhanced communication between employees and Human Resources or other management staff.

Administration Program Overview

The Administration division partners with Management in developing organization improvements; develops and implements policies and procedures; designs and administers annual compensation and classifications plans; administers performance management process; creates and updates job descriptions; provides or coordinates ongoing training and development opportunities; administers tuition reimbursement; provides orientation programs; and partners with Management to develop succession plans or performance improvement plans.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Human Resource Director	1.00	1.00	1.00	1.00	-
Human Resource Analyst	-	-	-	1.00	1.00
Human Resource Technician	-	1.00	1.00	-	(1.00)
Human Resource Assistant	1.00	-	-	-	-
Total FTE's	2.00	2.00	2.00	2.00	-
Expenditures					
Personnel	\$ 146,570	\$ 149,157	\$ 151,113	\$ 197,307	32.3%
Contracts/Services	30,852	40,395	40,395	47,995	18.8%
Supplies	2,628	4,350	4,350	4,200	-3.4%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 180,050	\$ 193,902	\$ 195,858	\$ 249,502	28.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

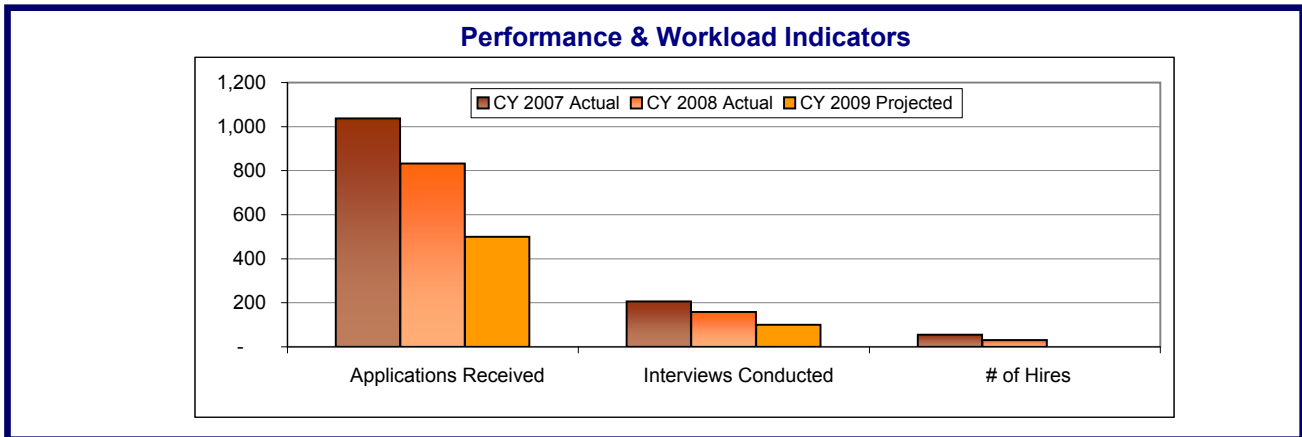
The increase of 32.3% in Personnel is due to the transfer of the Human Resource Analyst position from the Recruitment program. Additionally, the Human Resource Technician position was moved to the Recruitment program area within HR in alignment of new duties.

Contracts/Services

Contracts/Services increased 18.8% due to the implementation of the new employee self-service and online benefits enrollment function in the Munis financial system. This one-time increase is slightly offset by a reduction in travel and training costs.

Recruitment & Employment Program Overview

The Recruitment division partners with Supervisors to plan staffing needs; advertises for open positions; assists in applicant selection; schedules and conducts interviews; coordinates background checks; communicates with applicants and newly selected staff members; consults with Supervisors on employee relations and grievance resolution; manages disciplinary procedures; coordinates employee assistance program; negotiates with Public Service employee representatives; coordinates employee recognition and special events.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Human Resource Analyst	1.00	1.00	1.00	-	(1.00)
Human Resource Technician	-	-	-	1.00	1.00
Total FTE's	1.00	1.00	1.00	1.00	-
Expenditures					
Personnel	\$ 75,056	\$ 82,795	\$ 83,470	\$ 39,996	-51.7%
Contracts/Services	35,428	51,175	16,175	30,675	-40.1%
Supplies	113	-	-	-	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 110,597	\$ 133,970	\$ 99,645	\$ 70,671	-47.2%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

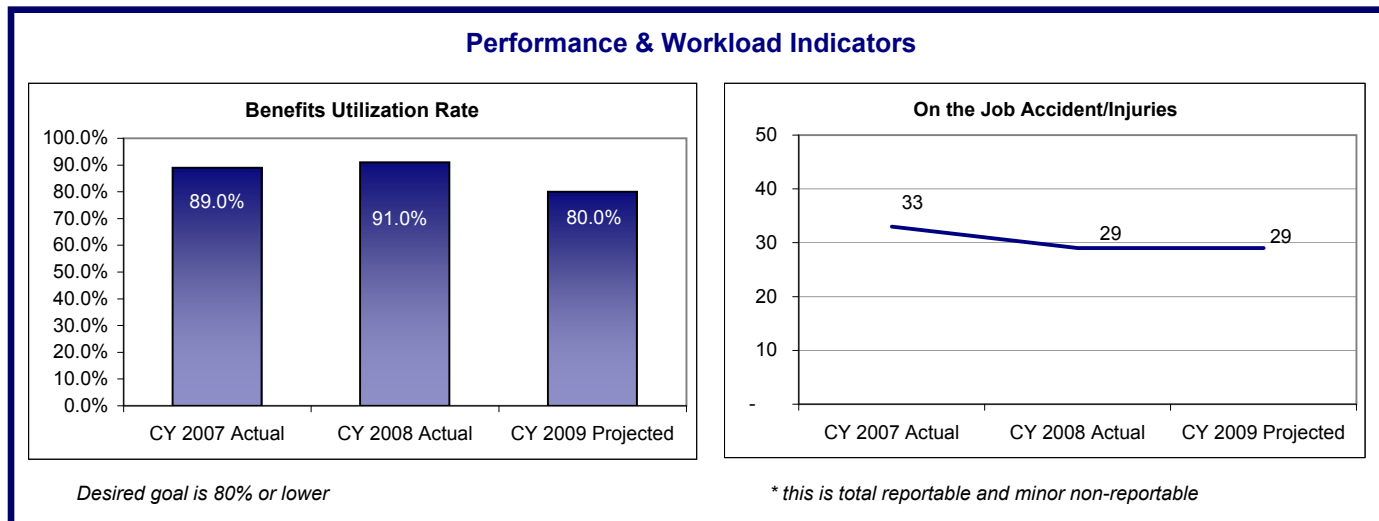
Expenditures decreased 51.7% over the FY 2009 Budget due to the transfer of the HR Analyst position into the Administration program area. Additionally, due to the realignment of certain tasks, the Human Resource Technician position was moved to the Recruitment program area from Administration.

Contracts/Services

Contract/Services decreased 40.1%, a result in the reduction of Travel and Training expenditures, and a decrease in advertising costs for the recruitment of open positions.

Benefits & Safety Program Overview

The Benefits & Safety division negotiates and administers employee benefits; COBRA administration; Leave administration including FMLA, Annual Leave, accrual, sick time used, donation of Leave time, etc.; Town wide drug testing as required; Munis ERP System; Worker's Compensation Program administration; ADOSH compliance; risk management and work place safety training.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Safety & Risk Manager	-	-	-	1.00	1.00
Human Resource Technician	1.00	1.00	1.00	1.00	-
Total FTE's	1.00	1.00	1.00	2.00	1.00
Expenditures					
Personnel	\$ 42,482	\$ 49,212	\$ 49,418	\$ 148,612	202.0%
Contracts/Services	8,334	15,575	15,575	19,215	23.4%
Supplies	343	-	-	-	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 51,159	\$ 64,787	\$ 64,993	\$ 167,827	159.0%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The Safety & Risk Manager position was transferred to the Human Resources Department as part of the reorganization of the Police Department.

Contracts/Services

The increase of 23.4% is due to the transfer of travel and membership costs associated with the Safety & Risk Manager's position.



Economic Development

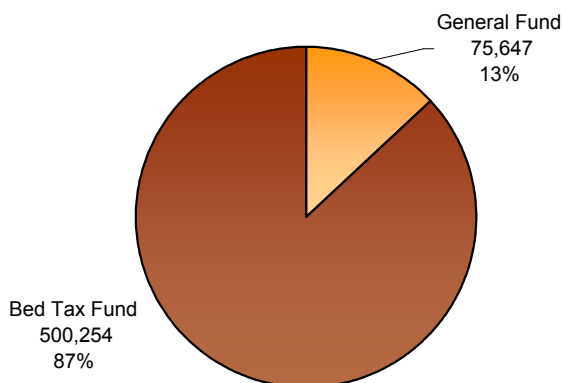
Department Overview

The Economic Development Division provides a variety of important services to the Town Council, Staff, Oro Valley residents, and local businesses, including but not limited to, the recruitment of new businesses, and ombudsman to existing businesses and those going through Oro Valley's building plan review process. Additionally, the Economic Development Division has been a project team leader for development projects, liaison with regional organizations to provide continuity with the community's economic goals, and prepared economic analysis and projections. The Economic Development Division adheres to the 2007 Community Economic Development Strategy (CEDs), which indicated that the residents of Oro Valley are interested in expansion, diversification, and development of local business. According to the Oro Valley General Plan, Oro Valley's economic future is interwoven with its distinctive community character based on a residential/resort image and its proximity to the Pusch Ridge Wilderness, Coronado National Forest, and Catalina State Park. Diversification in the local revenue base encouraged through additions to employment and shopping opportunities is desirable. However, any new development must be consistent with the community vision for the future and values.

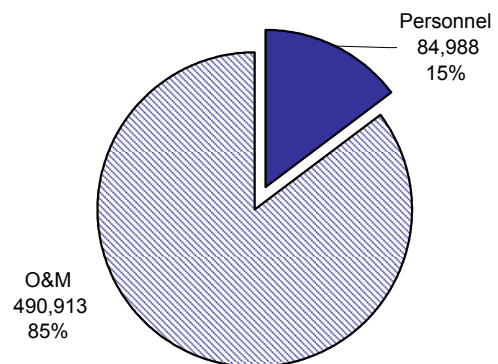
Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
2.25	2.25	1.80	1.80

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Economic Development	\$ 918,356	\$ 835,334	\$ 665,767	\$ 575,901	-31.1%

FY 2010 Expenditures by Fund



FY 2010 Expenditures by Category

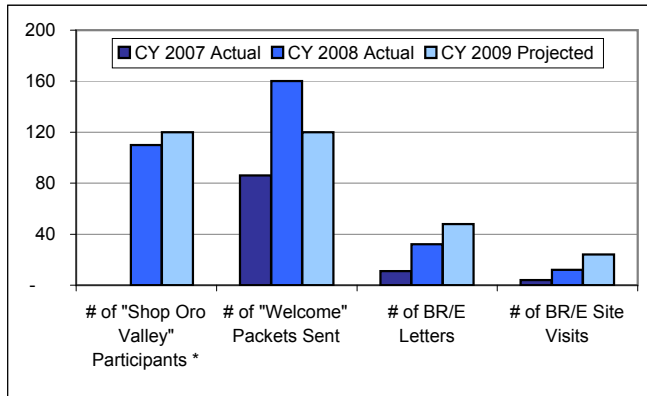
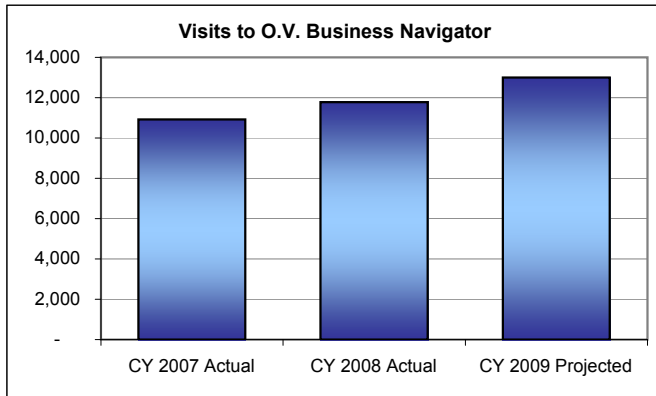


Mission

To increase the quality of life for Oro Valley citizens and the business community by developing a positive business climate consistent with the community's values to ensure the long-term financial and economic sustainability of the Town of Oro Valley.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Hosted 2008 Bio Tour with local and state elected officials - Developed and launched "Shop Oro Valley" Campaign - Updated Economic Development video - Completed Northwest Medical Center Oro Valley Expansion (4th Floor Cardiac Center) - Completed sanofi-aventis expansion - Completed Town's Economic Development Webpage Redesign - Grand Opening of: <ul style="list-style-type: none"> <u>Innovation Corporate Center</u> <ul style="list-style-type: none"> ▫ Intelligent Office <u>Mercado at Canada Hills</u> <ul style="list-style-type: none"> ▫ Huntington Learning Center ▫ Jerry Bob's ▫ Marco's Pizza <u>Mercado del Rio</u> <ul style="list-style-type: none"> ▫ Imagen Salon & Spa <u>Oracle Crossings</u> <ul style="list-style-type: none"> ▫ AT&T ▫ El Charro ▫ Sheffield's Diamonds ▫ Southwest Yoga <u>Oro Valley Marketplace</u> <ul style="list-style-type: none"> ▫ Alltel Wireless ▫ Best Buy ▫ Century Theatres ▫ Chase Bank ▫ DSW Shoes ▫ Dick's Sporting Goods ▫ Famous Footwear ▫ GNC ▫ Olive Garden ▫ PetCo ▫ Tilly's ▫ Ulta Cosmetics ▫ Wal-Mart <u>Placita del Oro</u> <ul style="list-style-type: none"> ▫ Anytime Fitness ▫ My Nail Salon <u>Steam Pump Village</u> <ul style="list-style-type: none"> ▫ Loewen Design Center ▫ Wingate Hotel (104 Rooms) <u>Vistoso Commerce Plaza</u> <ul style="list-style-type: none"> ▫ Realty Executives of Southern Arizona 	<p>Focus Area: Economic Development</p> <p>Recruitment</p> <ul style="list-style-type: none"> ■ Continue to assist developers and businesses interested in locating to Oro Valley <p>Retention</p> <ul style="list-style-type: none"> ■ Maintain Business Navigator ■ Maintain Business Retention & Expansion Program with the Northern Pima County Chamber of Commerce (NPCCC) ■ Continue to promote Shop Oro Valley Campaign ■ Coordinate Oro Valley Business Expo ■ Coordinate a series of "Small Business Workshops" <p>Program Management</p> <ul style="list-style-type: none"> ■ Assist Ventana Medical Systems with expansion ■ Update 2007 Community Economic Development Strategic Plan

Performance & Workload Indicators



* program launched in Nov 2008 and ends in Nov 2009
BR/E = Business Retention & Expansion

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Economic Development Administrator	1.00	1.00	-	-	(1.00)
Economic Development Specialist	1.00	1.00	1.00	1.00	-
Intern	0.25	0.25	0.80	0.80	0.55
Total FTE's	2.25	2.25	1.80	1.80	(0.45)
Expenditures					
Personnel	\$ 133,186	\$ 170,582	\$ 80,012	\$ 84,988	-50.2%
Contracts/Services	781,381	657,002	581,155	486,313	-26.0%
Supplies	3,789	7,750	4,600	4,600	-40.6%
Total Expenditures	\$ 918,356	\$ 835,334	\$ 665,767	\$ 575,901	-31.1%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The Economic Development Administrator position, vacant in the beginning of FY 2009, is part of the Town implemented hiring freeze in FY 2009, and is not budgeted to be filled for FY 2010. One part-time intern from local universities is assisting the Specialist in the duties of the department.

Contracts/Services

Contracts/Services decreased 26% due to lower rebate commitments from the 6.0% lodging tax, and reduced payments for outside funding.

Supplies

Supplies decreased 40.6%, mainly in postage expenses from the "Shop Oro Valley" campaign promoted in FY 2009.



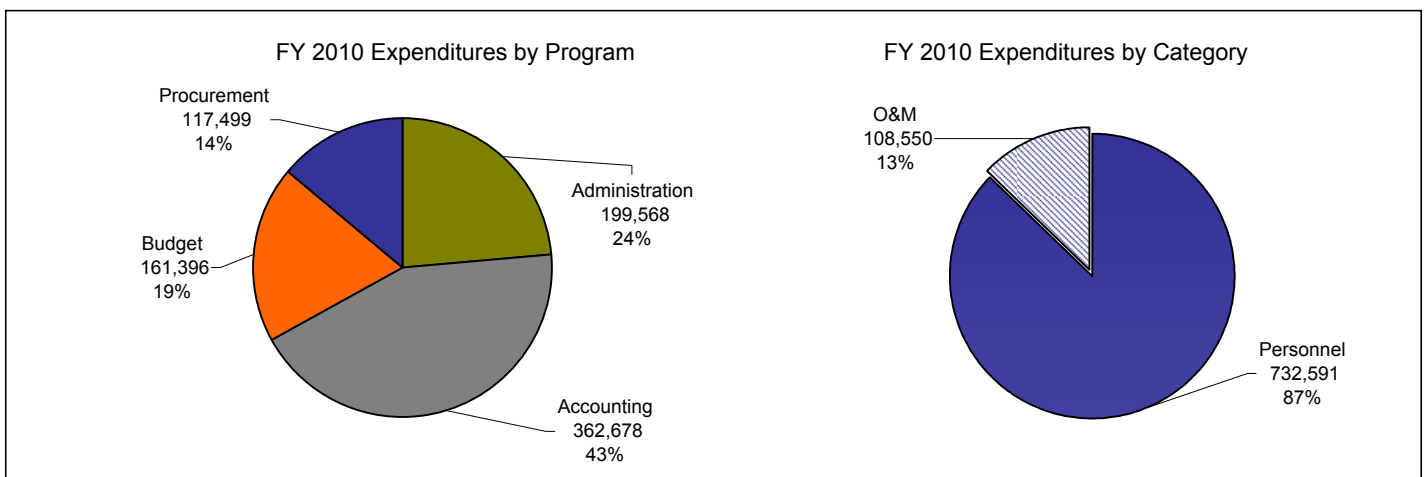
Department Overview

The Finance Department 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, support for the Town's Finance and Bond Committee, and participation in a variety of other administrative and special projects. The Department also coordinates the development of the Town's Capital Improvement Program, assists with the Town's risk management program and acts as the purchasing oversight agent for the Town.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
9.00	9.00	9.00	9.00

	Expenditures by Program Area				% to Budget
	FY 2008 Actuals	FY 2009		FY 2010 Budget	
		Budget	Estimate		
Finance Administration	\$ 311,778	\$ 221,314	\$ 205,480	\$ 199,568	-9.8%
Accounting	329,625	364,262	363,160	362,678	-0.4%
Budgeting	150,315	159,405	163,769	161,396	1.2%
Procurement	93,035	119,430	117,131	117,499	-1.6%
	\$ 884,752	\$ 864,411	\$ 849,540	\$ 841,141	-2.7%

	Revenue Sources				% to Budget
	FY 2008 Actuals	FY 2009		FY 2010 Budget	
		Budget	Estimate		
Sales Tax Audit Recovery Fees	\$ 565,969	\$ 300,000	\$ 200,000	\$ 100,000	-66.7%
	\$ 565,969	\$ 300,000	\$ 200,000	\$ 100,000	-66.7%



Mission

The Finance Department is dedicated to protecting the financial integrity of the Town of Oro Valley by providing timely, accurate and relevant financial data to support informed decision-making for both internal and external customers of the Town. The Finance Department encourages and promotes learning and growth in the individual employee, the Finance Team and the organization as a whole.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Successfully implemented and trained all Town staff in use of MUNIS Employee Self Service and Electronic Time Sheets - Received first Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for FY 2008/09 annual budget - Received GFOA Certificate of Achievement for Financial Reporting Excellence for FY 2007/08 - Received National Purchasing Institute's (NPI) Achievement of Excellence in Procurement (AEP) Award - Received an unqualified 'clean' audit opinion for FY 2007/08 financial statements - Implemented and trained departments on on-line budget entry into MUNIS ERP system - Performed Parks & Recreation program cost recovery analysis resulting in fee increases to improve cost recovery - Assisted with Development Services plan review cost recovery analysis resulting in fee increases to improve cost recovery - Completed successful transition to new banking service provider resulting in cost savings and more efficient service to the Town - Completed Finance department web page redesign - Coordinated preparation of November 2008 bond election publicity pamphlet and participated in public outreach effort - Increased utilization of cooperative purchasing agreements resulting in cost savings and increased procurement efficiency 	<p>Focus Area: Financial & Economic Sustainability</p> <ul style="list-style-type: none"> ■ Prepare 5-year Economic Resiliency Plan to forecast future Town revenues and expenditures and determine reallocation of personnel and resources during economic downturn ■ Assist departments with the implementation of meaningful program performance measures that support the Town's adopted Strategic Plan ■ Clearly identify recurring vs one-time revenues and expenditures for proper alignment in budget with the goal of achieving a structurally balanced budget ■ Regularly evaluate program cost recovery and user fee levels to target maximum cost recovery ■ Per management direction, continue to evaluate opportunities to diversify Town's revenue base ■ Continue utilization of cooperative purchasing agreements and competitive bidding for products and services to achieve cost savings and procurement standardization and efficiencies ■ Prepare timely financial and budgetary performance reports for the Town Council and the Finance & Bond Committee <p>Focus Area: Quality of Life & Environmental Sustainability</p> <ul style="list-style-type: none"> ■ Expand use of MUNIS ERP system to provide more on-line transaction capability, such as on-line timesheet entry and payroll direct deposit information to reduce the use of paper ■ Expand use of Town website as a repository for financial documents and information to reduce the cost of printing documents and use of paper ■ Participate on the Town's Environmental Sustainability "Green Team" ■ Perform financial analysis to determine cost/benefit and return on investment of financing energy efficiency projects for Town of Oro Valley <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Maintain an accurate inventory database with Town-wide infrastructure valuations and useful lives ■ Evaluate cost efficient financing alternatives to pay for Town infrastructure construction ■ Prepare and annually update the Town's 5-year Capital Improvement Plan (CIP) <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Participate in leadership development opportunities ■ Participate in public outreach efforts to enhance community knowledge and understanding of Town budgetary issues and program-specific issues ■ Participate in joint Council and staff workshops to ensure good communication and effective implementation of goals

Administration Program Overview

The Administration section of the Finance Department provides leadership and resources to support all divisions within the Finance Department and the Town's Finance and Bond Committee, oversees the debt management activities of the Town, and administers the Town's investment program. This section also participates in a variety of other administrative and special projects requested by Town management and the Mayor and Council.

Performance & Workload Indicators			
	March 2007 Actual	March 2008 Actual	March 2009 Projected
Bond Ratings:			
Fitch	A +	A+	A+
Standard & Poor's	AA -	AA-	AA-

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Finance Director	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Total FTE's	2.00	2.00	2.00	2.00	-
Expenditures					
Personnel	\$ 186,685	\$ 200,614	\$ 189,230	\$ 195,068	-2.8%
Contracts/Services	4,318	19,700	14,950	3,200	-83.8%
Supplies	2,645	1,000	1,300	1,300	30.0%
Capital	118,130	-	-	-	0.0%
Total Expenditures	\$ 311,778	\$ 221,314	\$ 205,480	\$ 199,568	-9.8%

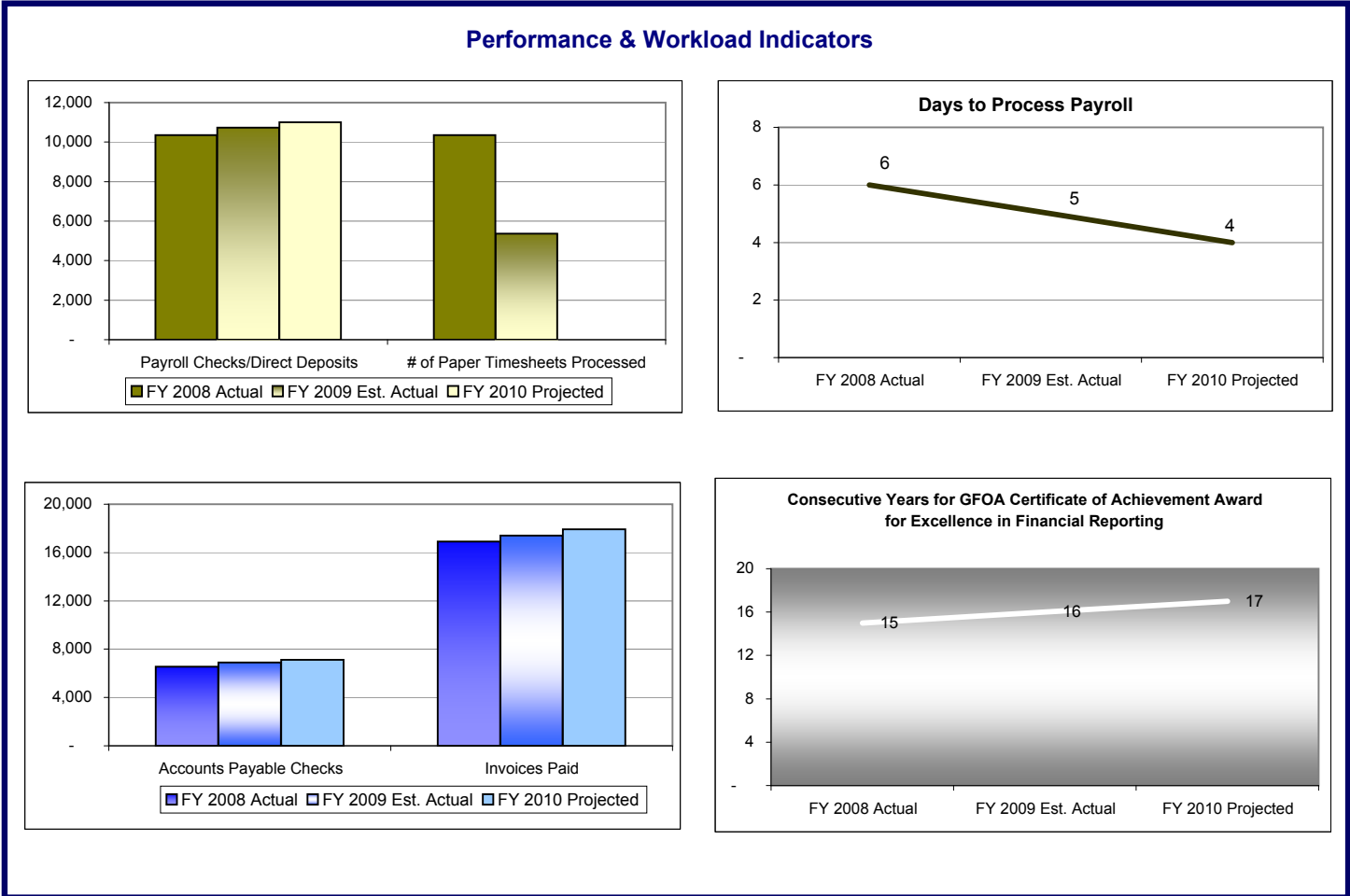
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 83.8% as part of a Town-wide effort to reduce operations and maintenance costs predominately in travel and training. Contracts/Services also reflects a decrease of \$15K which was budgeted in FY 2009 for outside training on the newly implemented Munis financial software system.

Accounting Program Overview

The Accounting section of the Finance Department maintains efficient accounting systems and controls and performs the following activities: payroll and accounts payable processing, accounts receivable, annual audit coordination and financial statement preparation.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Accounting Supervisor	1.00	1.00	1.00	1.00	-
Senior Accountant	1.00	1.00	1.00	1.00	-
Payroll Specialist	1.00	1.00	1.00	1.00	-
Accounting Clerk	1.00	1.00	1.00	1.00	-
Total FTE's	4.00	4.00	4.00	4.00	-
Expenditures					
Personnel	\$ 246,769	\$ 265,062	\$ 268,360	\$ 269,478	1.7%
Contracts/Services	76,639	88,200	87,300	85,700	-2.8%
Supplies	6,216	9,500	7,500	7,500	-21.1%
Capital	-	1,500	-	-	0.0%
Total Expenditures	\$ 329,625	\$ 364,262	\$ 363,160	\$ 362,678	-0.4%

Budgeting Program Overview

The Budgeting section of the Finance Department is responsible for preparation and monitoring of the budget Town’s annual budget. Duties of this section include: revenue and expenditure analysis, forecasting and modeling, capital improvement plan compilation, performing cost/benefit analyses, and preparing special financial studies and reports.

Performance & Workload Indicators			
	FY 2008 Actual	FY 2009 Est. Actual	FY 2010 Projected
Consecutive Years for GFOA Distinguished Budget Award	-	1	2
Accuracy % of General Fund Revenue Forecast to Adopted Budget	3.4%	-8.0%	2.0%

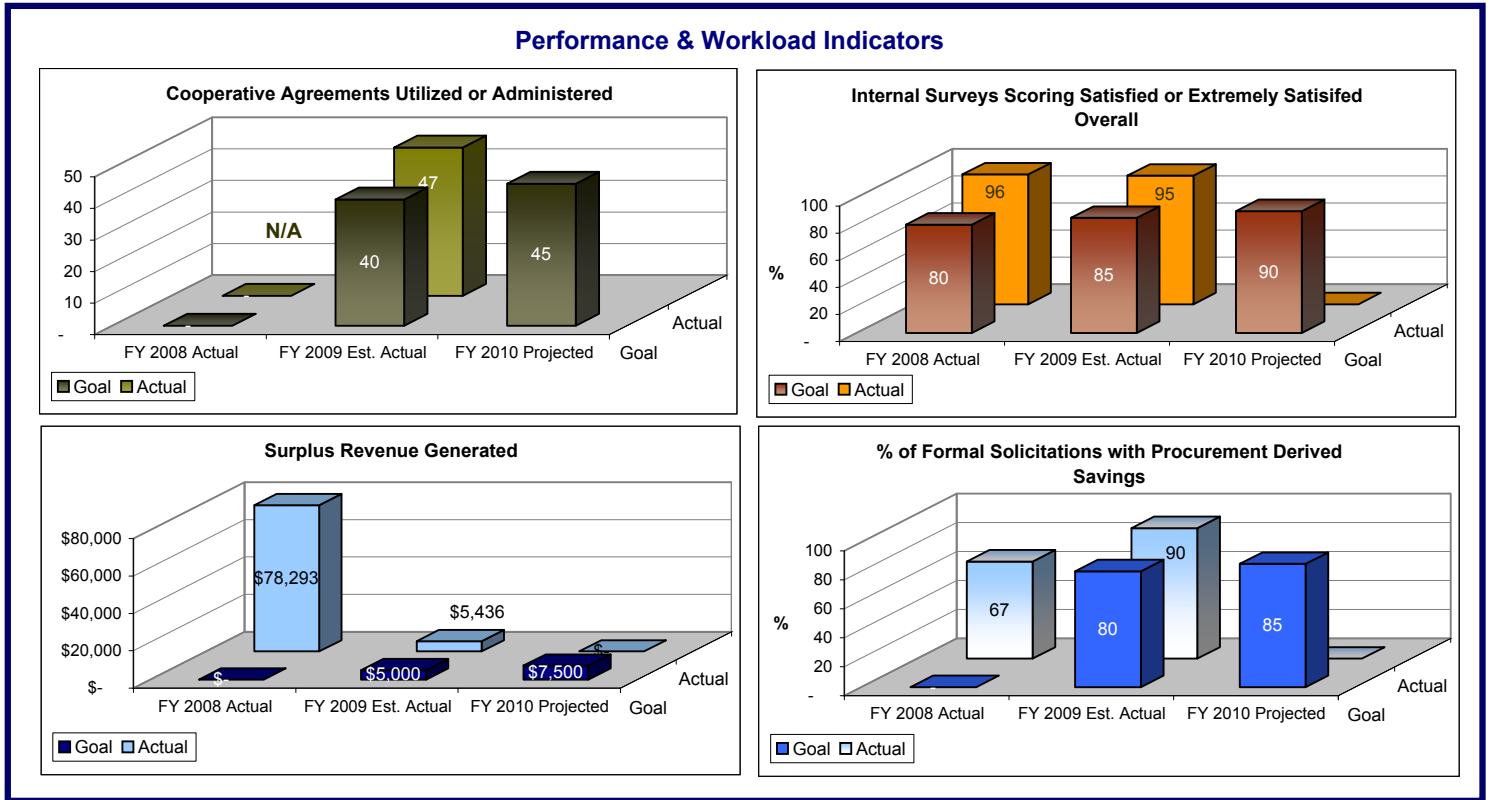
	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Budget & Management Analyst	1.00	1.00	1.00	1.00	-
Financial Analyst	1.00	1.00	1.00	1.00	-
Total FTE's	2.00	2.00	2.00	2.00	-
Expenditures					
Personnel	\$ 143,842	\$ 151,255	\$ 156,219	\$ 155,846	3.0%
Contracts/Services	5,905	7,650	7,050	5,150	-32.7%
Supplies	568	500	500	400	-20.0%
Total Expenditures	\$ 150,315	\$ 159,405	\$ 163,769	\$ 161,396	1.2%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services
 Contracts/Services decreased 32.7% as part of a Town-wide effort to reduce operations and maintenance costs in travel and training, and printing expenses.

Procurement Program Overview

The Procurement division administers the timely procurement of supplies, services and construction needed by Town departments in accordance with the Town Code, Standard Operating Procedure, and all other federal, state and local laws, policies and procedures. One of the primary purposes of this function is to maximize the buying power of the Town and minimize inefficiencies in the purchasing process.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Procurement Administrator	1.00	1.00	1.00	1.00	-
Total FTE's	1.00	1.00	1.00	1.00	-
Expenditures					
Personnel	\$ 85,223	\$ 111,940	\$ 112,486	\$ 112,199	0.2%
Contracts/Services	3,782	5,990	4,515	4,700	-21.5%
Supplies	598	1,500	130	600	-60.0%
Capital	3,432	-	-	-	0.0%
Total Expenditures	\$ 93,035	\$ 119,430	\$ 117,131	\$ 117,499	-1.6%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services
Contracts/Services decreased 21.5% as part of a Town-wide effort to reduce operations and maintenance costs in travel and training, and non-capitalized equipment.

Supplies
Supplies decreased 60% due to a reduction in postage expense and office supplies.



General Administration

Department Overview

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

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Expenditures					
Contracts/Services	\$ 731,013	\$ 2,253,196	\$ 1,372,058	\$ 1,824,064	-19.0%
Supplies	60,447	60,000	55,599	42,000	-30.0%
Utilities	113,084	108,500	83,500	84,000	-22.6%
Capital	129,473	208,000	208,000	215,000	3.4%
Other Financing Uses	5,959,581	2,514,266	1,221,266	2,030,637	-19.2%
Total Expenditures	\$ 6,993,598	\$ 5,143,962	\$ 2,940,423	\$ 4,195,701	-18.4%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

As part of the Town-wide effort to reduce operations and maintenance costs, contracts/services decreased 19% from the FY09 budget. Sales tax rebates are budgeted to decrease \$280K, funding for outside agencies decreased \$52K, and the use of outside services decreased \$30K. In addition, \$300K was budgeted in FY09 for annexation costs, whereas \$100K is projected to be spent in FY10.

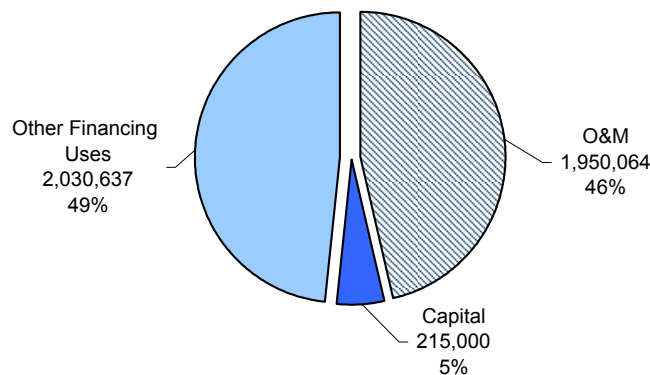
Utilities

Utilities is budgeted to be 22.6% lower than the FY09 budget due to the centralization of gasoline costs into a newly created Fleet Maintenance internal fund.

Other Financing Uses

The annual internal transfer to the Debt Service fund will decrease in FY10 as the 1999 Series bonds was paid in full in FY09.

FY 2010 Expenditures by Category





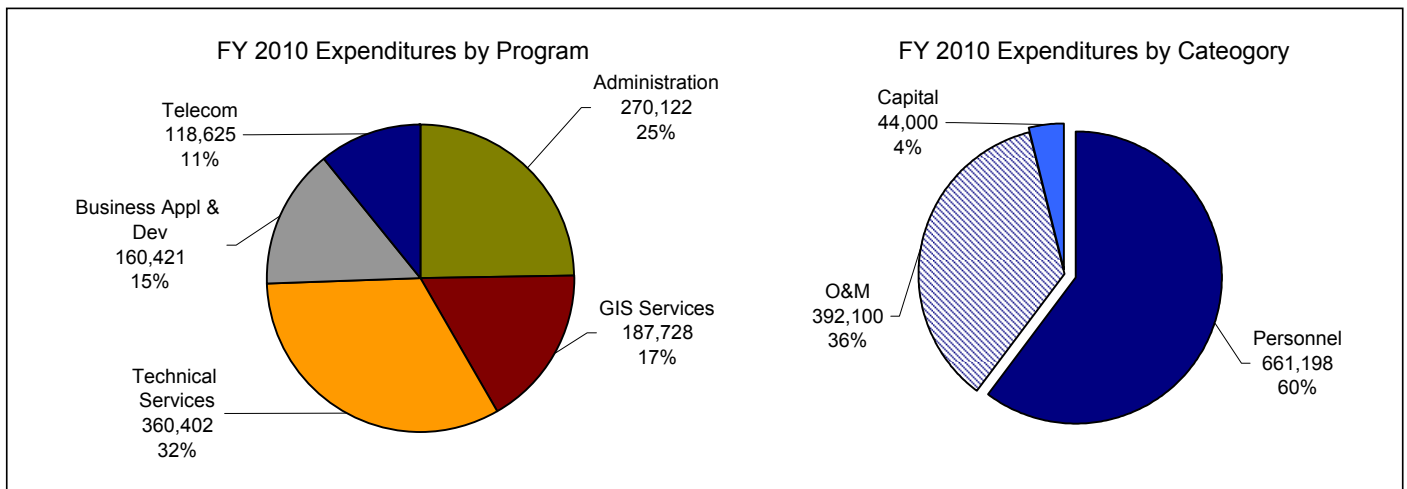
Information Technology

Department Overview

The mission of the Information Technology Department is to effectively deploy and manage information services and telecommunications technologies and to assist Town departments individually and collectively in achieving their business goals.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
8.00	8.00	7.00	8.00

	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Administration	\$ 347,107	\$ 241,969	\$ 259,021	\$ 270,122	11.6%
GIS Services	264,300	262,676	220,423	187,728	-28.5%
Technical Services	226,907	203,795	238,972	360,402	76.8%
Business Applications & Development	87,536	237,926	238,290	160,421	-32.6%
Telecommunications	187,796	128,285	116,350	118,625	-7.5%
	\$ 1,113,646	\$ 1,074,651	\$ 1,073,056	\$ 1,097,298	2.1%



Mission

The Information Technology Department is dedicated to providing the vision and leadership that will enable the Town of Oro Valley to improve public service by delivery of effective information technology products.

FY 2009 Highlights

- Successful implementation of MUNIS Employee Self Service and Electronic Time Sheets
- Completed Permits Plus Planning & Zoning, Engineering Workflow processes
- Launched IT Help Desk system
- Implemented Online Reservation system for Parks & Recreation
- Developed award winning Procurement web site
- Successful implementation of new content management system and web site launch May 5, 2009

FY 2010 Goals and Objectives

Focus Area: Financial & Economic Sustainability

- Update and maintain a reliable Information Technology infrastructure
- Develop comprehensive data continuity plan
- Enhance the Town's web site by expanding functionality for the Development and Business communities

Focus Area: Quality of Life & Environmental Sustainability

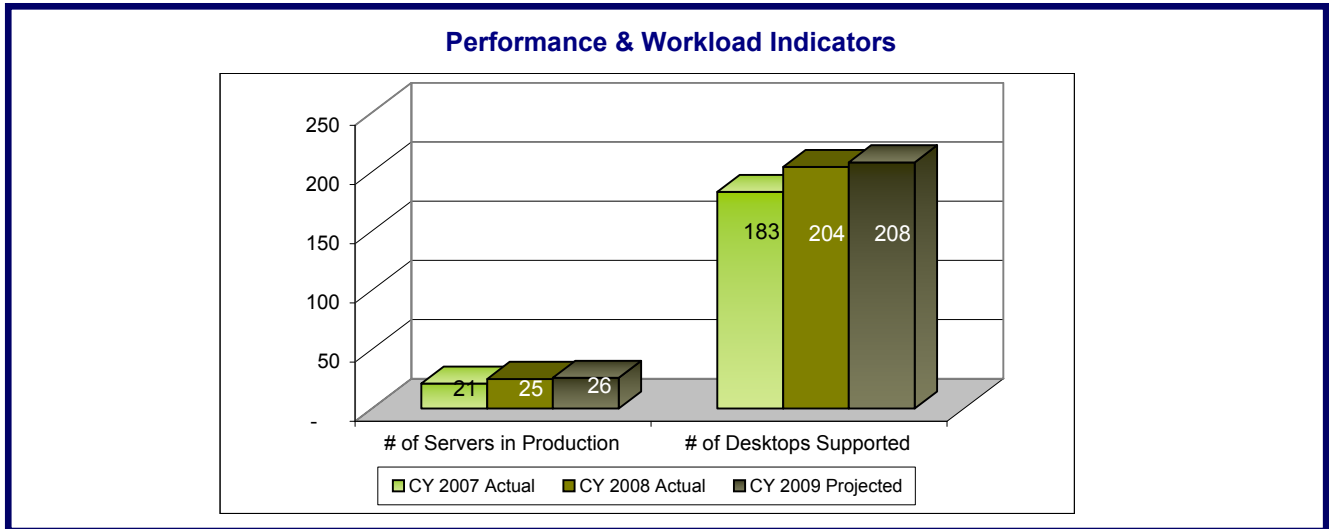
- Utilize new Content Management System to enhance citizen web site experience
- Increase citizen interaction by utilizing e-commerce applications on web site
- Enhance and improve GIS mapping and analysis for planning existing and future land use

Focus Area: Leadership & Communication

- Utilize existing and new Information Technology tools to inform and educate public officials and citizens

Administration Program Overview

The Administration program manages all of Information Technology's logistics including procurements, budget information and operations, and management and oversight.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
IT Director	1.00	1.00	1.00	1.00	-
Database Analyst	1.00	-	-	-	-
Total FTE's	2.00	1.00	1.00	1.00	-
Expenditures					
Personnel	\$ 190,705	\$ 119,419	\$ 120,721	\$ 119,772	0.3%
Contracts/Services	122,737	121,300	137,050	149,100	22.9%
Supplies	1,523	1,250	1,250	1,250	0.0%
Capital	32,143	-	-	-	0.0%
Total Expenditures	\$ 347,107	\$ 241,969	\$ 259,021	\$ 270,122	11.6%

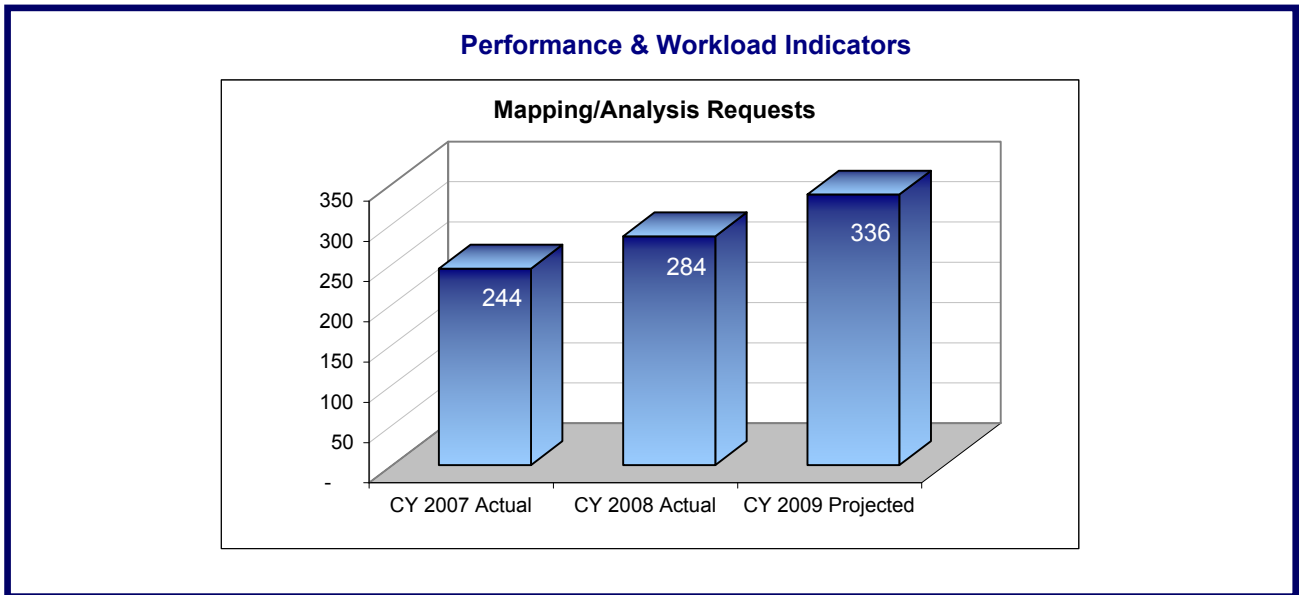
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services increased 22.9% due to the increased costs of software maintenance and licensing on software maintained by the Town.

GIS Services Program Overview

The GIS division is responsible for providing complete, accurate and current GIS maps, analysis, proposals, and presentations to support the operations used by each department.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Senior GIS Analyst	1.00	1.00	-	-	(1.00)
GIS Analyst	1.00	1.00	2.00	2.00	1.00
GIS Technician	1.00	1.00	-	-	(1.00)
Total FTE's	3.00	3.00	2.00	2.00	(1.00)
Expenditures					
Personnel	\$ 185,481	\$ 213,526	\$ 160,008	\$ 140,228	-34.3%
Contracts/Services	49,976	43,950	56,715	44,000	0.1%
Supplies	3,814	5,200	3,700	3,500	-32.7%
Capital	25,028	-	-	-	0.0%
Total Expenditures	\$ 264,300	\$ 262,676	\$ 220,423	\$ 187,728	-28.5%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

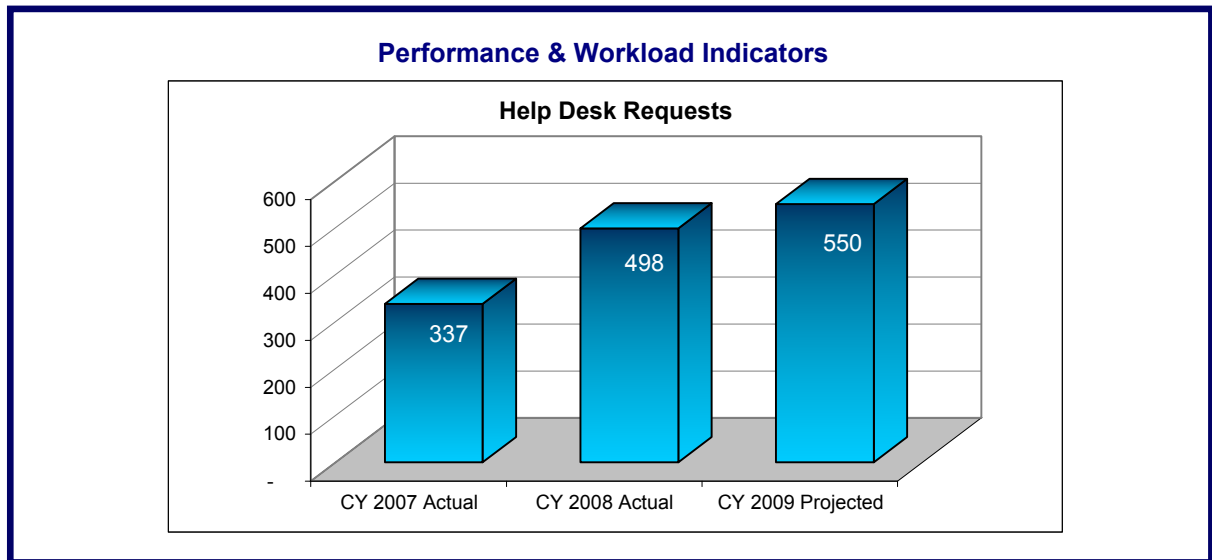
The 34.3% decrease in Personnel costs is from the GIS Technician position which went vacant in FY09 and was affected by the hiring freeze implemented in November 2008.

Supplies

Supplies decreased 32.7% from the FY09 budget as part of the Town-wide effort to reduce operations and maintenance costs.

Technical Services Program Overview

The Technical Services division provides management and security of the Town's computer networks, desktop and network Technology acquisition, support, and training.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Network Administrator	1.00	1.00	1.00	1.00	-
Network Manager	-	-	-	1.00	1.00
IT Technician	1.00	1.00	1.00	1.00	-
Total FTE's	2.00	2.00	2.00	3.00	1.00
Expenditures					
Personnel	\$ 102,326	\$ 155,080	\$ 152,083	\$ 246,377	58.9%
Contracts/Services	30,570	43,615	33,120	69,525	59.4%
Supplies	103	300	300	500	66.7%
Capital	93,908	4,800	53,469	44,000	816.7%
Total Expenditures	\$ 226,907	\$ 203,795	\$ 238,972	\$ 360,402	76.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel increased 58.9% from the FY09 budget due to the transfer of the IT Manager from the Police department as part of their department reorganization. With the reorganization, the title of IT Manager has been changed to Network Manager in line with appropriate titles for IT personnel.

Contracts/Services

As part of the transfer of specific IT functions from the Police department to IT, Contracts/Services increased 59.4% for additional software maintenance and licensing, equipment repair, and travel expenses.

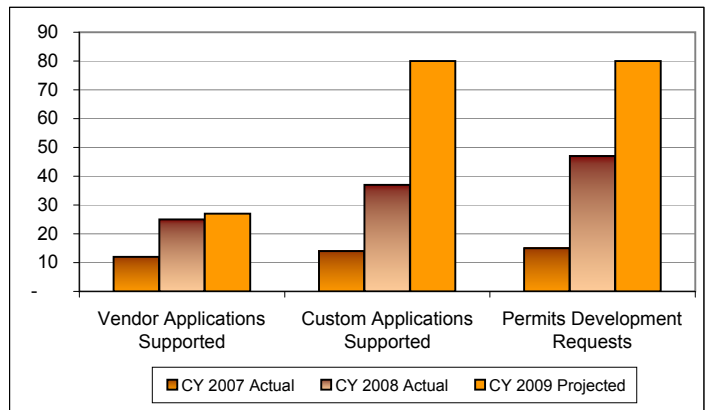
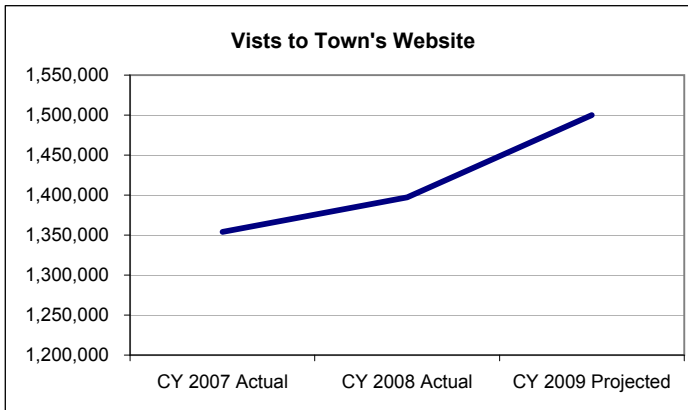
Capital

Capital increased 816.7% for replacements of servers, routers, and repeaters originally budgeted in the Police department.

Business Application & Development Program Overview

The Business Application & Development division is responsible for application development and support, database management, project management, web site management and oversight, and development of Electronic Government (E-Gov) and future E-commerce applications.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Systems Analyst	-	1.00	1.00	1.00	-
Webmaster	1.00	-	-	-	-
Database Analyst	-	1.00	1.00	1.00	-
Total FTE's	1.00	2.00	2.00	2.00	-
Expenditures					
Personnel	\$ 80,185	\$ 154,966	\$ 153,930	\$ 154,821	-0.1%
Contracts/Services	3,805	14,960	14,960	5,600	-62.6%
Capital	3,546	68,000	69,400	-	-100.0%
Total Expenditures	\$ 87,536	\$ 237,926	\$ 238,290	\$ 160,421	-32.6%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

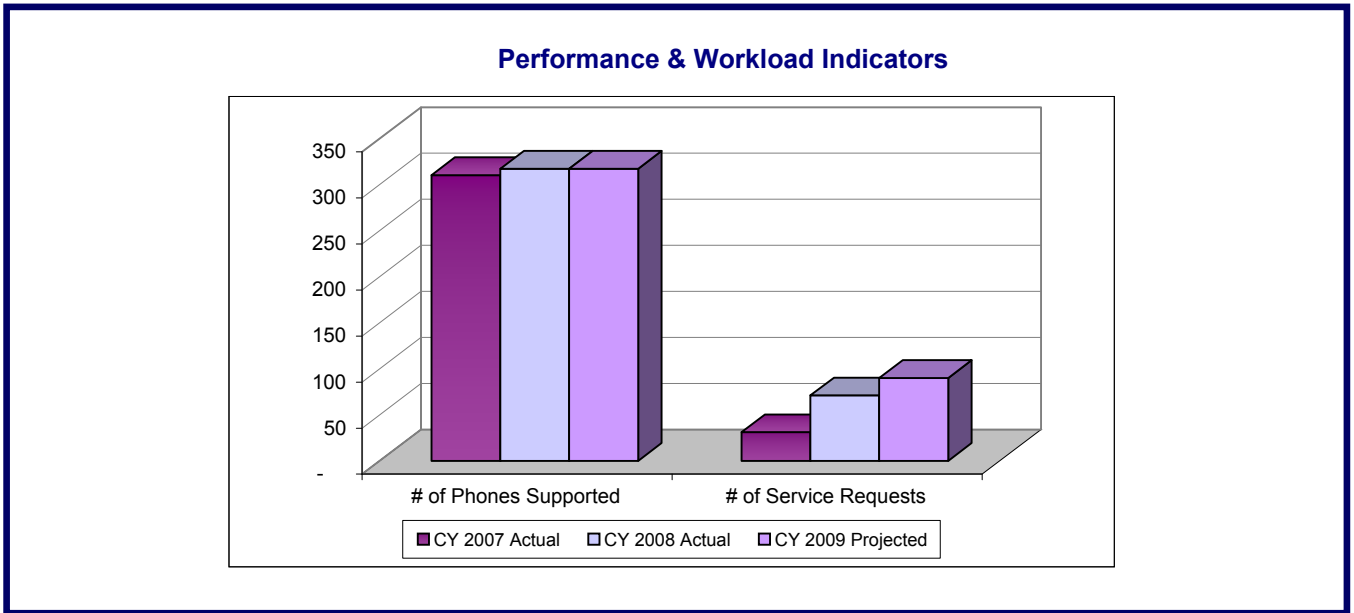
Contracts/Services decreased 62.6% from the FY09 budget. As part of the Town-wide effort to reduce operations and maintenance costs, outside consulting services for the Permits Plus software have been reduced as well as costs for travel and training.

Capital

In FY09, \$68K was budgeted for the content management system. No capital has been budgeted for FY 2010.

Telecommunications Program Overview

The telecommunications division is responsible for the management of all voice and data systems including the Town's PBX (private branch exchange) phone system, voice mail, long distance, Internet access, wireless and point-to-point communication.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Expenditures					
Contracts/Services	\$ 110,641	\$ 126,285	\$ 114,350	\$ 118,625	-6.1%
Capital	77,154	2,000	2,000	-	-100.0%
Total Expenditures	\$ 187,796	\$ 128,285	\$ 116,350	\$ 118,625	-7.5%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 6.1% from the FY09 budget as part of the Town-wide effort to reduce operations and maintenance costs.



Department Overview

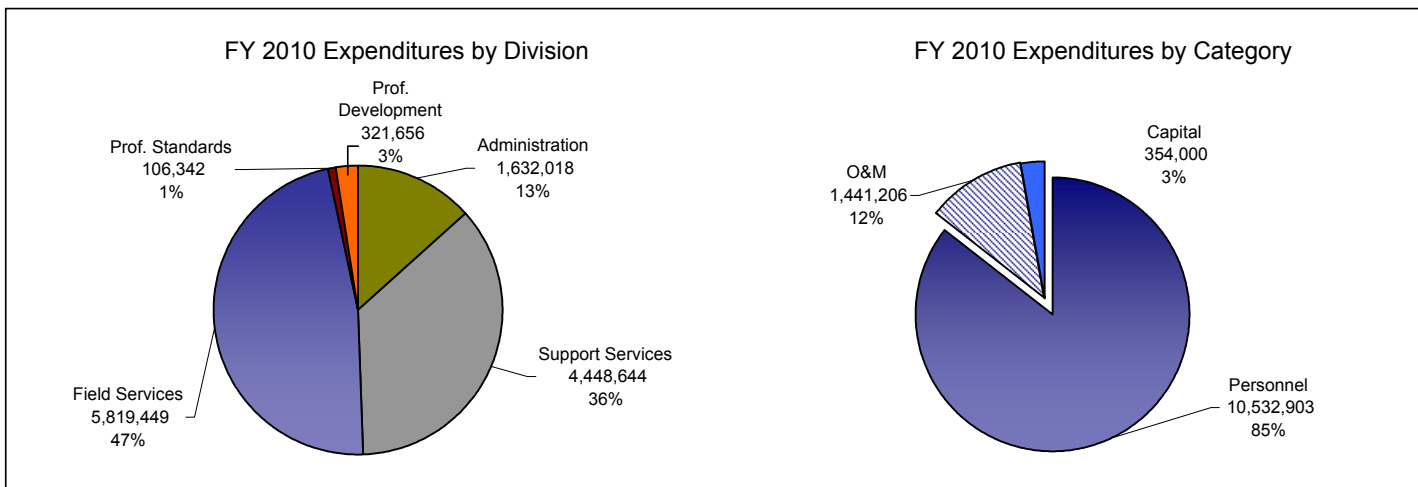
The Oro Valley Police Department (OVPD) is a proud member of the Oro Valley Township and is committed to providing needed public safety services to ensure a safe environment. This is accomplished through collaborative partnerships between our organization, our citizens, business owners/managers, schools, 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

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
138.85	138.85	138.85	131.88

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Administration	\$ 1,234,363	\$ 1,990,059	\$ 1,722,760	\$ 1,632,018	-18.0%
Support Services	4,667,079	5,187,364	5,189,101	4,448,644	-14.2%
Field Services	6,201,950	5,902,230	5,929,747	5,819,449	-1.4%
Professional Development	364,136	471,573	486,581	321,656	-31.8%
Professional Standards	275,934	122,874	144,006	106,342	-13.5%
\$	12,743,461	13,674,100	13,472,194	12,328,109	-9.8%

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Federal Grants	\$ 338,365	\$ 717,503	\$ 321,054	\$ 462,965	-35.5%
State Grants	111,420	168,244	107,442	70,000	-58.4%
Report Copying	18,838	18,000	19,017	19,207	6.7%
Impound Processing	44,815	50,000	58,114	60,000	20.0%
Other	5,603	8,000	4,809	4,857	-39.3%
\$	519,041	961,747	510,436	617,029	-35.8%



Mission

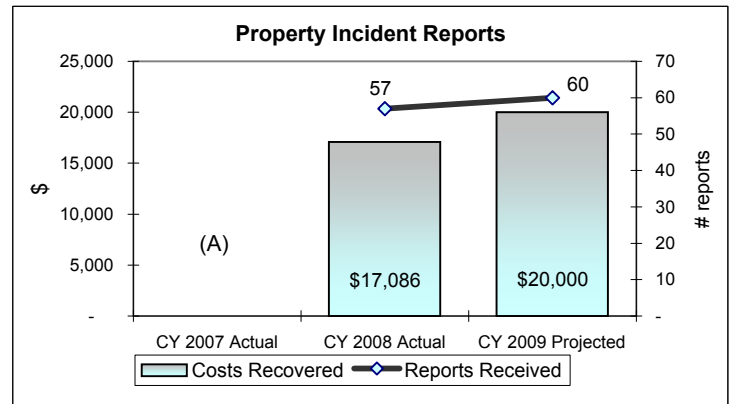
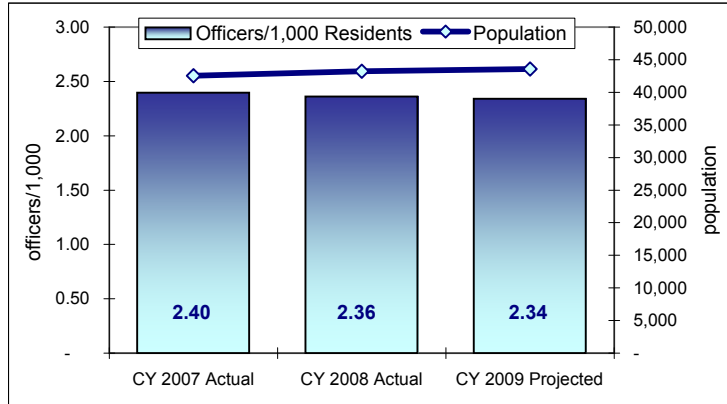
We, the members of the Oro Valley Police Department, are dedicated to providing excellent service through partnerships that build trust, eliminate crime, create a safe environment and enhance the quality of life within our community.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - The Oro Valley Police Department (OVPD) Adopt-A-Business program became operational in August of 2008. 36 patrol officers have adopted 124 businesses within the Oro Valley community as of January 1, 2009. - In 2008, the OVPD Citizen Volunteer Assistance Program members contributed 15,173 volunteer hours. This calculates to approximately 7 FTE's providing service to the Town at no cost. - Bicycle Officer program reinstated in an effort to 'go green' and assist in effectively patrolling parks, businesses, schools, and neighborhoods. - OVPD recorded a drop in Part One crimes, which include homicide, sexual assault, aggravated assault, robbery, burglary, larceny-theft, motor vehicle theft and arson. According to statistics, the Town realized a 2.7% decrease in these crimes. - OVPD completed Defensive Tactics, Driving (Pursuit) and Firearms proficiency skill training for all sworn members. - One Commander graduated from the FBI National Academy and four Lieutenants graduated from the West Point based Leadership in Police Organizations course presented by AZPOST. - OVPD partnered with the Parks & Recreation department to reduce the size of the Police departments vehicle fleet while transferring vehicles between the departments, saving approximately \$44K of authorized expenditures from the Capital Asset Replacement Fund (CARF). - Digital Imaging Management System (DIMS) was implemented through capital improvement projects and allows digital storage and sharing of photos and vital case information. - OVPD educated 35 adults and 15 teenagers through two Citizens Academy's and one Teen Academy. 	<p>Focus Area: Quality of Life & Environmental Sustainability</p> <ul style="list-style-type: none"> ■ Community Involvement and Education <ul style="list-style-type: none"> □ Complete video production highlighting the services provided by OVPD while encouraging potential applicants to work for our organization ■ Implement a Physical Fitness/Wellness Program <ul style="list-style-type: none"> □ Implement a Physical Fitness/Wellness Program to help reduce the high levels of cardiac disease, suicide, depression, and injuries related to Police work. This program is designed to increase the strength, speed, agility, flexibility and overall fitness of our officers in hopes of reducing injury, illness and any other health related issue. The Department plans to provide professional trainers that will guide our members through personal workouts and help design diet/nutrition programs specific to their needs. ■ Continue to be Vigilant During these Economically Depressed Times <ul style="list-style-type: none"> □ Thirty year trend analysis shows an increase of crime during these times within our nation. Our Department will continue to provide a high level of service, education, and enforcement to maintain the highest quality of life within our Town. <p>Focus Area: Leadership & Communication</p> <ul style="list-style-type: none"> ■ Implement a Mentoring Program <ul style="list-style-type: none"> □ Individuals coming straight out of college, the military, or another occupation sometime struggle with the numerous duties and responsibilities associated with public safety. OVPD will implement a mentoring program to better assist new hires during this transition into our organization. Veteran police officers will be assigned to a new-hire and provide guidance, insight, and philosophy during their first year with the Police department. The veteran officers will receive special training and follow procedures designed to guide them as mentors. <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Install Audio/Video Systems in Patrol Vehicles Through the Use of Impound Funds <ul style="list-style-type: none"> □ The authorized use of impound funds is quite limited and the audio/visual systems were identified as most beneficial of the authorized uses. They will provide officers with more opportunities to capture evidence that may be used against criminal suspects in court, as well as a greater level of documentation related to traffic stops.

Administration Program Overview

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.

Performance & Workload Indicators



(A) function transferred to Police Dept late 2007

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
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	1.00	1.00	1.00	-	(1.00)
Administrative Services Mgr	1.00	1.00	1.00	1.00	-
Total FTE's	5.00	5.00	5.00	4.00	(1.00)
Expenditures					
Personnel	\$ 468,547	\$ 593,513	\$ 576,604	\$ 516,375	-13.0%
Contracts/Services	612,717	653,465	713,086	513,340	-21.4%
Supplies	75,085	96,650	64,700	53,300	-44.9%
Utilities	66,611	81,431	72,370	88,700	8.9%
Capital	11,403	515,000	238,000	350,000	-32.0%
Contingency	-	50,000	58,000	110,303	120.6%
Total Expenditures	\$ 1,234,363	\$ 1,990,059	\$ 1,722,760	\$1,632,018	-18.0%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The decrease of 13% in Personnel is due to the transfer of the Public Information Officer position to the Town Managers department in order to gain efficiencies with similar functions.

Contracts/Services

For FY 09/10, the cost for custody of prisoners has been transferred to the General Administrations budget resulting in a decrease in this category of 21.4%.

Supplies

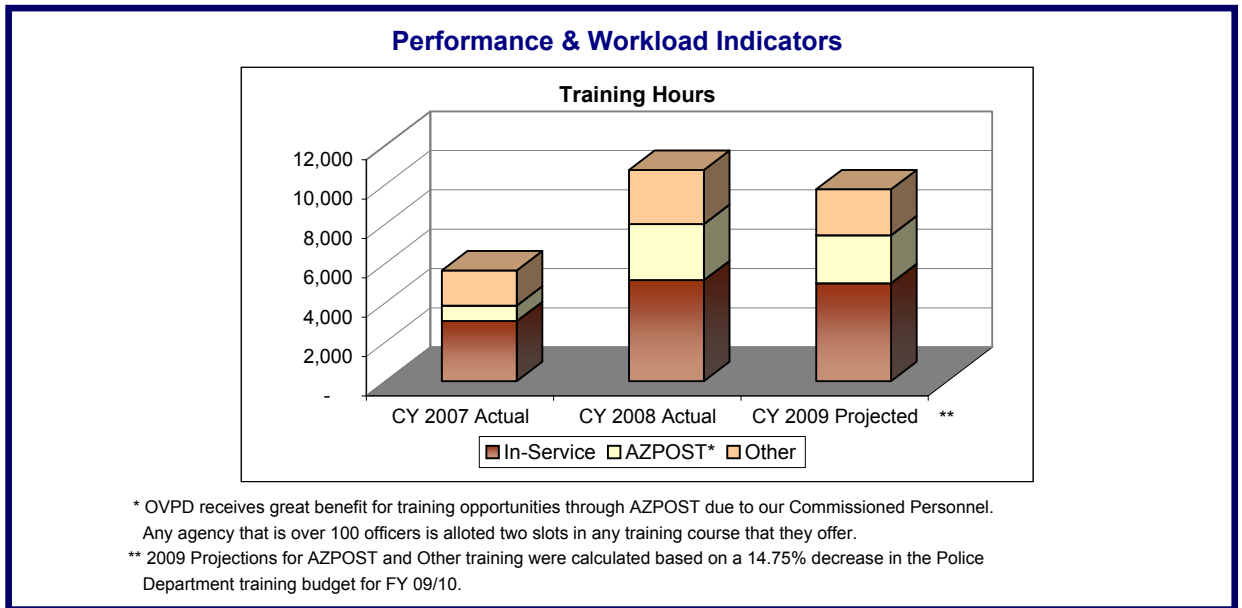
Supplies decreased 44.9% as part of the Town-wide effort to reduce operations and maintenance costs.

Capital

Capital for FY10 consists of a carry-forward project from FY09 for construction of a sub-station. Capital projects are limited for FY10 due to funding.

Professional Development Program Overview

The Professional Development Unit (PDU) 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. PDU focuses on developing the skills, abilities, knowledge, and talents of the OVPD to maintain professional and expert service. PDU 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.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Safety & Risk Manager	1.00	1.00	1.00	-	(1.00)
Reserve Officer	2.85	2.85	2.85	2.38	(0.47)
Officer	-	1.00	1.00	-	(1.00)
Training Officer	1.00	1.00	1.00	1.00	-
Total FTE's	4.85	5.85	5.85	3.38	(2.47)
Expenditures					
Personnel	\$ 279,266	\$ 360,641	\$ 377,941	\$ 215,206	-40.3%
Contracts/Services	80,669	104,432	104,440	62,250	-40.4%
Supplies	4,200	6,500	4,200	44,200	580.0%
Total Expenditures	\$ 364,136	\$ 471,573	\$ 486,581	\$ 321,656	-31.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The Safety & Risk Manager position was transferred to the Human Resource department for FY10 as part of a reorganization of the Police department. Additionally, a result of attrition, a part-time Reserve Officer position was eliminated from the FY10 budget and a Officer position has been transferred to another program area within the department.

Contracts/Services

As part of the town-wide effort to reduce operations and maintenance expenditures, the use of outside services and consultants has been reduced.

Supplies

For FY10, all costs to purchase ammunition for the department will be centralized in the Professional Development program area rather than capturing the costs in each individual program area.

Professional Standards Program 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 citizens 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.

Performance & Workload Indicators

	Internal Affairs Investigations					Clearances				
	Citizen Complaint	Internal Inspection	Use of Force Complaint	Allegation of Unprofessional or Misconduct	Rules & Procedures Violation	Disposition Unfounded or Exonerated	Disposition Not Sustained or Sustained	No Action	Written Reprimand or Greater	
2007	4	5	2	6	4	5	4	6	3	
2008	5	1	2	3	0	3	2	6	0	

	Miscellaneous Investigations					Clearances				
	Citizen Complaint	Internal Origin	Demeanor Complaint	Unprofessional Conduct Complaint	Rules & Procedures Violation	Citation Involved	Disposition Unfounded or Exonerated	Disposition Not Sustained or Sustained	No Action	Written Reprimand or Greater
2007	4	-	2	2	0	2	3	1	4	0
2008	21	1	14	7	1	6	11	10	15	2

	Use of Force								
	Taser Deployed	Soft Empty Hands	Hard Empty Hands	Suspect Injury (Minor)	Suspect Injury (Serious)	Officer Injury (Minor)	Officer Injury (Serious)	Mental Factor	Substance Factor
2007	2	7	3	2	0	0	0	0	3
2008	8	17	7	11	0	4	0	6	12

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Lieutenant	1.00	-	-	-	-
Sergeant	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	-	-	-	-
Total FTE's	3.00	1.00	1.00	1.00	-
Expenditures					
Personnel	\$ 258,228	\$ 105,424	\$ 130,039	\$ 104,792	-0.6%
Contracts/Services	16,384	16,200	12,717	300	-98.1%
Supplies	1,322	1,250	1,250	1,250	0.0%
Total Expenditures	\$ 275,934	\$ 122,874	\$ 144,006	\$ 106,342	-13.5%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

As part of the town-wide effort to reduce operations and maintenance expenditures, the use of outside services and consultants has been reduced.

Support Services Program 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.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Commander	-	1.00	1.00	1.00	-
Lieutenant	2.00	2.00	2.00	2.00	-
Office Specialist	1.00	1.00	1.00	1.00	-
Total FTE's	3.00	4.00	4.00	4.00	-
Expenditures					
Personnel	\$ 320,483	\$ 532,532	\$ 420,563	\$ 550,453	3.4%
Contracts/Services	7,578	5,915	7,020	6,892	16.5%
Supplies	1,272	2,600	2,150	6,700	157.7%
Capital	157,419	-	-	-	0.0%
Contingency	8,416	90,884	39,500	135,000	48.5%
Total Expenditures	\$ 495,168	\$ 631,931	\$ 469,233	\$ 699,045	10.6%

FY 2009/2010 Expenditure and Staffing Changes

Supplies

As part of the town-wide effort to reduce operations and maintenance expenditures, the use of outside services and consultants has been reduced.

Criminal Investigations Unit Program Overview

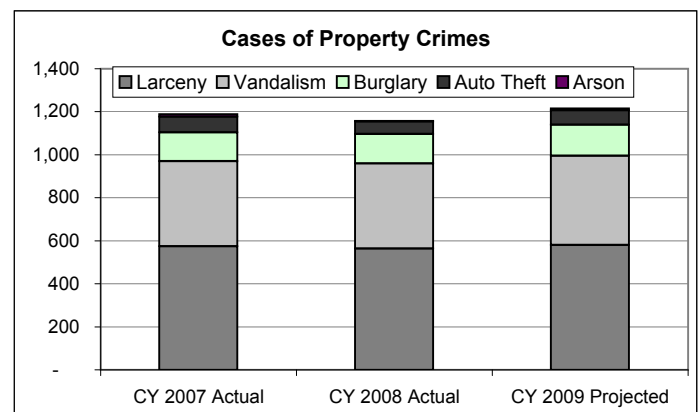
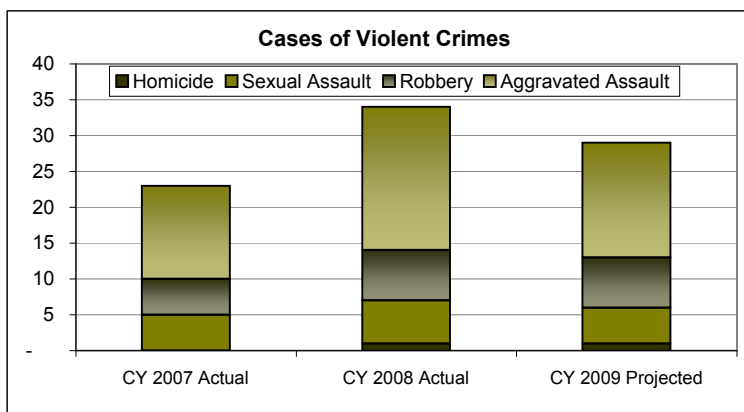
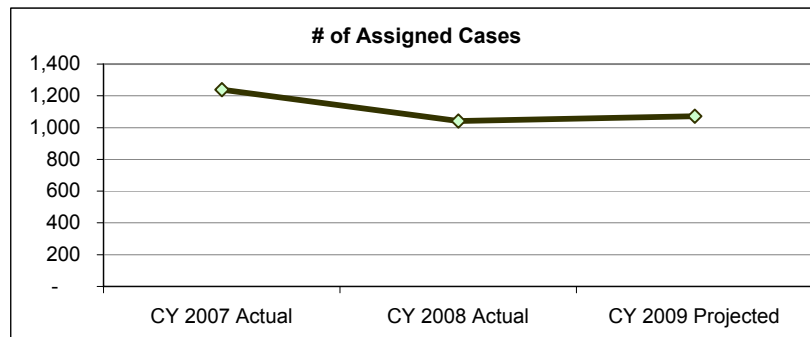
The Criminal Investigations Unit (CIU) is the primary investigative arm of the Police Department and is responsible for investigating all major crimes that occur in Oro Valley. These crimes are coordinated into two separate categories:

Crimes against Person(s): Homicide, Sexual Assault, Aggravated Assault, etc.

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.

Performance & Workload Indicators

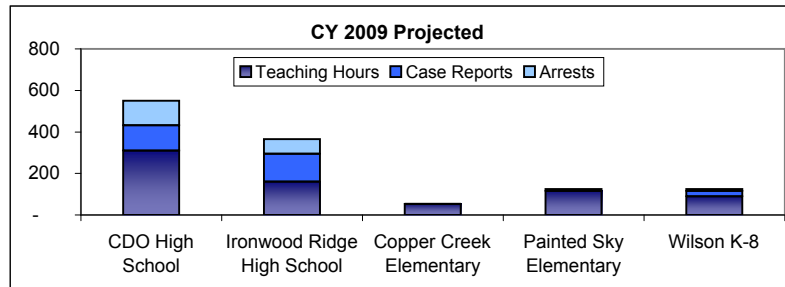
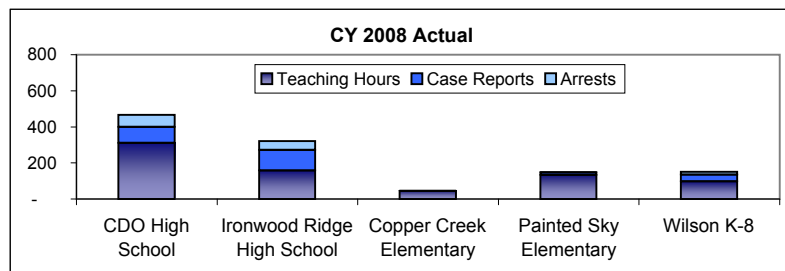
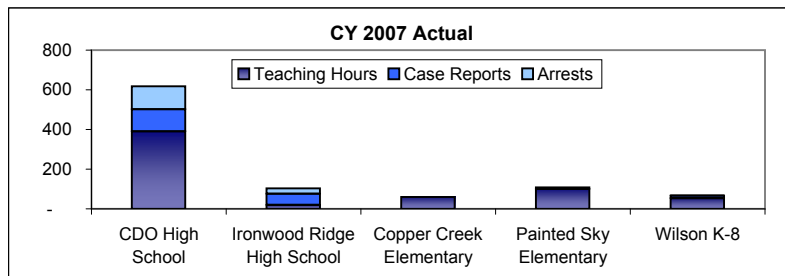


	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Detective	5.00	5.00	5.00	5.00	-
Crime Analyst	1.00	1.00	1.00	1.00	-
Total FTE's	7.00	7.00	7.00	7.00	-
Expenditures					
Personnel	\$ 547,329	\$ 621,475	\$ 649,260	\$ 606,904	-2.3%
Contracts/Services	20,163	17,600	22,766	15,800	-10.2%
Supplies	2,405	2,500	2,870	1,150	-54.0%
Total Expenditures	\$ 569,898	\$ 641,575	\$ 674,896	\$ 623,854	-2.8%

School Resource Officer Unit Program 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 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 student's lives, activities, and problems. Officers are assigned to: Canyon del Oro High School, Ironwood Ridge High School, Copper Creek Elementary, Painted Sky Elementary, and Wilson K-8.

Performance & Workload Indicators



	TOTAL		
	CY2007 Actual	CY 2008 Actual	CY 2009 Projected
Teaching Hrs	624	743	727
Case Reports	187	255	293
Arrests	145	135	200

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	-	-	-	1.00	1.00
SRO Officer	-	-	-	7.00	7.00
Total FTE's	-	-	-	8.00	8.00
Expenditures					
Personnel	\$ -	\$ -	\$ -	\$ 629,910	0.0%
Contracts/Services	-	-	-	3,670	0.0%
Supplies	-	-	-	6,350	0.0%
Total Expenditures	\$ -	\$ -	\$ -	\$ 639,930	0.0%

FY 2009/2010 Expenditure and Staffing Changes
SRO program resided in Community Relations program area prior to FY 2010.

Task Force Operations Program Overview

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

Counter Narcotics Alliance (CNA) is a multi- jurisdictional drug task force that consists of 18 participating agencies to include local law enforcement, prosecuting agencies, the Arizona High Intensity Drug Trafficking Area (AZHIDTA), and the Davis Monthan Air Force Base (DMAFB) operating in the Pima County metro area. Each agency compliments the task force with staffing and administrative processes.

Drug Enforcement Agency (DEA) has numerous multi- jurisdictional task force groups that include federal agents, prosecuting agencies, and state and local law enforcement agencies. Each task force takes a different segment of the trafficking, production and use of drug related crime to combat this national epidemic.

Joint Terrorism Task Force (JTTF) 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 city law enforcement agencies.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Officer	5.00	7.00	7.00	7.00	-
Total FTE's	6.00	8.00	8.00	8.00	-
Expenditures					
Personnel	\$ 453,778	\$ 680,065	\$ 706,638	\$ 659,684	-3.0%
Contracts/Services	3,370	700	2,589	-	-100.0%
Supplies	1,639	2,250	1,694	-	-100.0%
Total Expenditures	\$ 458,786	\$ 683,015	\$ 710,921	\$ 659,684	-3.4%

FY 2009/2010 Expenditure and Staffing Changes

Supplies

For FY10, all field supplies have been centralized in the Professional Development program area.

Community Resources Program 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 leasers.

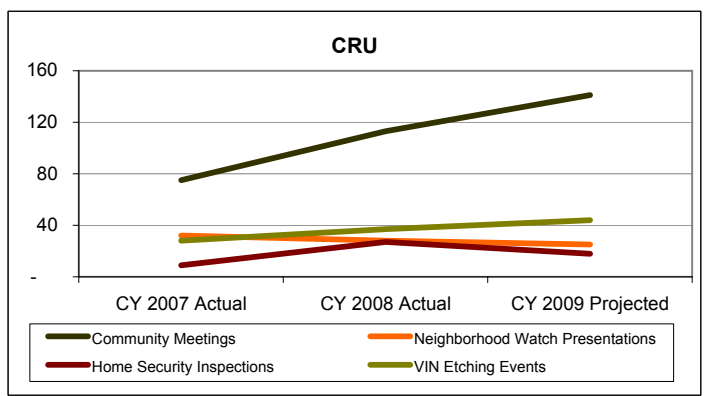
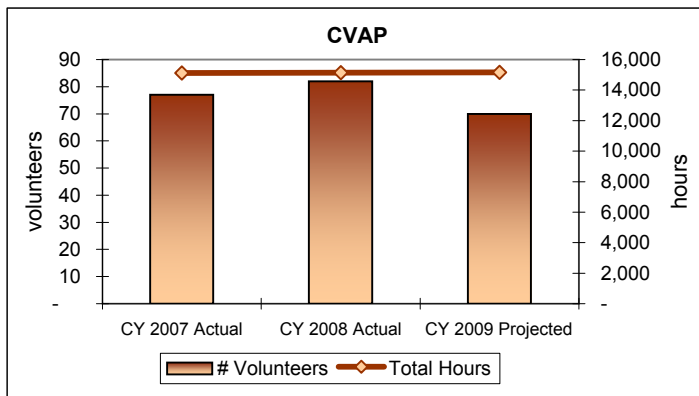
Citizen Volunteer Assistants Program (C.V.A.P.)

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.

Explorers Program

Consists of young men and women, ages 14 to 21, 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 help the Crime Prevention Unit during special events.

Performance & Workload Indicators



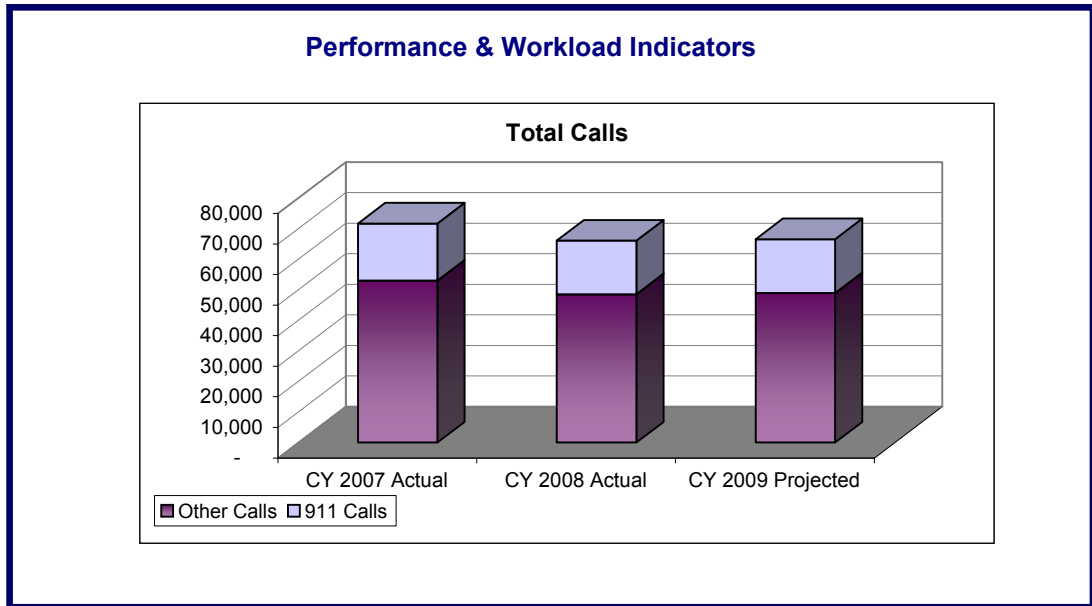
	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	2.00	2.00	2.00	1.00	(1.00)
SRO Officer	7.00	7.00	7.00	-	(7.00)
Officer	2.00	2.00	2.00	2.00	-
Total FTE's	11.00	11.00	11.00	3.00	(8.00)
Expenditures					
Personnel	\$ 884,180	\$ 908,044	\$ 918,608	\$ 249,205	-72.6%
Contracts/Services	66,518	64,999	74,054	35,770	-45.0%
Supplies	23,492	36,600	27,849	10,550	-71.2%
Utilities	3,866	5,000	5,000	5,000	0.0%
Capital	1,714	2,000	2,000	2,000	0.0%
Total Expenditures	\$ 979,770	\$ 1,016,643	\$ 1,027,511	\$ 302,525	-70.2%

FY 2009/2010 Expenditure and Staffing Changes

For FY 2010, the SRO Program has been moved out of Community Resources.

Communications Program 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.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Communications Supervisor	1.00	1.00	1.00	1.00	-
Lead Dispatcher	3.00	3.00	3.00	3.00	-
Dispatcher	10.00	10.00	9.00	10.00	-
Total FTE's	14.00	14.00	13.00	14.00	-
Expenditures					
Personnel	\$ 790,597	\$ 816,382	\$ 818,139	\$ 828,265	1.5%
Contracts/Services	15,212	9,175	13,000	5,250	-42.8%
Supplies	296	-	200	300	0.0%
Total Expenditures	\$ 806,104	\$ 825,557	\$ 831,339	\$ 833,815	1.0%

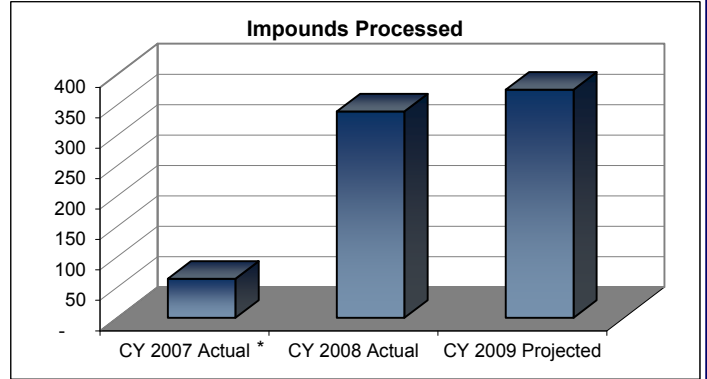
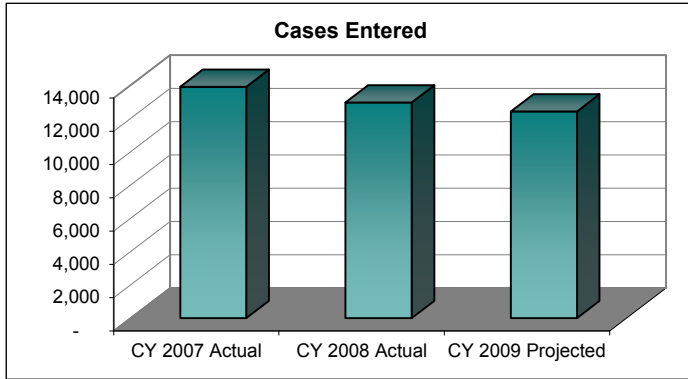
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services
 Contracts/Services decreased 42.8% as part of the Town-wide effort to reduce operations and maintenance costs.

Records Program 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.

Performance & Workload Indicators



* Began processing Impounds in October 2007

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Records Supervisor	1.00	1.00	1.00	1.00	-
Records Specialist	6.50	6.50	6.50	6.00	(0.50)
Office Assistant	1.50	1.50	1.50	1.50	-
Total FTE's	9.00	9.00	9.00	8.50	(0.50)
Expenditures					
Personnel	\$ 427,626	\$ 436,515	\$ 450,016	\$ 425,686	-2.5%
Contracts/Services	18,549	13,071	10,481	5,491	-58.0%
Supplies	3,090	2,150	6,332	3,300	53.5%
Capital	139	-	-	-	0.0%
Contingency	-	-	40,000	-	0.0%
Total Expenditures	\$ 449,404	\$ 451,736	\$ 466,829	\$ 434,477	-3.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Due to the attrition of one part-time Records Specialist in FY10, personnel decreased 2.5%.

Contracts/Services

Contracts/Services decreased 58% as part of the Town-wide effort to reduce operations and maintenance costs.

Information Technology Program 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. In FY 2010, the ITU program has been transferred to the Town's Information Technology Department in an effort to align common duties across the organization.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Detective/IT Manager	1.00	1.00	1.00	-	(1.00)
Senior Office Specialist	-	1.00	1.00	-	(1.00)
Total FTE's	1.00	2.00	2.00	-	(2.00)
Expenditures					
Personnel	\$ 89,936	\$ 158,904	\$ 157,774	\$ -	-100.0%
Contracts/Services	15,595	68,160	48,525	-	-100.0%
Supplies	2,087	1,000	2,000	-	-100.0%
Capital	17,070	63,500	63,500	-	-100.0%
Total Expenditures	\$ 124,688	\$ 291,564	\$ 271,799	\$ -	-100.0%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The IT Manager position has been transferred to the Town's IT Department for FY10. The Senior Office Specialist position has been transferred to the Field Services division.

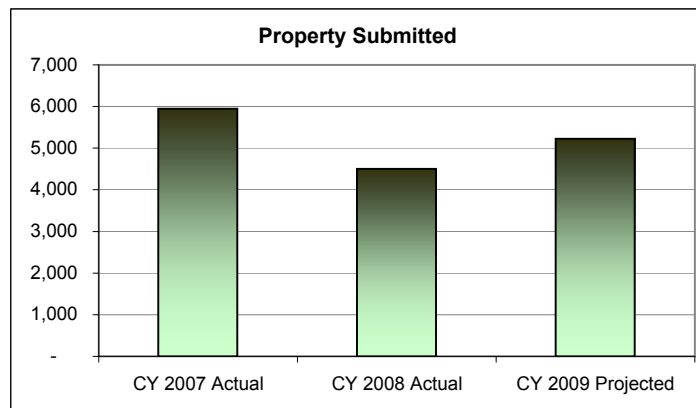
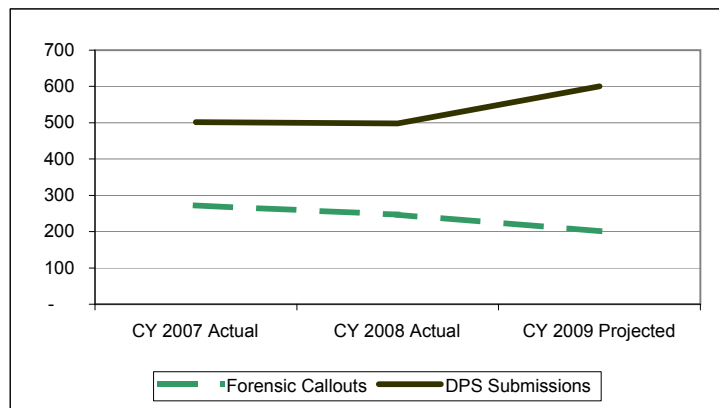
Contracts/Services/Supplies/Capital

All expenditures for the program area have been transferred to the Town's IT department.

Property/I.D. Program 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 for complete related casework, and prepare testimony for court proceedings.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Lead IT Forensic Tech	1.00	1.00	1.00	1.00	-
Property/ID Technician	2.00	2.00	2.00	2.00	-
Total FTE's	3.00	3.00	3.00	3.00	-
Expenditures					
Personnel	\$ 190,344	\$ 184,875	\$ 202,859	\$ 184,914	0.0%
Contracts/Services	12,466	11,460	13,310	47,400	313.6%
Supplies	32,314	24,600	28,010	23,000	-6.5%
Total Expenditures	\$ 235,125	\$ 220,935	\$ 244,179	\$ 255,314	15.6%

FY 2009/2010 Expenditure and Staffing Changes

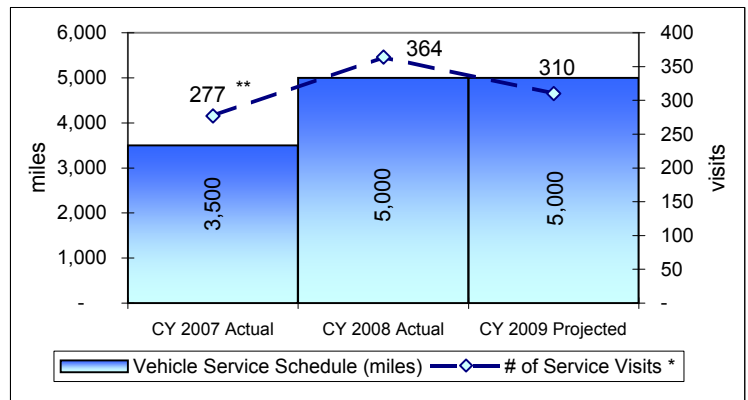
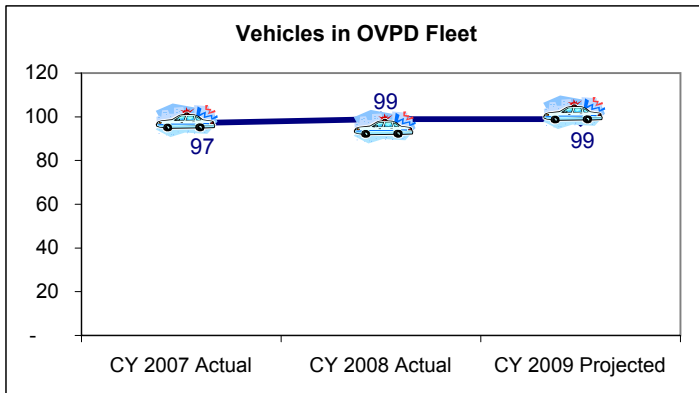
Contracts/Services

Contracts/Services increased over \$30K due to the purchase of gas masks mandated by OSHA.

Fleet Maintenance Program Overview

Fleet Maintenance assists with the procurement, outfitting, assigning and maintenance of all vehicles in the OVPD fleet. Fleet Maintenance ensures that all warranty work is performed and the fleet is maintained to manufacturer specifications at the most competitive rates available. It is further tasked with preventative safety equipment maintenance. In FY 2010, the Fleet Maintenance program has been transferred out of the Police area into its own stand-alone internal service fund. Maintenance costs for all departments will be consolidated into this fund.

Performance & Workload Indicators



* service visits consists of brakes, batteries, tires, LOF
 ** partial year data (May - Dec)

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Maintenance Technician	1.00	1.00	1.00	-	(1.00)
Total FTE's	1.00	1.00	1.00	-	(1.00)
Expenditures					
Personnel	\$ 41,084	\$ 42,678	\$ 44,394	\$ -	-100.0%
Contracts/Services	226,952	131,330	159,600	-	-100.0%
Supplies	1,535	400	400	-	-100.0%
Utilities	278,565	250,000	288,000	-	-100.0%
Total Expenditures	\$ 548,136	\$ 424,408	\$ 492,394	\$ -	-100.0%

Field Services Division 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.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Commander	1.00	1.00	1.00	1.00	-
Lieutenant	2.00	2.00	2.00	2.00	-
Officer	1.00	-	-	-	-
Senior Office Specialist	-	-	-	1.00	1.00
Office Specialist	1.00	1.00	1.00	1.00	-
Total FTE's	5.00	4.00	4.00	5.00	1.00
Expenditures					
Personnel	\$ 629,449	\$ 635,430	\$ 494,671	\$ 681,034	7.2%
Contracts/Services	16,425	8,955	8,051	9,125	1.9%
Supplies	19,523	10,600	9,750	4,650	-56.1%
Capital	591,838	-	-	-	0.0%
Contingency	-	170,000	-	170,000	0.0%
Total Expenditures	\$ 1,257,236	\$ 824,985	\$ 512,472	\$ 864,809	4.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

A Senior Office Specialist position has been transferred from the IT program area into Field Services for FY10 resulting in an increase in personnel costs of 7.2%.

Supplies

Supplies decreased 56.1% due to a consolidation of field supplies within the Police departments into one program area - Professional Development.

Patrol Program Overview

The Patrol Division consists of six squads that focus on providing 24 hours, 7 days a week police service to the citizens and visitors of Oro Valley. The Town is divided into four geographical patrol areas that officers are assigned to patrol. Deployment of patrol is based on call loads, crime statistics, and neighborhood issues. The Patrol Division emphasizes a focus on Community Policing. Patrol Officers develop partnerships within the community to promote the prevention of crime and create a safe environment to enhance the quality of life and gain public trust. Analyzing statistics, crime trends and identifying specific problem areas allow the officers to approach each issue in a proactive manner and solve issues before they become problems. Incorporated within the Patrol Division, are the K-9 Unit and DUI Unit.

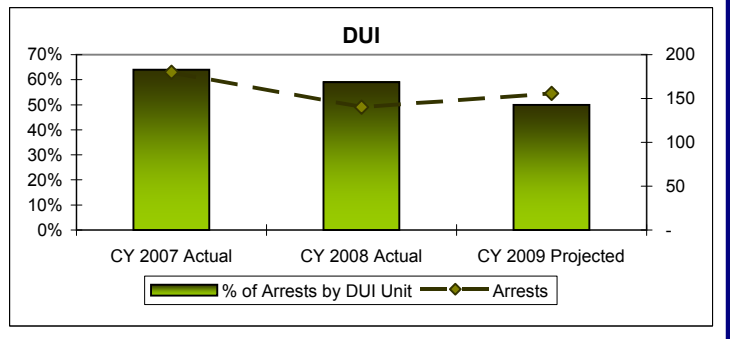
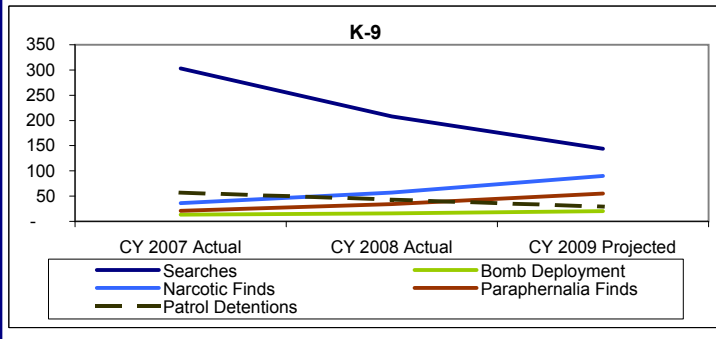
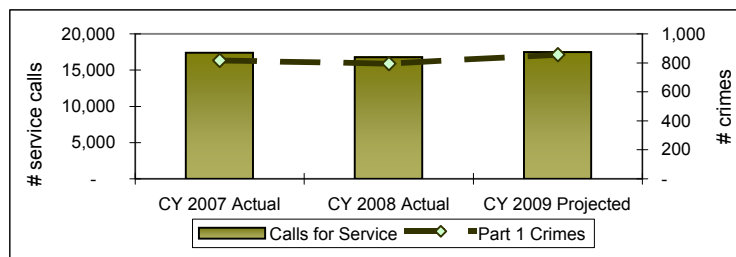
K-9

Four K-9 teams (handler/canine) are deployed throughout the week. Three of the teams are "dual purpose" and are trained in two specific areas; patrol/handler protection, and narcotics detection. The remaining team is trained to detect explosives and accelerant components used to make explosive devices. Three separate canine breeds are used: German Shepard, Belgium Malinois, and Golden Retriever.

DUI

The DUI Unit is comprised of two officers dedicated solely to actively seeking impaired drivers. Patrol Officers who have developed special skills in the area of drug recognition and phlebotomy supplement them in their task. In total, OVPD maintains six Drug Recognition Experts (DRE's) and seven phlebotomists. 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. The OVPD is a participant in the Southern Arizona DUI Task Force and participates in at least 13 DUI checkpoint deployments each year. Because we are active participants, OVPD has obtained four DUI grants totaling \$68K for 2009.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	6.00	6.00	6.00	6.00	-
Lead Officer	6.00	6.00	6.00	6.00	-
K-9 Officer	4.00	4.00	4.00	4.00	-
DUI Officer	2.00	2.00	2.00	2.00	-
Officer	37.00	32.00	31.00	29.00	(3.00)
Total FTE's	55.00	50.00	49.00	47.00	(3.00)
Expenditures					
Personnel	\$ 3,930,454	\$ 3,785,130	\$ 4,056,114	\$3,559,567	-6.0%
Contracts/Services	54,296	42,020	48,575	19,815	-52.8%
Supplies	17,618	28,700	31,750	24,700	-13.9%
Capital	-	2,000	4,000	2,000	0.0%
Total Expenditures	\$ 4,002,368	\$ 3,857,850	\$ 4,140,439	\$3,606,082	-6.5%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

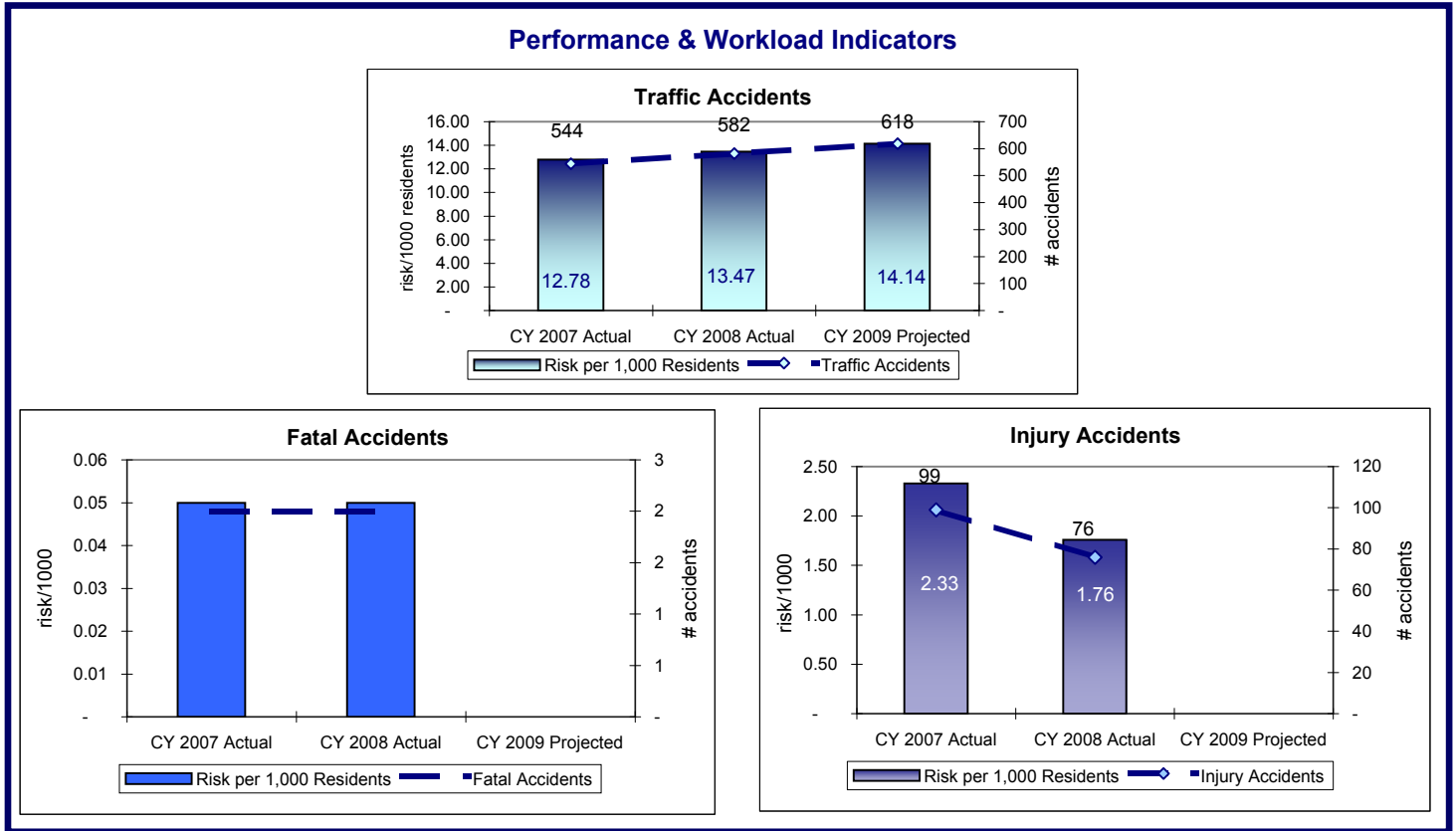
Personnel costs decreased 6% from the FY09 budget due to the attrition of two officers and the transfer of one officer position to another program area within the Police department.

Contracts/Services

Contracts/Services decreased 52.8% as part of the Town-wide effort to reduce operations and maintenance costs.

Motor/Traffic Unit Program 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 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Lead Officer	1.00	1.00	1.00	1.00	-
Officer/Special Events Coord.	-	1.00	1.00	1.00	-
Motorcycle Officer	5.00	5.00	7.00	7.00	2.00
Total FTE's	7.00	8.00	10.00	10.00	2.00
Expenditures					
Personnel	\$ 579,643	\$ 689,015	\$ 771,724	\$ 827,834	20.1%
Contracts/Services	22,635	9,950	22,752	9,950	0.0%
Supplies	8,495	12,100	16,400	12,500	3.3%
Utilities	64	-	-	-	0.0%
Capital	5,364	6,500	6,500	-	-100.0%
Total Expenditures	\$ 616,201	\$ 717,565	\$ 817,376	\$ 850,284	18.5%

FY 2009/2010 Expenditure and Staffing Changes

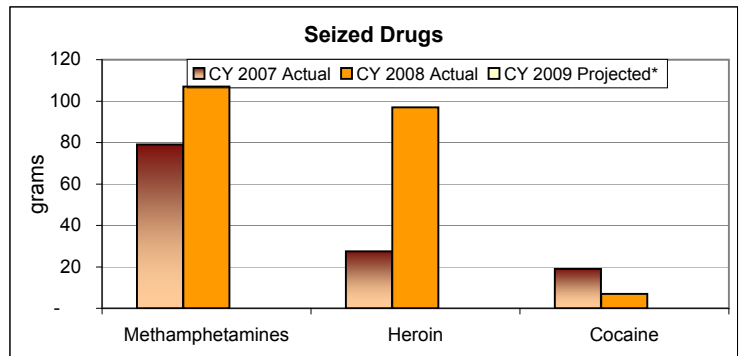
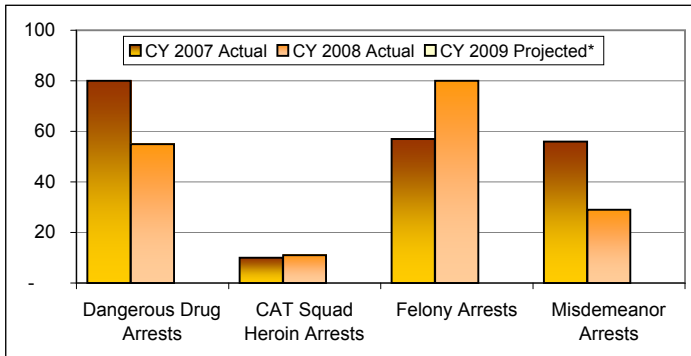
Personnel

In FY 08/09, two patrol officers transferred from another program area within the Police department, to the Motors/Traffic unit resulting in an increase to personnel costs of 20.1% for FY10.

Community Action Team Program Overview

C.A.T. serves as one of the OVPD most pro-active and successful community policing initiatives. 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.

Performance & Workload Indicators



* Sufficient data not available to project indicators for 2009.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Lead Officer	1.00	1.00	1.00	1.00	-
Officer	2.00	4.00	4.00	4.00	-
Total FTE's	4.00	6.00	6.00	6.00	-
Expenditures					
Personnel	\$ 320,226	\$ 494,565	\$ 446,254	\$ 493,074	-0.3%
Contracts/Services	3,881	4,065	10,005	3,700	-9.0%
Supplies	2,038	3,200	3,200	1,500	-53.1%
Total Expenditures	\$ 326,145	\$ 501,830	\$ 459,459	\$ 498,274	-0.7%



Magistrate Court

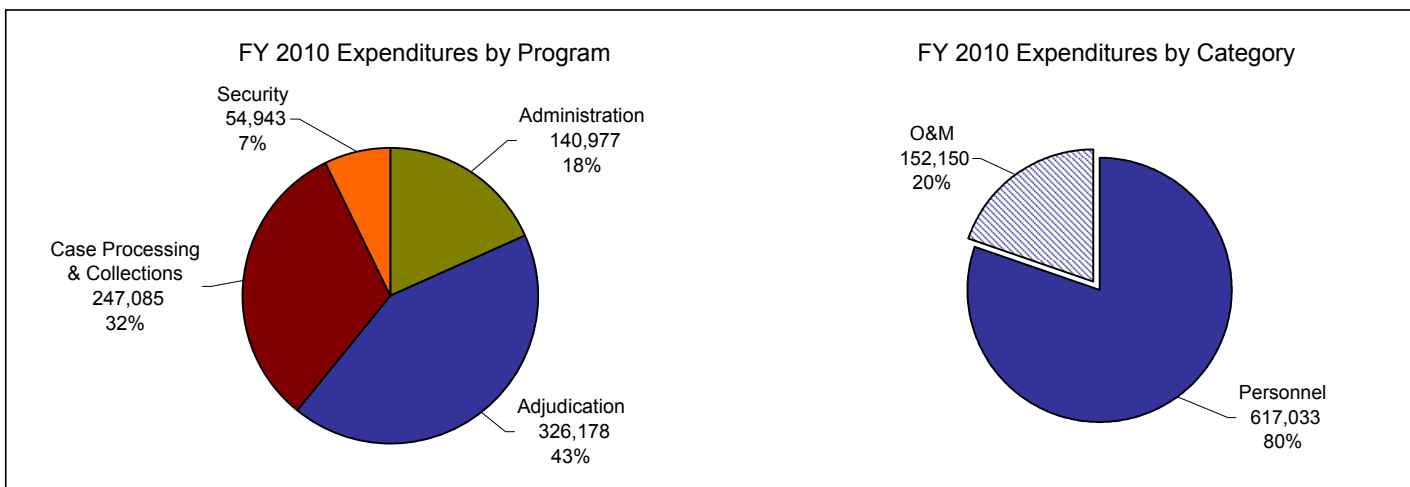
Department Overview

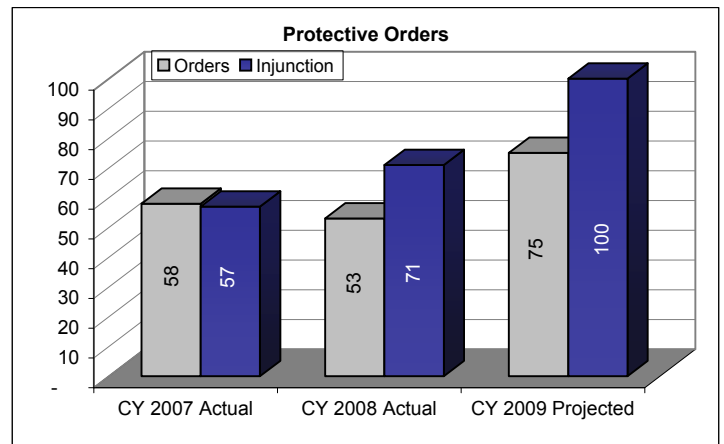
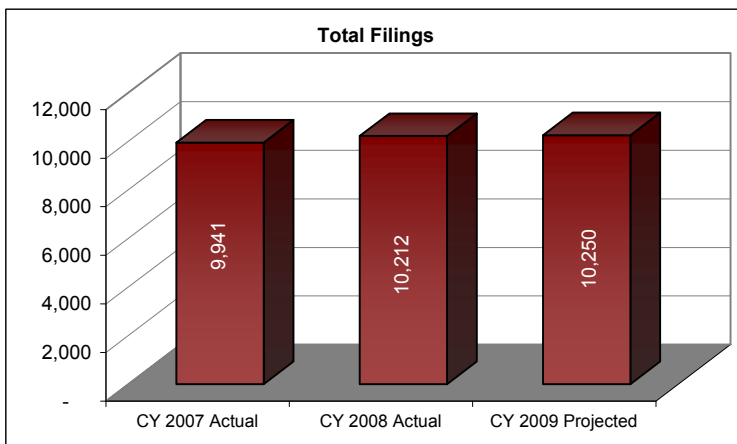
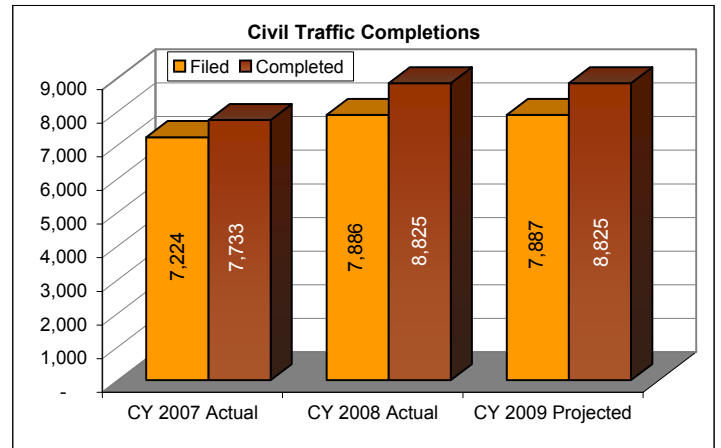
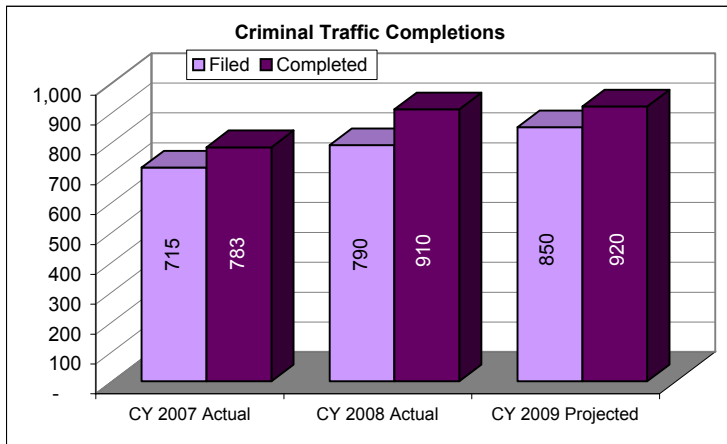
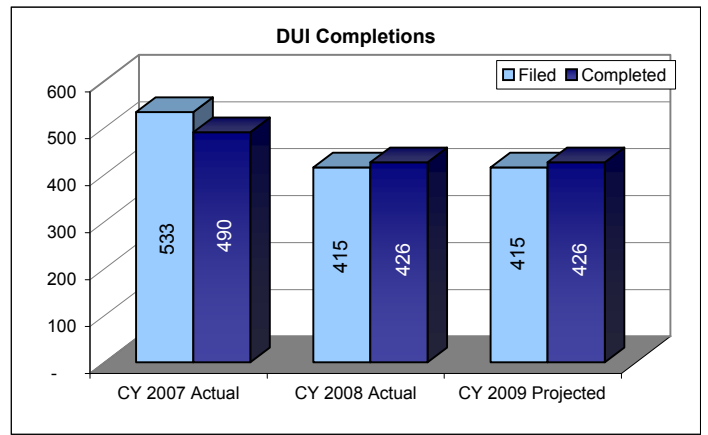
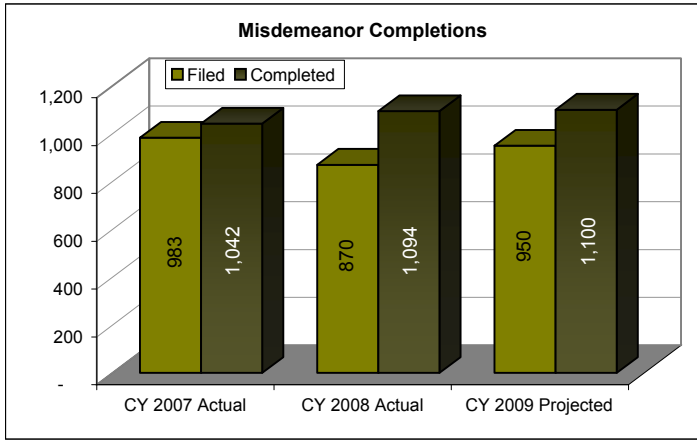
The processing and adjudication of all cases filed in the court, including the trial or other disposition of misdemeanor criminal cases, criminal traffic cases, town code violations and civil traffic cases; collection of fines, surcharges, restitution and other fees; issuing Injunctions Against Harassment and Domestic Violence Orders of Protection, take applications for and issuing marriage licenses, and perform weddings. Services rendered by the Court are governed by Rules set by the Arizona Supreme Court and guided by statutes enacted by the Arizona Legislature.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
8.50	9.50	9.00	9.00

	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Administration	\$ 178,439	\$ 131,171	\$ 138,971	\$ 140,977	7.5%
Adjudication	286,422	313,671	320,366	326,178	4.0%
Case Processing & Collections	229,406	305,148	239,319	247,085	-19.0%
Security	52,263	65,089	51,281	54,943	-15.6%
	\$ 746,530	\$ 815,079	\$ 749,937	\$ 769,183	-5.6%

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Court Costs	\$ 201,172	\$ 200,000	\$ 232,110	\$ 246,996	23.5%
Public Defender Fees	9,258	7,500	9,905	10,539	40.5%
Fines	249,762	250,000	277,090	286,603	14.6%
	\$ 460,192	\$ 457,500	\$ 519,105	\$ 544,138	18.9%





Mission

To uphold the law and administer justice fairly and efficiently and adjudicate all cases brought to the Oro Valley Magistrate Court in a fair, courteous and impartial manner, treating all who come to the Oro Valley Magistrate Court with dignity and respect, providing prompt, polite and efficient service.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Reduced overtime by hiring and training two new clerks to fill vacancies. Increased staff by one half, and left one half position vacant - Completed implementation of an Electronic Document Management System including an interface into court's Case Management System - Scanned all completed files daily and scanned files ready for destruction creating an archive database - Implemented a plan to meet Supreme Court mandated DUI case processing requirements 	<p>Focus Area: Financial & Economic Sustainability</p> <ul style="list-style-type: none"> ■ Establish a Fine Enforcement unit to improve creation and monitoring of payment plans ■ Practice cost effective business procedures, such as using the town contracted printing vendor, to reduce spending while still maintaining a high quality of justice <p>Focus Area: Leadership & Communication</p> <ul style="list-style-type: none"> ■ Maintain the practice of scanning and archiving completed cases ■ Study the feasibility of processing eCitations through the Police Department's DPS connection ■ Continue research toward becoming a paperless court

Program Budgets

Administration Program Overview

The Department Head and Court Administrator comprise this division. The Court Administrator is responsible for monitoring the Court's business processes, financial reconciliation, court performance standards, training and execution of initiatives and is the jury commissioner of the court

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Magistrate Judge	0.10	0.10	0.10	0.10	-
Court Administrator	1.00	1.00	1.00	1.00	-
Total FTE's	1.10	1.10	1.10	1.10	-
Expenditures					
Personnel	\$ 91,737	\$ 91,035	\$ 103,793	\$ 94,227	3.5%
Contracts/Services	46,870	39,536	34,528	42,200	6.7%
Supplies	1,696	600	650	4,550	658.3%
Utilities	48	-	-	-	0.0%
Capital	38,088	-	-	-	0.0%
Total Expenditures	\$ 178,439	\$ 131,171	\$ 138,971	\$ 140,977	7.5%

FY 2009/2010 Expenditure and Staffing Changes

Supplies

For FY10, all postage expenses will be captured in the Administration program area whereas in previous years, this cost was allocated amongst all the program areas within the Court department, thus the increase in Supplies of approximately \$4K.

Adjudication Program Overview

The Judicial division consists of a full time Magistrate and a full time Courtroom Clerk. The division presides over the adjudication of the cases of all those appearing in Oro Valley Court and handles dispositions of all criminal cases.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Magistrate Judge	0.90	0.90	0.90	0.90	-
Pro Tem Judges	-	-	-	-	-
Courtroom Clerk	1.00	1.00	1.00	1.00	-
Senior Court Clerk	0.10	0.10	0.40	0.40	0.30
Court Clerk	-	0.30	-	-	(0.30)
Total FTE's	2.00	2.30	2.30	2.30	-
Expenditures					
Personnel	\$ 209,682	\$ 233,762	\$ 230,316	\$ 243,778	4.3%
Contracts/Services	74,670	75,879	86,375	81,400	7.3%
Supplies	1,236	2,030	2,675	1,000	-50.7%
Utilities	835	2,000	1,000	-	-100.0%
Total Expenditures	\$ 286,422	\$ 313,671	\$ 320,366	\$ 326,178	4.0%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services increased 7.3% over the FY09 budget due to an escalation in the costs for jury fees.

Supplies

Supplies decreased 50.7% as part of the Town-wide effort to reduce operations and maintenance expenditures, and the transfer of costs associated with postage to the Administration program area.

Utilities

Fuel costs for the departments vehicles has been transferred to the newly created Fleet Maintenance internal service fund.

Case Processing Program Overview

This division handles the flow of a case from the time it is filed with the Court through adjudication until it is archived or destroyed. They are also responsible for insuring that all the data for a case is accurately and timely recorded in the Case Management System (AZTEC). All phone inquiries, receiving and collection are performed in this division.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Senior Court Clerk	3.90	3.90	2.60	2.60	(1.30)
Court Clerk	0.50	1.20	2.00	2.00	0.80
Bailiff	0.10	0.10	0.10	0.10	-
Total FTE's	4.50	5.20	4.70	4.70	(0.50)
Expenditures					
Personnel	\$ 209,563	\$ 273,645	\$ 210,506	\$ 226,385	-17.3%
Contracts/Services	15,294	24,083	22,713	17,700	-26.5%
Supplies	4,549	7,420	6,100	3,000	-59.6%
Total Expenditures	\$ 229,406	\$ 305,148	\$ 239,319	\$ 247,085	-19.0%

FY 2009/2010 Expenditure and Staffing Changes

Personnel
In FY09, a part-time Court Clerk position became vacant and will not be filled in FY10.

Contracts/Services
Contracts/Services decreased 26.5% over the FY09 budget as part of the Town-wide effort to reduce operations and maintenance expenditures.

Supplies
The decrease of 59.6% in Supplies is due to the transfer of costs associated with postage to the Administration program area.

Security Program Overview

The Court Bailiff insures the safety of the courtroom and court building, screens all those entering the courtroom for weapons etc., transports defendants who are held in custody to the Court, aids in the processing of defendants who are charged with a criminal violation and fail to appear for scheduled court appearances and serves arrest warrants.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Bailiff	0.90	0.90	0.90	0.90	-
Total FTE's	0.90	0.90	0.90	0.90	-
Expenditures					
Personnel	\$ 52,126	\$ 63,989	\$ 49,916	\$ 52,643	-17.7%
Contracts/Services	59	1,000	1,210	2,150	115.0%
Supplies	78	100	155	150	50.0%
Total Expenditures	\$ 52,263	\$ 65,089	\$ 51,281	\$ 54,943	-15.6%

FY 2009/2010 Expenditure and Staffing Changes

Personnel
Personnel decreased 17.7% due to a change in benefits coverage in FY10 for the Bailiff position.

Contracts/Services
Contracts/Services increased approximately \$1K from the FY09 budget due to small equipment purchases in FY10.



Department Overview

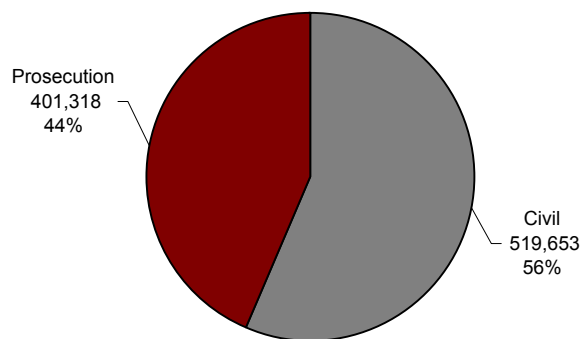
The Legal Department is organized into two divisions, Civil and Prosecution, under supervision of the Town Attorney. The Legal Department provides two very different types of legal services to the Town: handling civil matters, including managing legal services by outside counsel; and prosecuting misdemeanor crimes and traffic violations within the Town.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
10.25	10.25	10.25	9.25

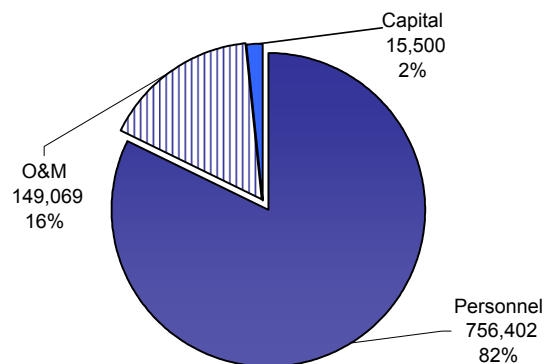
	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Civil	\$ 515,251	\$ 602,288	\$ 560,454	\$ 519,653	-13.7%
Prosecution	373,110	392,379	376,278	401,318	2.3%
	\$ 888,361	\$ 994,667	\$ 936,732	\$ 920,971	-7.4%

	Revenue Sources				% to Budget
	FY 2008 Actuals	FY 2009		FY 2010 Budget	
		Budget	Estimate		
State Grants	-	-	-	15,000	100.0%
	\$ -	\$ -	\$ -	\$ 15,000	100.0%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



Civil Mission

The members of the Civil Division value a respectful approach to working with people; personal commitment and loyalty to our client; timely and effective legal work; and consideration of other points of view. We understand that legal issues are generally only one factor that Council and administration need to consider in handling their respective responsibilities to the Town. We value a "preventative law" approach to providing legal services whenever possible.

FY 2009 Highlights

- Negotiated successfully a new lease for Rancho Vistoso substation
- Revised the Town's Animal Control Code to enhance enforcement and more closely coincide with Pima County's
- Worked on OV Marketplace development inter-jurisdictional issues
- Provided support to the Arroyo Grande Team, including participation in the Town's negotiation team with ALSJ
- Reworked internal Opinion and Research data banks to improve retrievability of documents
- Drafted Model Aircraft ordinance in conjunction with the Parks and Recreation Department
- Drafted idling vehicle ordinance
- Worked on Tucson Electric Power undergrounding issues
- Updated and standardized record retention procedures
- Maximized training opportunities for required and optional continuing legal education within budget constraints
- Worked with OVPD and Building Safety to develop process and ordinance by which developers could apply for off-hours construction permit
- Drafted all Financial Participation Agreements
- Amended Development Fee Code to address any conflicts with state law
- Worked with Building Safety to draft and implement a Building Safety/Building Code violation procedure
- Worked with Stormwater Utility to develop a Stormwater Utility Fee delinquent letter and violation procedure
- Assisted in resolution of Verde Catalina I and II street maintenance issue
- Resolved 4th hole of El Conquistador golf course issue for widening of La Canada from Naranja to Tangerine
- Worked closely with Risk Retention Pool on litigation and Notice of Claim waivers
- Worked closely with Procurement Administrator to make sure all standard contracts had correct legal language to protect the Town
- Assisted in finalization and presentation of Legal Department Management Study. The 2008 Legal Department Management Study indicated Civil Division is well managed, properly staffed and properly funded. Any suggestions for improvements have been implemented.

FY 2010 Goals and Objectives

Focus Area: Leadership and Communication

- Continue to provide accurate and timely legal advice and representation to Mayor and Council and Town staff.

Focus Area: Financial and Economic Sustainability

- Evaluate cases for appropriateness relating to potential utilization of outside Council
- Assign staff to maximize productivity given limited resources

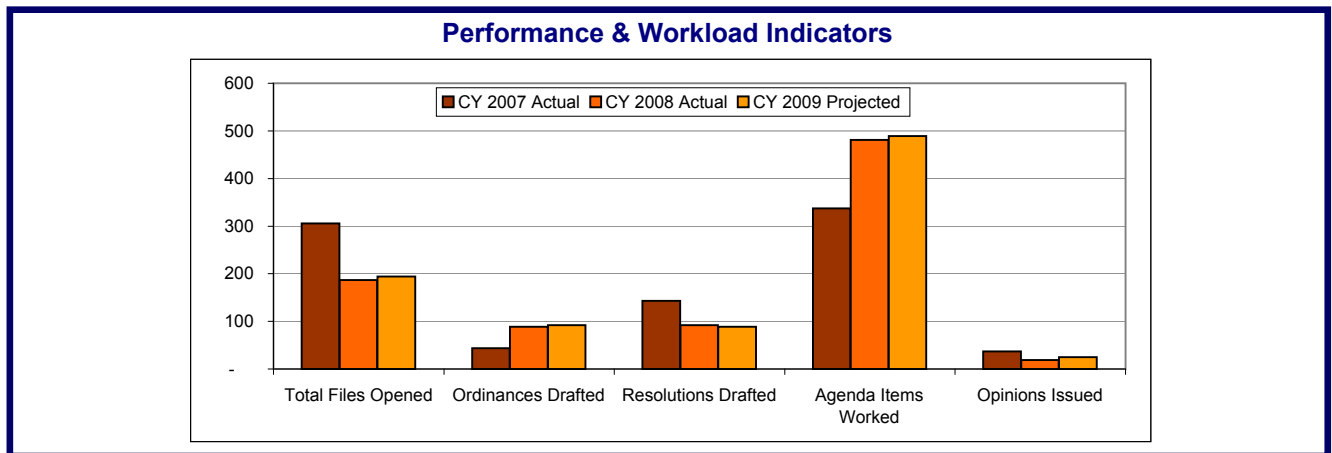
Focus Area: Quality of Life

- Ensure continuing development of attorneys and staff
- Emphasize retention of professional staff

Civil Program Overview

The Civil Division is analogous to the General Counsel's office of a corporation. The Town itself is the client, with the Council and Manager the primary "control group." They set the overall direction of legal services in accordance with goals and objectives set by the Council as the governing board and the Manager as Council's chief administrative officer.

The Division drafts and/or reviews all Town contracts, resolutions and ordinances, policies and procedures; advises officials and employees about regulatory compliance and risk management issues associated with the matter for which they are responsible; advises officials and employees and assists them in complying with administrative requirements such as open meeting, public records and conflict of interest laws. The Civil Division handles code enforcement matters and a variety of negotiations arising out of contract and litigation matters.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Town Attorney	1.00	1.00	1.00	1.00	-
Chief Civil Deputy Attorney	1.00	1.00	1.00	1.00	-
Civil Attorney	1.00	1.00	1.00	-	(1.00)
Paralegal II	1.00	1.00	1.00	1.00	-
Paralegal I	1.00	1.00	1.00	1.00	-
Civil Law Clerk	0.25	0.25	0.25	0.25	-
Office Assistant	1.00	1.00	1.00	1.00	-
Total FTE's	6.25	6.25	6.25	5.25	(1.00)
Expenditures					
Personnel	\$ 445,166	\$ 491,950	\$ 493,331	\$ 413,491	-15.9%
Contracts/Services	54,635	101,138	61,723	100,362	-0.8%
Supplies	4,184	7,200	5,400	5,300	-26.4%
Capital	11,266	2,000	-	500	-75.0%
Total Expenditures	\$ 515,251	\$ 602,288	\$ 560,454	\$ 519,653	-13.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel expenditures decreased 15.9% from the FY09 budget due to the elimination of the Civil Attorney position which is to remain vacant as part of the hiring freeze implemented in FY09.

Supplies

Expenditures decreased 26.4% as part of the Town-wide effort to reduce operations & maintenance costs.

Prosecution Mission

The members of the Prosecution Division promise to fairly resolve criminal or civil court matters while respecting the rights of all parties in as timely a manner as resources allow.

FY 2009 Highlights

- Received a grant and upgraded its case management system to Judicial Dialog
- Conducted a total of seven training sessions for the Police Department
- The number of shoplifting/theft charges in Oro Valley doubled from 2007 figures. Members of the Prosecution office and the Police Department met with merchants to communicate how to best deal with these types of cases, what the merchants would like to see and what they can expect from the judicial system.
- Took over the issuance of summons on DUI cases from the Police Department once blood results were returned from the DPS crime laboratory
- Personnel were honored at the State level through invitations to various select meetings and committees regarding prosecution and criminal legislation in Arizona. A Domestic Violence subcommittee was formed which includes Senior Paralegal that shares inter-agency information to avoid repeat offenders not being properly charged.
- Town Prosecutor was re-appointed by the Governor to an Executive Board position on the State Prosecution Board to represent all municipalities under 250,000 in population. This Prosecution organization also provides specialized prosecution training to prosecutors at no cost to the Town.
- Continued its community outreach program with a planned Domestic Violence Forum in April of 2009
- Through a prior grant, is now on-line with the Oro Valley Police Department and the Pima County Sheriffs office for access to police reports
- Was granted access by DPS to a DPS website in order to obtain necessary evidence for pending DUI cases
- The 2008 Legal Department Management Study indicated the Oro Valley Prosecutor's office is well managed, properly staffed and properly funded. Any suggestions for improvements have been implemented

FY 2010 Goals and Objectives

Focus Area: Quality of Life

- Promote the fair, impartial and expeditious pursuit of justice
- To ensure a safer community

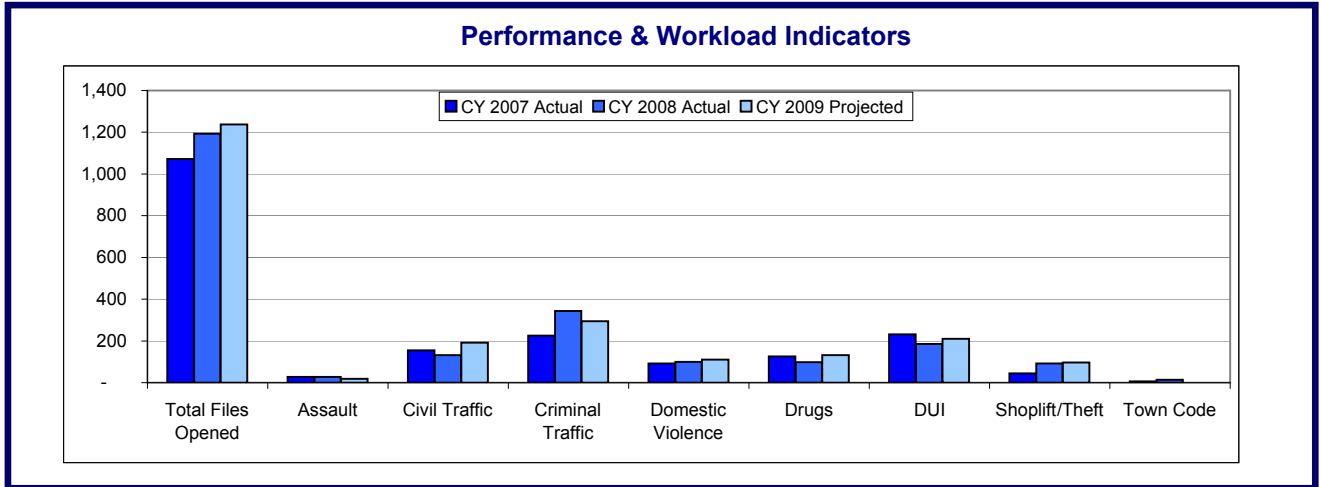
Focus Area: Leadership and Communication

- To promote integrity in the prosecution profession and coordination in the criminal justice system

Prosecution Program Overview

The Criminal Division prosecutes or otherwise handles misdemeanor crimes and traffic violations within the Town.

The Prosecution Division also provides legal advice and training to the Oro Valley Police Department in handling criminal investigations of matters that will be prosecuted by the County or Arizona Attorney General.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Town Prosecutor	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	-
Legal Secretary	1.00	1.00	1.00	1.00	-
Total FTE's	4.00	4.00	4.00	4.00	-
Expenditures					
Personnel	\$ 326,201	\$ 331,288	\$ 334,309	\$ 342,911	3.5%
Contracts/Services	29,197	40,791	36,969	38,107	-6.6%
Supplies	3,645	5,300	5,000	5,300	0.0%
Capital	14,067	15,000	-	15,000	0.0%
Total Expenditures	\$ 373,110	\$ 392,379	\$ 376,278	\$ 401,318	2.3%



Planning & Zoning

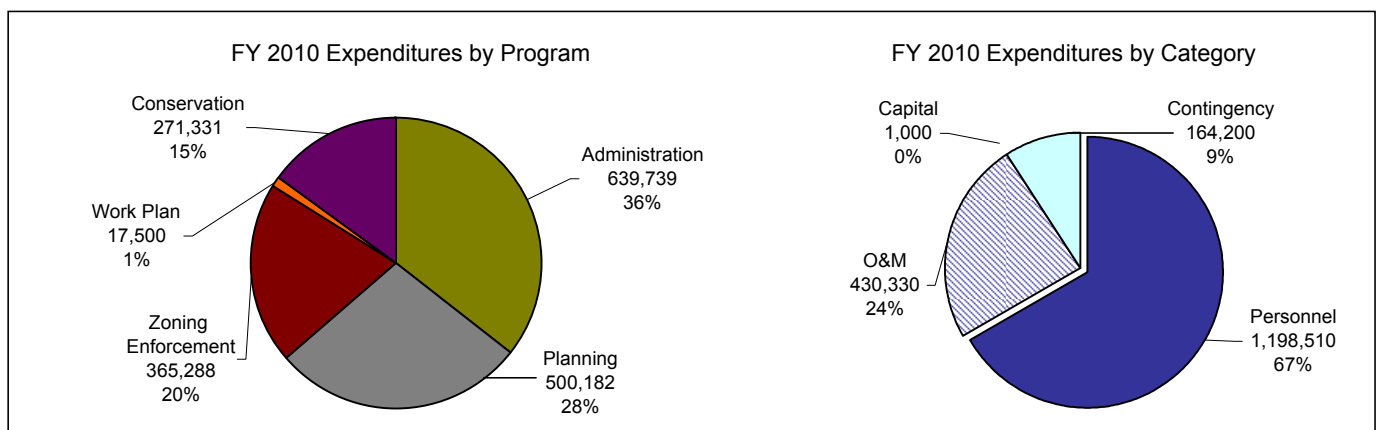
Department Overview

The Planning & Zoning Department administers the Zoning Code and the General Plan for the harmonious growth of the Town. The department is responsible for providing planning and zoning services to the Community, Town Council, Planning and Zoning Commission, Development Review Board, Board of Adjustment, Historic Preservation Committee, Public Art Review Committee, and project teams. The department is made up of three teams that work in close coordination: Administration, Planning, and Zoning. The department Work Plan for the next two years will focus on pro-active advanced planning and enforcement.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
16.00	17.00	16.88	17.00

	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Planning & Zoning Administration	\$ 296,462	\$ 460,255	\$ 416,935	\$ 639,739	39.0%
Planning	473,410	754,365	539,718	500,182	-33.7%
Zoning Enforcement	318,971	381,438	369,249	365,288	-4.2%
Work Plan	42,787	18,400	20,977	17,500	-4.9%
Conservation & Sustainability	-	-	-	271,331	100.0%
Total	\$ 1,131,630	\$ 1,614,458	\$ 1,346,879	\$ 1,794,040	11.1%

	Revenue Sources				% to Budget
	FY 2008 Actuals	FY 2009		FY 2010 Budget	
		Budget	Estimate		
Zoning & Subdivision Fees	\$ 164,340	\$ 158,120	\$ 116,278	\$ 116,278	-26.5%
Energy Efficiency & Conservation Block Grant	-	-	-	164,200	0.0%
Total	\$ 164,340	\$ 158,120	\$ 116,278	\$ 280,478	77.4%



Mission

Engage the community to preserve on past and realize a sustainable future by ensuring the values and standards of the community are upheld.

FY 2009 Highlights

General Plan Amendment

- Six applications filed, 1 continues, 3 withdrawn, 1 denied
- Arroyo Grande approved
- Extensive public meetings and Commission process over the year

Historic Preservation & Archaeological Projects

- Emergency Stabilization
- Steam Pump Ranch historic nomination
- Initiated Historic Preservation Inventory
- Clean up and safety
- Arizona Planning Association award "Best Historic Planning Landmark"

Zoning Code Amendments

- Neighborhood meetings
- Public Art
- Assurances

Financial Sustainability/Economic Development Projects

- Assisting Ventana Medical Systems with expansion plans

Citizen Outreach/Participation/Education

- Graduated 21 residents from the '08 Citizens Planning Institute (CPI) and Spring Classes '09
- Arizona Department of Commerce boards and commission training brought to Oro Valley

Environmental - Quality of Life

- Start Environmentally Sensitive Lands (ESL) project
- Green Team established and developed Sustainability Plan

Customer Service

- Conducted Household Hazardous Waste program and Neighborhood cleanups for Oro Valley residents
- Census
- Local Update of Census Address Program
- Census 2010 Field Rep Training
- Updating maps and data
- Maintaining and adding, Professional Training and Development

Enhanced Public Notification

- Increased notice sign size
- Updating maps and data

FY 2010 Goals and Objectives

Focus Area: Quality of Life and Environmental Sustainability

- Preserve open space and control development
 - Collaborate with other regional partners on State trust land planning & other regional efforts
 - Promote annexation strategies which uphold community values and standards
 - Assure development in accordance with community standards through development plan/plat review
- Sustainability Initiative/Plan
- Arroyo Grande PAD-assure quality development and protect open space
- Sustain/expand environmentally sensitive lands and wildlife corridors
 - Environmentally Sensitive Lands
 - Negotiate open space in new subdivisions
- Coordinate & sustain historic, cultural assets to promote community's quality of life standard
 - Complete Historic Preservation Inventory
 - Develop strategies & seek funding for Steam Pump Ranch restoration

Focus Area: Financial & Economic Sustainability

- Ensure financial resources to support the expected level of community services
 - 2010 Census program to bring increased revenues
 - Evaluate and implement necessary permit fees for services
 - Annex those areas necessary to fulfill the goals of the General Plan
 - Position the Town to secure outside funding sources

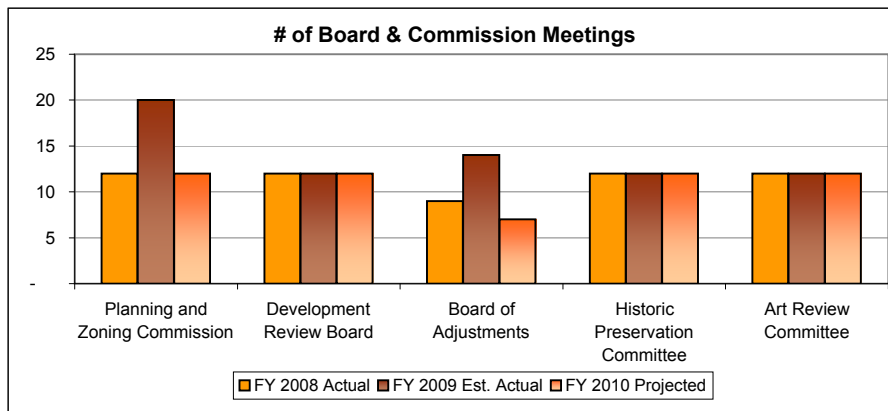
Focus Area: Leadership and Communication

- Build trust through effective public outreach and communication
 - Create opportunities for public education and engagement
 - Continue offering CPI classes
 - Arrange HOA forums
 - Coordinate neighborhood clean-ups
 - Assure successful neighborhood meeting on new development
 - Improve public notice practice
 - Continue to promote online subscriber notification service
 - Proposed larger sign size and increased notice area
- Expand citizen leadership training opportunities
 - Promote Citizens Planning Institute (CPI) ongoing program
 - Explore advanced workshops for graduates of CPI
 - Ensure ongoing Boards & Commission (B&C) training

Administration Program Overview

The primary function of the Planning & Zoning Director is to assure the proper implementation of adopted plans, policies and standards as well as make determinations as they apply to specific development projects. The Director, supported by staff, provides direction to, and support for the other teams; the Planning and Zoning Commission, Development Review Board, Board of Adjustment, Historic Preservation Committee, and the Art Review Committee. The Director is responsible for staff growth and development. The department is responsible for Town projects and annexation efforts, and participation in Economic Development, and other planning and zoning related issues.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Planning & Zoning Director	0.50	1.00	1.00	1.00	-
Assistant P&Z Director	-	0.50	0.50	0.50	-
Special Projects Coordinator	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Office Assistant	0.50	1.00	1.00	1.00	-
Total FTE's	4.00	5.50	5.50	5.50	-
Expenditures					
Personnel	\$ 253,361	\$ 421,735	\$ 373,929	\$ 406,759	-3.6%
Contracts/Services	27,943	22,920	24,356	218,480	853.2%
Supplies	14,810	15,400	18,150	14,500	-5.8%
Utilities	347	200	500	-	-100.0%
Total Expenditures	\$ 296,462	\$ 460,255	\$ 416,935	\$ 639,739	39.0%

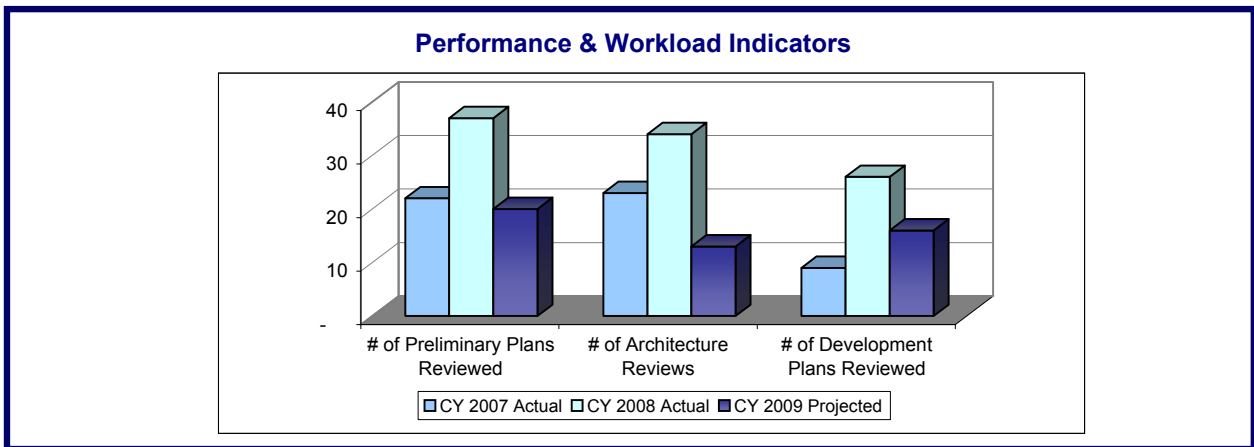
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services increased 853.2% due to \$203.7K budgeted in FY 2010 for consulting services on Arroyo Grande.

Planning Program Overview

The planning team is responsible for the coordination of review of development projects by various Town departments and divisions as well as external review agencies. Planning also prepares amendments to the Zoning Code as determined by the work program adopted by the Town Council. Amendments to the General Plan, PADs, and rezoning cases are processed and analyzed by this team. Staff develops recommendations to promote the aesthetic, organized growth and development of the Town, and is responsible for the Citizen's Planning Institute (CPI).



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Planning & Zoning Director	0.30	-	-	-	-
Assistant P&Z Director	-	0.50	0.50	0.50	-
Principal Planner	1.00	1.00	1.00	-	(1.00)
Senior Planner	3.00	3.00	3.00	3.00	-
Planner	1.00	1.00	1.00	1.00	-
Planning Technician	1.00	-	-	-	-
Total FTE's	6.30	5.50	5.50	4.50	(1.00)
Expenditures					
Personnel	\$ 443,837	\$ 456,185	\$ 408,159	\$ 332,882	-27.0%
Contracts/Services	20,160	289,180	123,280	160,300	-44.6%
Supplies	9,412	7,000	7,279	6,000	-14.3%
Capital	-	2,000	1,000	1,000	-50.0%
Total Expenditures	\$ 473,410	\$ 754,365	\$ 539,718	\$ 500,182	-33.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

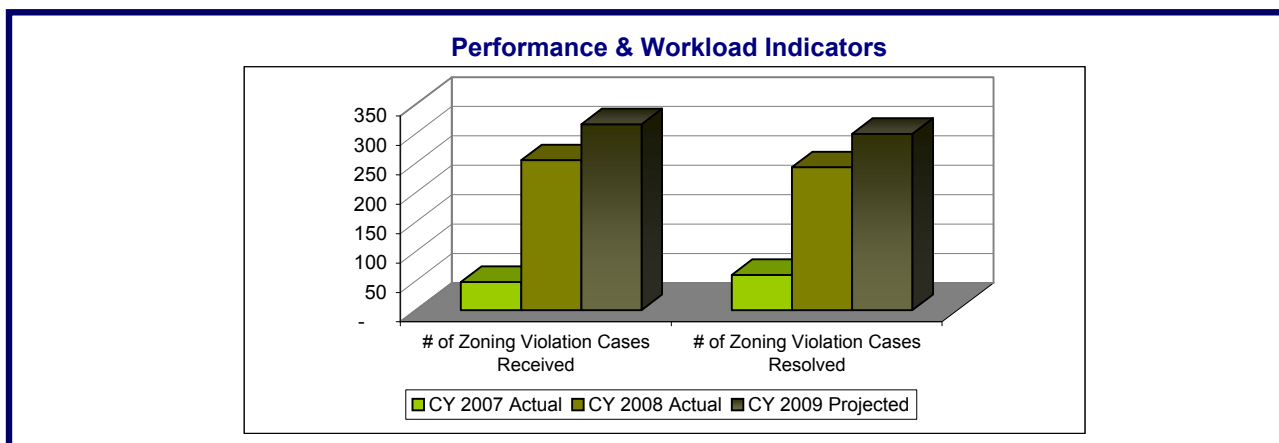
Expenditures decreased 27% over the FY 2009 Budget due to the transfer of the Principal Planner position into the Office of Conservation & Sustainability program area.

Contracts/Services

Contracts/Services decreased 44.6% over the FY09 budget. In FY09 \$225K was budgeted for phase II of the environmentally sensitive land ordinance (ESLO) and Historic Cultural Resource Inventory. Of this amount, \$150K will be carried-forward to FY10 for completion.

Zoning Enforcement Program Overview

The zoning team enforces the Zoning Code and implements the development approval decisions of the Town Council and Development Review Board. This team issues all zoning permits, except grading permits; reviews site plans for all buildings, pools, walls, etc.; and monitors compliance with Town plant salvage, landscape, sign and development performance standards. They also collect and release assurances posted to ensure that development occurs in a timely manner and in compliance with approved plans. Zoning coordinates and maintains files for all development projects. They are also responsible for the neighborhood cleanup program.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Planning & Zoning Director	0.20	-	-	-	-
Zoning Program Supervisor	1.00	1.00	1.00	1.00	-
Zoning Inspector	1.00	1.00	1.00	1.00	-
Planning Technician	-	1.00	1.00	1.00	-
Development Coordinator	2.00	2.00	2.00	2.00	-
Zoning Inspector Tech	1.00	1.00	0.88	1.00	-
Total FTE's	5.20	6.00	5.88	6.00	-
Expenditures					
Personnel	\$ 295,695	\$ 351,038	\$ 350,399	\$ 353,438	0.7%
Contracts/Services	10,020	13,500	10,350	6,350	-53.0%
Supplies	3,601	13,900	6,000	5,500	-60.4%
Utilities	1,758	3,000	2,500	-	-100.0%
Capital	7,898	-	-	-	0.0%
Total Expenditures	\$ 318,971	\$ 381,438	\$ 369,249	\$ 365,288	-4.2%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services
 Contracts/Services decreased 53% over the FY09 budget as part of the Town-wide effort to reduce operations and maintenance costs. Printing costs as well as travel and training, and non-capitalized equipment were reduced as part of this effort.

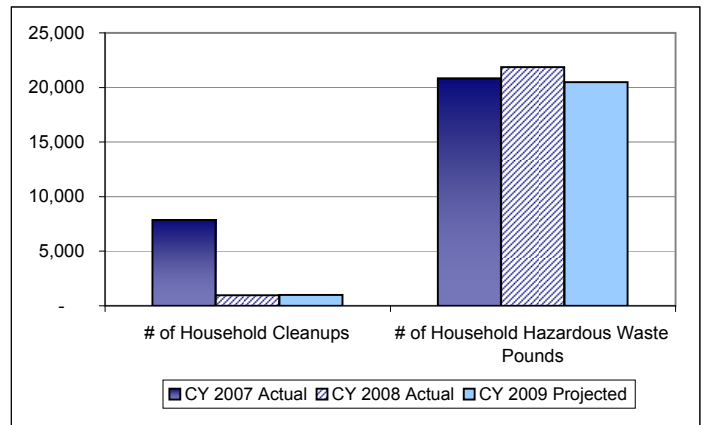
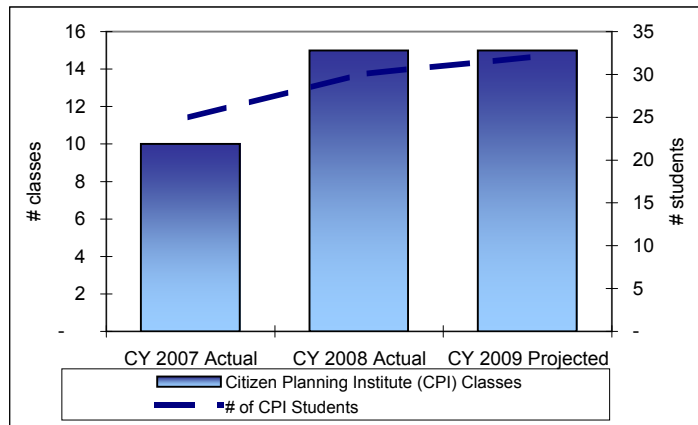
Supplies
 Supplies decreased 60.4%, a result from Council's decision not to expand mailed notices.

Utilities
 In FY 2010, all costs for gasoline for vehicles and equipment has been captured under the new Fleet Maintenance program area in the Public Works department.

Work Plan - Community Services Program Overview

The Planning & Zoning Department's annual work plan includes staff and financial support for three community service programs. Neighborhood Cleanup, Household Hazardous Waste, and the Citizens Planning Institute provide the residents of Oro Valley an enhanced quality of life through education and service. These programs have been developed to promote the Town's philosophy of providing our residents with the highest standard of environment integrity and education.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Intern	0.50	-	-	-	-
Total FTE's	0.50	-	-	-	-
Expenditures					
Personnel	\$ 24,524	\$ -	\$ 1,452	\$ -	0.0%
Contracts/Services	631	300	25	-	0.0%
Supplies	17,632	18,100	19,500	17,500	-3.3%
Total Expenditures	\$ 42,787	\$ 18,400	\$ 20,977	\$ 17,500	-4.9%

Office of Conservation & Sustainability Program Overview

The Office of Conservation & Sustainability is a new program in the Planning & Zoning Division. This new program will be managed by the Town's existing Principal Planner and will be in charge of implementing conservation and environmental sustainability policies town-wide, as well as seeking outside grants, appropriations and federal stimulus funds in this area.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Conservation & Sustainability Manager	-	-	-	1.00	1.00
Total FTE's	-	-	-	1.00	1.00
Expenditures					
Personnel	\$ -	\$ -	\$ -	\$ 105,431	0.0%
Contracts/Services	-	-	-	1,700	0.0%
Contingency	-	-	-	164,200	0.0%
Total Expenditures	\$ -	\$ -	\$ -	\$ 271,331	0.0%



Department Overview

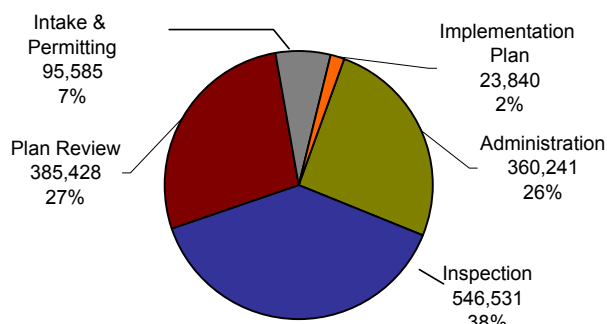
Building Safety is responsible for ensuring the health, safety, and welfare of the public in the built environment. The Department coordinates all facets of building plan review and the subsequent inspection process during construction for code conformance in the interest of public safety. The Department is responsible for all residential and commercial construction plan review which includes: architecture, structural, fire-resistive, life/safety, mechanical, plumbing, and electrical systems, as well as all site development plans, walls, and pool/spas to assess their compliance with the codes. The Department also performs inspections on the construction of all structures, whether new, remodeled or altered, within the Town to verify they are constructed to the health and safety standards contained within the codes and ordinances adopted by the Town. In coordination with the Fire Marshal, the Department is responsible for field inspections on projects under construction and on existing buildings for compliance with fire codes, ordinances and laws.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
18.00	18.00	17.00	17.00

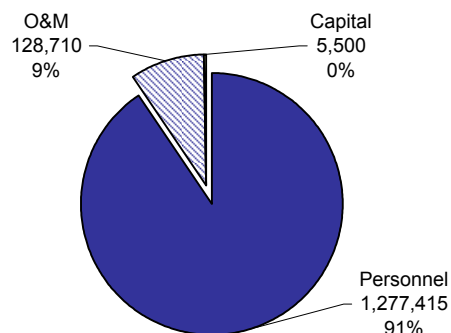
	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Building Safety Administration	\$ 332,876	\$ 359,328	\$ 359,998	\$ 360,241	0.3%
Inspection	507,361	568,539	567,891	546,531	-3.9%
Plan Review	567,204	491,253	383,161	385,428	-21.5%
Intake & Permitting	143,034	154,256	127,159	95,585	-38.0%
Implementation Plan	19,308	31,240	16,600	23,840	-23.7%
	\$ 1,569,783	\$ 1,604,616	\$ 1,454,809	\$ 1,411,625	-12.0%

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Residential Building Permits	\$ 1,250,213	\$ 1,100,000	\$ 629,100	\$ 381,250	-65.3%
Commercial Building Permits	1,272,320	486,730	720,000	679,521	39.6%
Sign Permits	36,386	28,000	47,524	47,524	69.7%
Special Inspection Fees	11,180	20,000	7,817	7,817	-60.9%
Copying Fees/Code Book Sales	1,960	1,600	397	401	-74.9%
	\$ 2,572,059	\$ 1,636,330	\$ 1,404,838	\$ 1,116,513	-31.8%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



Mission

The Oro Valley Building Safety Department is committed to public safety. We pledge to maintain the highest standards of integrity and treat all persons with courtesy, equality and fairness. We will strive to serve the public efficiently, accurately and in a timely fashion. We are committed to the performance of our duties in a manner that fosters mutual respect between our employees and our customers.

FY 2009 Highlights

- Generated approximately \$1.7 million in revenue for the Town in CY 2008
- Met the needs of approximately 9,097 walk in customers, received 1,935 permit applications, approved 1,902 permits, issued 1,816 permits, and provided 31,730 inspections in CY 2008
- Completed the majority of the Implementation Plan components for improving the permitting, inspection and information processes
- Completed the Town's Pool and Spa Code 2008 update, subsequently adopted by Council
- Provided proactive preconstruction and construction assistance for large projects including: Sanofi Aventis, Ventana Medical Systems, and OV Marketplace
- All plan reviews were provided by Town personnel without the use of Outside Plan Review Services resulting in substantial cost savings to the Town
- Increased information available to the public via the web

FY 2010 Goals and Objectives

Focus Area: Financial & Economic Sustainability

- Evaluate building permit fee schedule for actual cost of services
- Update the current building valuations utilizing a professional cost estimating service to adjust for the actual costs of construction
- Continue to provide internal review of all plans and inspection services rather than utilizing Outside Plan Review Services

Focus Area: Quality of Life & Environmental Sustainability

- Improve consistency of code interpretation, plan review and inspection for a safer built environment
- Work with the Conservation & Sustainability Manager to develop code language to support sustainability efforts
- Pursue code certifications for green building through the ICC and LEED organizations for the department's plan examiners and inspectors
- Collaborate with the other 4 local jurisdictions in areas of code development, interpretation, and sustainability
- Provide training for staff and information to the community for thorough understanding of the Codes to increase public safety in the built environment

Focus Area: Community Infrastructure

- Assist in the redesign and construction of the Police substation at Oro Valley Marketplace
- Assist in the assessment and development of the 5-year CIP for Town facility needs
- Continue to monitor and assess needs for the Rancho Vistoso Municipal Complex and Town Hall addition

Focus Area: Leadership & Communication

- Build trust through effective public outreach and communication
- Create an advocate for the customer through the effective use of the Assistant Building Official position
- Increase the information available to the public via the Building Safety homepage
- Continue the training program to provide information to assist the building industry doing work in the Town
- Improve intergovernmental relationships
- Encourage and develop leadership
- Increase staff training to develop expertise and provide opportunities for career growth
- Support a strong business climate
- Continue to improve and streamline processes to bring businesses on line sooner

Administration Program Overview

The primary function of the Building Safety Director is ensure that all buildings constructed within the Town meet the health and safety standards contained in the Town's codes and ordinances as well as determine if proposed alternate means and methods meet the codes intent. The Director, with support of the Assistant Building Official, provides leadership, direction and support to the Department's staff. Administrative staff responsibilities include clerical duties, maintaining the Department's website, records management, and logistical support.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Building Safety Director	1.00	1.00	1.00	1.00	-
Assistant Building Official	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	1.00	1.00	1.00	-
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Total FTE's	4.00	4.00	4.00	4.00	-
Expenditures					
Personnel	\$ 287,890	\$ 313,558	\$ 322,848	\$ 327,591	4.5%
Contracts/Services	20,620	31,570	23,150	19,650	-37.8%
Supplies	12,574	13,000	12,800	13,000	0.0%
Utilities	1,174	1,200	1,200	-	-100.0%
Capital	10,618	-	-	-	0.0%
Total Expenditures	\$ 332,876	\$ 359,328	\$ 359,998	\$ 360,241	0.3%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 37.8%, part of the Town-wide effort to reduce operations and maintenance costs. Costs for the printing of code books, and travel and training were reduced as part of this effort.

Utilities

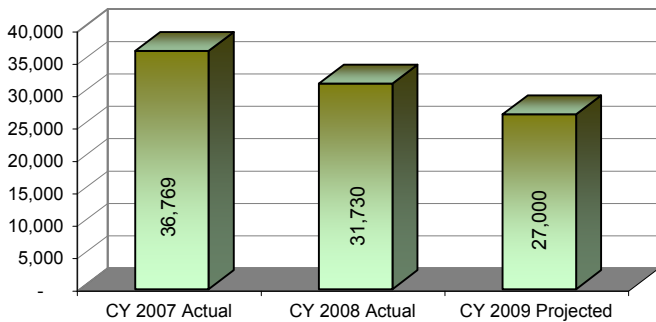
For FY 2010, all costs associated with maintaining vehicles has been moved from the departments budgets into a central fleet maintenance program area.

Inspection Program Overview

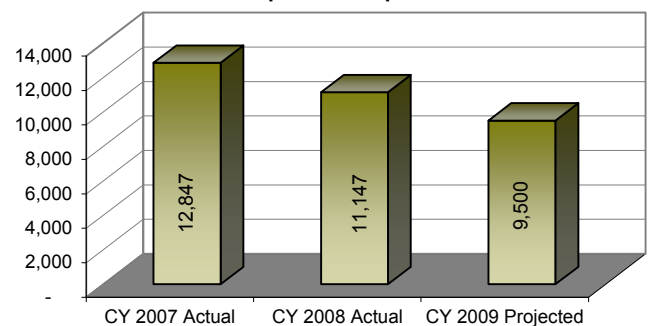
All inspections are performed by the Department's staff of Certified Building Inspectors. They are responsible for inspecting all commercial and residential construction for new and altered buildings/ structures within the Town to verify they are constructed to the health and safety standards contained within the codes and ordinances adopted by the Town. The Chief Building Inspector provides leadership, direction and support to the Inspection Staff.

Performance & Workload Indicators

of Inspections



Inspection Stops



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Chief Building Inspector	1.00	1.00	1.00	1.00	-
Building Inspector II	4.00	6.00	6.00	6.00	-
Building Inspector I	2.00	-	-	-	-
Total FTE's	7.00	7.00	7.00	7.00	-
Expenditures					
Personnel	\$ 485,370	\$ 526,609	\$ 526,161	\$ 528,421	0.3%
Contracts/Services	8,333	27,980	27,780	15,160	-45.8%
Supplies	3,161	2,950	2,950	2,950	0.0%
Utilities	9,929	11,000	11,000	-	-100.0%
Capital	569	-	-	-	0.0%
Total Expenditures	\$ 507,361	\$ 568,539	\$ 567,891	\$ 546,531	-3.9%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

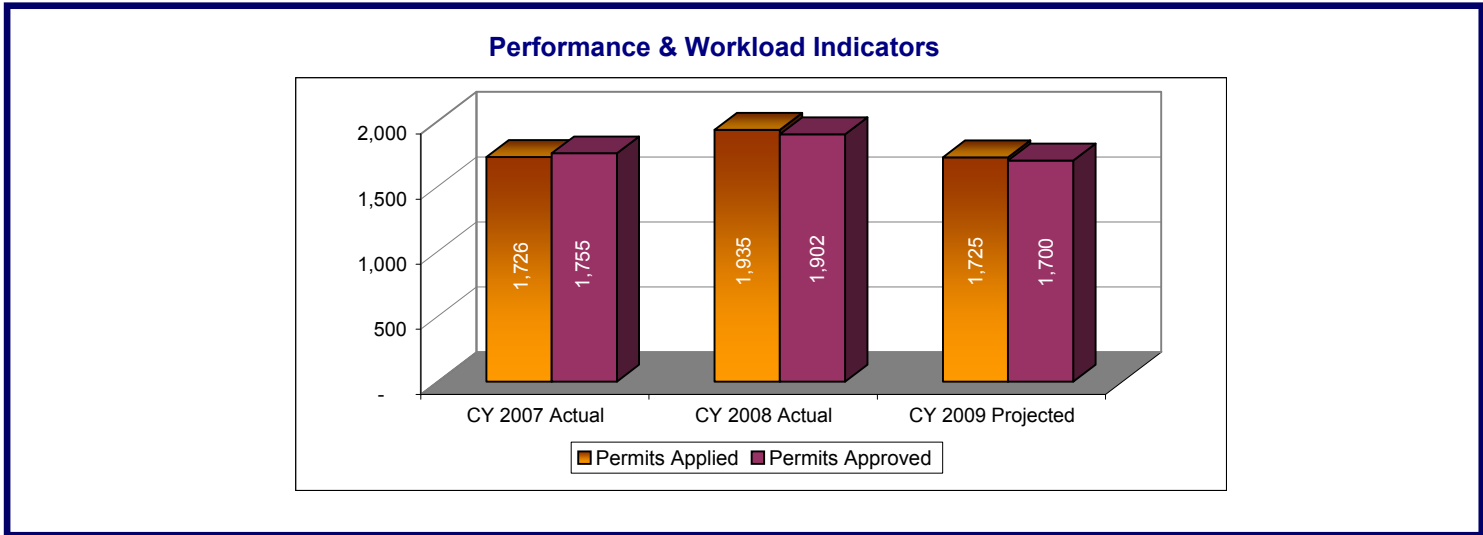
Contracts/Services decreased 45.8% from the FY09 budget. One of the major expenses of inspection services is the repair and maintenance on vehicles. For FY10, all costs associated with maintenance on departments vehicles will be centralized into a fleet maintenance department, resulting in a decrease to the departments budget.

Utilities

Utilities decreased 100% due to the transfer of gasoline costs to the fleet maintenance program area.

Plan Review Program Overview

All Plan Review is performed by the Department's staff of Certified Plans Examiners. They are responsible for the review of all commercial and residential construction plan review for new and altered buildings/ structures which includes: architecture, structural, fire-resistive, life/safety, mechanical, plumbing, and electrical systems, as well as all site development plans, walls and pools/spas, to assess their compliance with the codes.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Plans Examiner II	2.00	4.00	4.00	4.00	-
Plans Examiner I	2.00	-	-	-	-
Total FTE's	4.00	4.00	4.00	4.00	-
Expenditures					
Personnel	\$ 307,308	\$ 325,618	\$ 327,526	\$ 328,528	0.9%
Contracts/Services	259,562	165,235	55,235	56,500	-65.8%
Supplies	334	400	400	400	0.0%
Total Expenditures	\$ 567,204	\$ 491,253	\$ 383,161	\$ 385,428	-21.5%

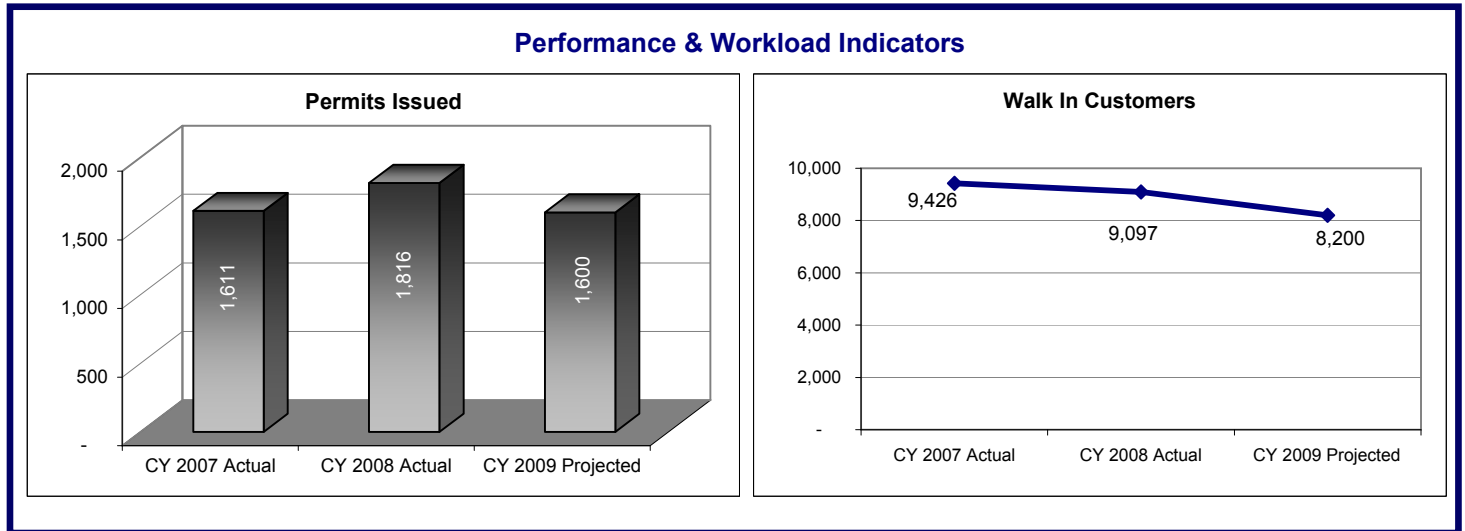
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 65.8% from the FY09 budget due to the limited use of Outside Plan Review services and conducting most reviews in-house. Also, \$50K was budgeted in FY09 for fire marshal services from Golder Ranch, which will not be needed in FY10.

Intake & Permitting Program Overview

All applications are received and reviewed by the Certified Permit Technicians to ensure all necessary documentation is included to provide a timely review by all departments. At each stage of review, they monitor, coordinate and issue comments until complete. Once review is complete, they issue the permit and coordinate the Inspector's IVR system.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
SR Building Permit Tech	1.00	1.00	-	-	(1.00)
Building Permit Tech	2.00	2.00	2.00	2.00	-
Total FTE's	3.00	3.00	2.00	2.00	(1.00)
Expenditures					
Personnel	\$ 139,450	\$ 149,886	\$ 122,789	\$ 92,875	-38.0%
Contracts/Services	1,473	2,120	2,120	1,460	-31.1%
Supplies	377	1,250	1,250	1,250	0.0%
Capital	1,733	1,000	1,000	-	-100.0%
Total Expenditures	\$ 143,034	\$ 154,256	\$ 127,159	\$ 95,585	-38.0%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The 38% decrease in Personnel is attributed to a Sr. Permit Tech position which went vacant in FY09 and was affected by the hiring freeze implemented in November 2008.

Contracts/Services

Contracts/Services decreased 31.1% as part of the Town-wide effort to reduce operations and maintenance expenditures.

Implementation Plan Program Overview

Based on a Management Study completed in 2006-07 there are 3 key areas for improvement in the Building Safety Department in order to reach the goal of enhancing customer service satisfaction: access to information; the permitting process; and inspection process.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Expenditures					
Contracts/Services	\$ 15,646	\$ 21,240	\$ 10,000	\$ 18,340	-13.7%
Capital	3,662	10,000	6,600	5,500	-45.0%
Total Expenditures	\$ 19,308	\$ 31,240	\$ 16,600	\$ 23,840	-23.7%



Department Overview

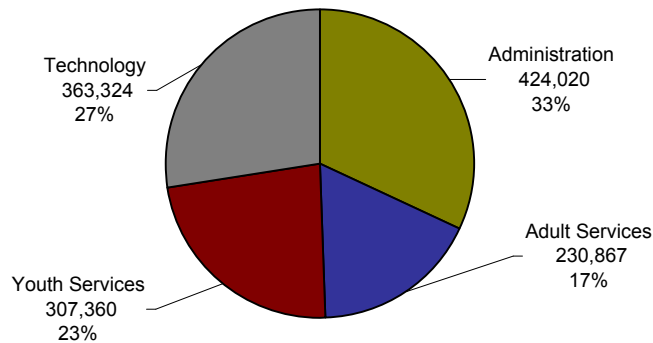
The Library Department operates and maintains the Oro Valley Public Library as an affiliate of the Pima County Public Library system. The Library operates a 25,000 square foot facility with 50 hours of operation per week. In 2006, Library staff updated the current strategic plan with public input. The following programs reflect the updates.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
19.35	19.35	18.93	18.53

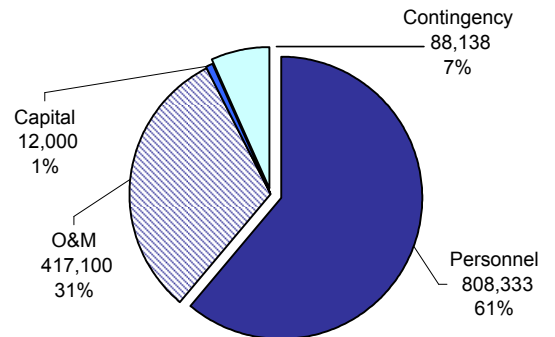
	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Library Administration	\$ 481,009	\$ 469,346	\$ 474,103	\$ 424,020	-9.7%
Youth Services	185,565	222,321	223,710	230,867	3.8%
Technology	223,845	343,399	299,620	307,360	-10.5%
Adult Services	228,575	274,917	299,040	363,324	32.2%
	\$ 1,118,993	\$ 1,309,983	\$ 1,296,473	\$ 1,325,571	1.2%

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Library District Reimbursement	\$ 368,205	\$ 620,083	\$ 591,783	\$ 596,783	-3.8%
Library Impact Fees	-	-	36,088	52,050	0.0%
	\$ 368,205	\$ 620,083	\$ 627,871	\$ 648,833	4.6%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



Mission

The Oro Valley Public Library, an affiliate of the Pima County Public Library (PCPL), endeavors to provide outstanding resources, services, programs, and activities to meet the cultural, educational, and recreational needs and desires of Oro Valley and surrounding communities while encouraging positive interaction amongst its citizens.

FY 2009 Highlights

- Met customer demand for programs by replacing some adult and children's programs with new partnerships, such as Tucson Symphony Orchestra, AZ Humanities Council and AZ State Library and Archives
- Increased Youth Services' Outreach by scheduling Ascension Lutheran and Pusch Ridge Christian Academy kindergarten visits to the library on a regular basis
- Presented 3rd Annual Book Festival, "Open Book to the Future," which featured almost 50 local authors, plus a nationally known author. This event was a financial success for the Friends of the Oro Valley Public Library
- Focused librarians' attention on improving our collection to reflect our customers' needs by ordering items autonomously rather than having PCPL do the bulk of our ordering
- Sustained substantial increases in meeting room use, program attendance and circulation transactions. Corrected the reporting of gate count numbers to reflect a more accurate count
- Transitioning to a more efficient, less costly, circulation system, establishing a wireless printing system, and incorporating multimedia technology in meeting rooms
- According to internal statistical reports, the library is frequently ranked the top visited subweb on the Town's website

FY 2010 Goals and Objectives

Focus Area: Financial Sustainability

- Continually improve and adjust the library budget to reflect current economic concerns. Increase focus on planning for the future

Focus Area: Quality of Life

- Support life-long learning with a collection that reflects our community and programming that satisfies our customers' needs

Focus Area: Economic Development

- Promote library services and programs to aid businesses in our community. Partner with local organizations and businesses supporting community endeavors

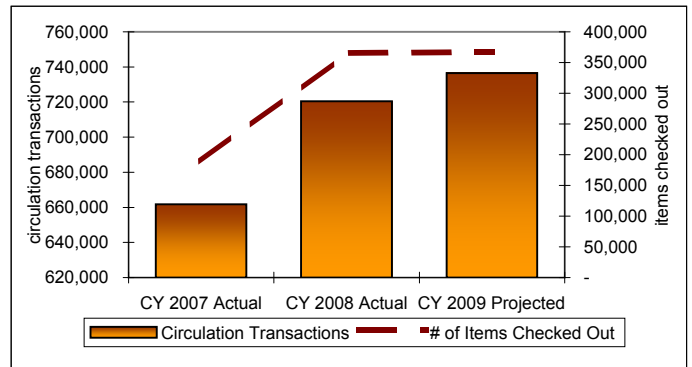
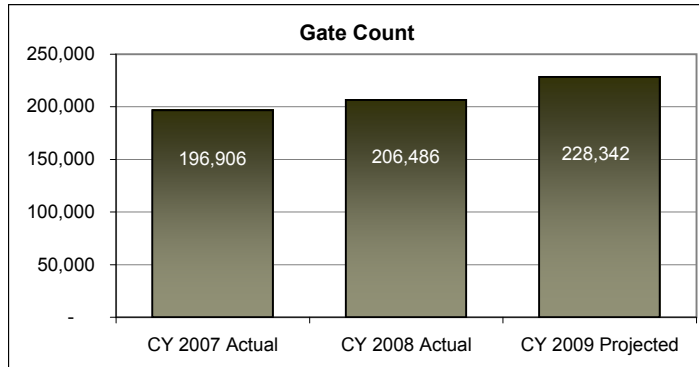
Focus Area: Leadership and Communication

- Continue to partner with Town Departments and to build more community collaborations in order to serve the Oro Valley community

Administration Program Overview

Administration oversees the overall operations of the Library Division. All tasks have a library - wide impact whether it is facility management, collection development, marketing, promotions, and management support. In addition, staff collects and reports the activities measurements to local, state, and federal agencies.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Library Administrator	1.00	1.00	1.00	1.00	-
Senior Librarian	1.00	1.00	-	-	(1.00)
Office Specialist	1.00	1.00	1.00	1.00	-
Library Associate	0.98	0.98	1.00	-	(0.98)
Total FTE's	3.98	3.98	3.00	2.00	(1.98)
Expenditures					
Personnel	\$ 278,378	\$ 270,844	\$ 211,891	\$ 142,232	-47.5%
Contracts/Services	115,418	96,102	127,324	90,950	-5.4%
Supplies	11,544	17,600	14,000	14,100	-19.9%
Utilities	75,668	84,800	84,800	88,600	4.5%
Contingency	-	-	36,088	88,138	0.0%
Total Expenditures	\$ 481,009	\$ 469,346	\$ 474,103	\$ 424,020	-9.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel decreased 47.5% due to the reallocation of personnel in programs. The title of the Senior Librarian changed to Librarian and transferred to the Adult Services program along with two part-time Library Associates.

Contracts/Services

The decrease of 5.4% in Contracts/Services is a result of the Town-wide effort to reduce operations and maintenance costs. Expenditures related to collection material, travel and training, and the Library's volunteer recognition ceremony were reduced as part of this effort.

Supplies

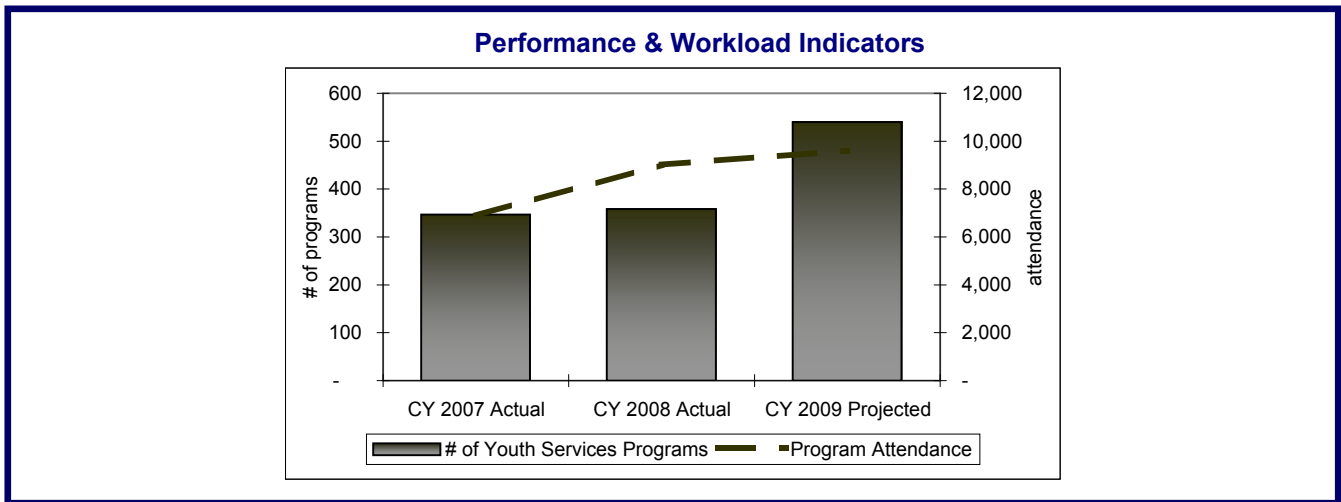
Supplies decreased 19.9% due to the Library's effort to stream-line their miscellaneous spending.

Contingency

The contingency line item captures the December 2008 adoption of impact fees. The revenue generated from the fees are to be used only for capital projects.

Youth Services Program Overview

Youth Services or Family and Youth Focus provide support for the educational and recreational needs of children, teens and families. Services and activities include developing collections in all formats and in a wide range of topics, incorporating Internet services, and providing programs. Most activities and projects take place in the Children's Room and Teen Zone including Story Times, Summer Reading Program, and Homework Help. Programs and services reflect compliance with the State Library's Equal Access goals. Community input comes mainly from the Library's Family Advisory Board and Teen Advisory Board.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Librarian	1.00	1.00	1.00	1.00	-
Library Associate	2.00	2.00	2.00	2.00	-
Customer Service Rep	1.20	1.20	0.73	0.73	(0.47)
Library Page	-	-	0.45	0.45	0.45
Total FTE's	4.20	4.20	4.18	4.18	(0.02)
Expenditures					
Personnel	\$ 145,067	\$ 176,877	\$ 177,685	\$ 186,667	5.5%
Contracts/Services	38,426	45,444	46,025	44,200	-2.7%
Supplies	777	-	-	-	0.0%
Capital	1,295	-	-	-	0.0%
Total Expenditures	\$ 185,565	\$ 222,321	\$ 223,710	\$ 230,867	3.8%

Technology Program Overview

Technology oversees the overall library technology operations of the Library including public computer access, wireless Internet access, Internet filtering, library database services which operate the Library catalog and circulation services.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Librarian	1.00	1.00	1.00	1.00	-
Library Associate	1.00	1.00	1.00	1.00	-
Library Page	4.50	4.50	4.10	3.70	(0.80)
Total FTE's	6.50	6.50	6.10	5.70	(0.80)
Expenditures					
Personnel	\$ 192,074	\$ 208,288	\$ 207,375	\$ 200,110	-3.9%
Contracts/Services	18,948	98,411	56,557	95,250	-3.2%
Supplies	12,795	-	500	-	0.0%
Capital	28	36,700	35,188	12,000	-67.3%
Total Expenditures	\$ 223,845	\$ 343,399	\$ 299,620	\$ 307,360	-10.5%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel decreased 3.9% from the FY09 budget due to two part-time Library Page positions which were vacated in FY09 and not filled due to a hiring freeze implemented mid-FY09.

Contracts/Services

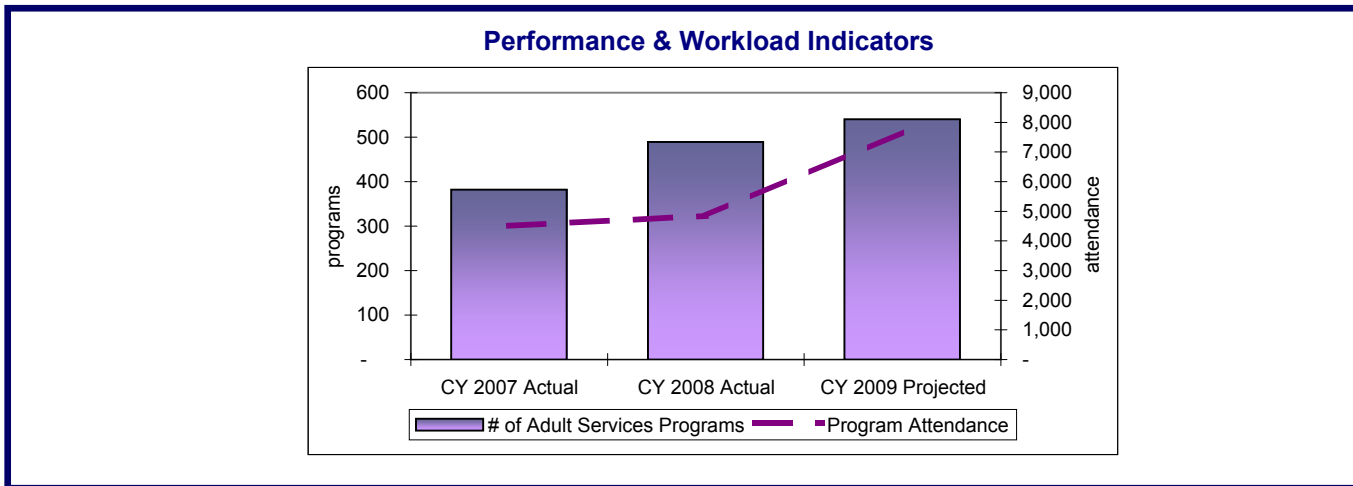
Contracts/Services decreased 3.2% as part of the Town-wide effort to reduce operations and maintenance costs. Travel and training expenses along with printing and software licenses were reduced as part of this effort.

Capital

Capital decreased 67.3% due to expenditures budgeted in FY09 for the RFID tag system which will not be used in FY 2010.

Adult Services Program Overview

Adult Services for Lifelong Learning supports the education process with a variety of materials, programs, and services to help people of all ages and interest reach their educational and personal goals. Services and activities include developing collections in all formats and in a wide range of topics, incorporating Internet services, providing programs such as discussion groups and book clubs, and assisting customers with individual research. Topics cover life issues such as health, finances, and politics. Programs and services reflect compliance with the State Library's Equal Access goals.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Librarian	1.00	1.00	2.00	2.00	1.00
Library Associate	1.42	1.42	1.42	2.42	1.00
Customer Service Rep	2.25	2.25	2.23	2.23	(0.02)
Total FTE's	4.67	4.67	5.65	6.65	1.98
Expenditures					
Personnel	\$ 160,972	\$ 188,780	\$ 212,903	\$ 279,324	48.0%
Contracts/Services	66,562	84,637	84,637	84,000	-0.8%
Supplies	1,041	1,500	1,500	-	-100.0%
Total Expenditures	\$ 228,575	\$ 274,917	\$ 299,040	\$ 363,324	32.2%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The increase of 48% in Personnel is due to the transfer of a Librarian and two part-time Library Associate positions from the Administration program into the Adult Services program in alignment of new duties and an increase in the number of programs.



Parks & Recreation

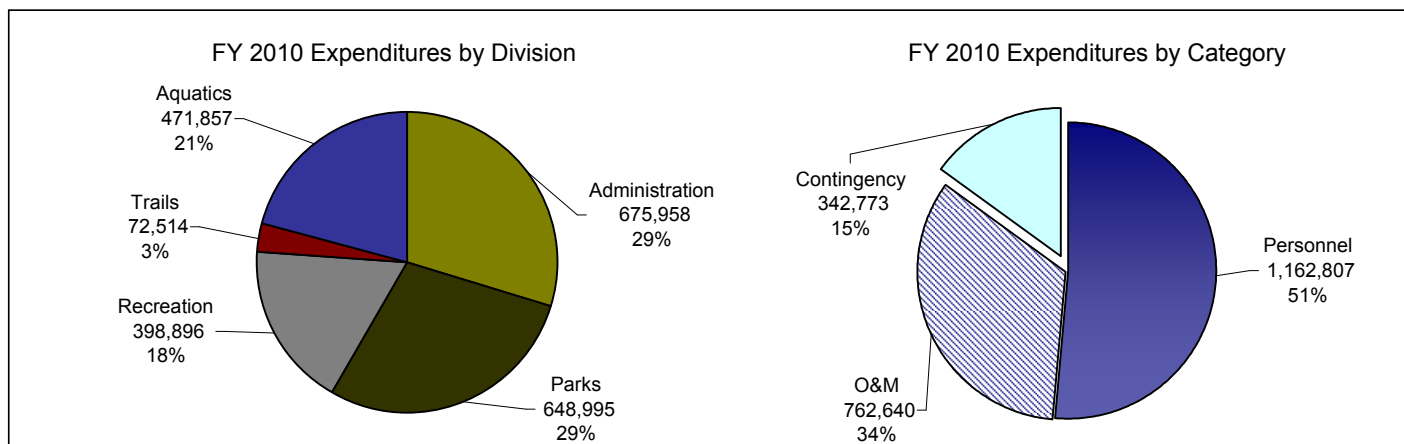
Department Overview

This Department provides municipal Parks and Recreation services to the residents of Oro Valley, including park facilities, recreational programs, reservation services, trails, special events, and all related maintenance functions.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
28.10	28.10	28.70	27.05

	Expenditures by Division				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Administration	\$ 438,071	\$ 393,895	\$ 511,452	\$ 675,958	71.6%
Parks	1,176,960	801,588	728,999	648,995	-19.0%
Recreation	413,490	432,720	396,316	398,896	-7.8%
Trails	69,887	72,769	72,632	72,514	-0.4%
Aquatics	573,520	529,291	534,669	471,857	-10.9%
	\$ 2,671,927	\$ 2,230,263	\$ 2,244,068	\$ 2,268,220	1.7%

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Swimming Pool User Fees	\$ 64,601	\$ 85,000	\$ 86,246	\$ 87,108	2.5%
Electricity User Fees	5,533	20,000	24,389	30,133	50.7%
Miscellaneous User Fees	262,471	228,000	225,457	260,000	14.0%
Recreation In Lieu Fees	8,548	37,000	-	30,000	-18.9%
Parks & Rec Impact Fees	-	-	140,348	202,425	0.0%
	\$ 341,153	\$ 370,000	\$ 476,440	\$ 609,666	64.8%



Mission

To enhance the quality of life for all Oro Valley residents by providing exceptional parks, recreation, and trail facilities and offering a wide range of programs and activities for all ages.

FY 2009 Highlights

Administration

- Implementation of additional RecTrac software modules to be used for facility reservations, passes, and pool visitors
- Offer more convenience to our customers with the expanded ability to accept credit card payments
- Provide a higher level of customer service with new ability to quickly provide electronic receipts and information to patrons
- Process accurate accounting and statistical data relating to programs and facility rentals

Aquatics

- Extended pool hours
- Increased availability of inflatable structures for the patrons
- Introduced water polo classes and weekly pick-up games for patrons
- New program, Infant Swimming Resource, added
- Drain covers in both pools compliant with new law
- Conversion from bromine to chlorine system, resulting in significant savings

Trails

- Added 3.7 miles of shared use paths (CDO Linear Park and La Canada Dr.) and 1 mile of paved shoulders (La Canada Dr.) to Town inventory

Recreation

- Administered over first Pitch Hit and Run competition, Punt Pass and Kick competition, and a Junior NBA Skills competition
- Oro Valley was chosen as Pitch Hit and Run - Region Sectional Hosts
- Provided the community with the Eighth Annual Giving Tree Lighting Ceremony
- Provided Summer Camp to 300+ children

Parks

- New irrigation system operational at JDK Park; system efficiencies reduced our irrigation use in this park by 40% compared to the old system
- Renovated fields 2,3,4,5 at JDK Park to include regarded infields, new turn infields and pitcher mounds on fields 2&3
- Implemented a Recycling Program at all our parks
- Provided leadership and labor to expedite the cleanup of Steam Pump Ranch
- Parks division using "green" cleaning supplies
- New batting cage was built at Riverfront Park
- Removed all buffelgrass and desert broom on the Town campus grounds

FY 2010 Goals and Objectives

Focus Area: Leadership and Communication

Administration

- To enhance customer service by simplifying the activity and facility reservation process and providing convenient electronic receipts and documentation for our patrons

Focus Area: Quality of Life

Aquatics

- Implement RecTrac/Pass Management system at the pool location
- Implement higher level certification program to ensure safety of patrons

Trails

- Increase the number of groups participating in the Adopt A Trail program by 50%
- Hold the Town's second Bike to Work Day as part of the regional Clean Air Fest
- Publicize the Adopt a Trail program and bike and trail inventory through the Oro Valley Vista community newsletter and the Town's web site

Recreation

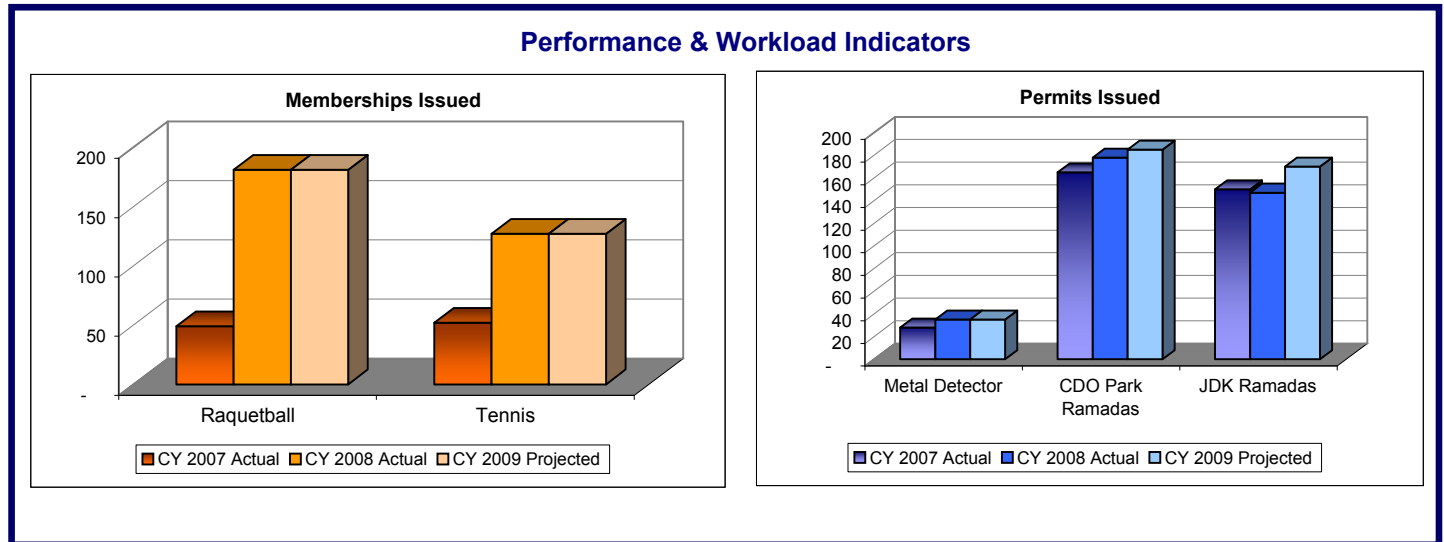
- Host a Hershey Track and Field event
- Partner with Catalina State Park on programs and activities
- Create partnerships for financial support of programs and events

Parks

- Continue to develop and upgrade all maintenance procedures with environmental sustainability in mind
- Phase in and/or update existing landscape areas with native drought tolerant species

Administration Program Overview

The Parks and Recreation Administration Division is responsible for program registrations, processing fees and making deposits, coordinating facility reservations, ball field management and contracts, 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.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Parks & Recreation Director	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Total FTE's	3.00	3.00	3.00	3.00	-

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Expenditures					
Personnel	\$ 207,758	\$ 214,377	\$ 221,644	\$ 217,085	1.3%
Contracts/Services	211,980	164,794	134,300	105,940	-35.7%
Supplies	9,727	8,300	8,100	8,100	-2.4%
Utilities	8,607	6,424	7,060	2,060	-67.9%
Contingency	-	-	140,348	342,773	0.0%
Total Expenditures	\$ 438,071	\$ 393,895	\$ 511,452	\$ 675,958	71.6%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 35.7% due to \$75K budgeted in FY09 for a youth arts project, not to be repeated in FY 2010, and travel and training expenses which were reduced as part of the Town-wide effort to flat-line operations and maintenance costs.

Utilities

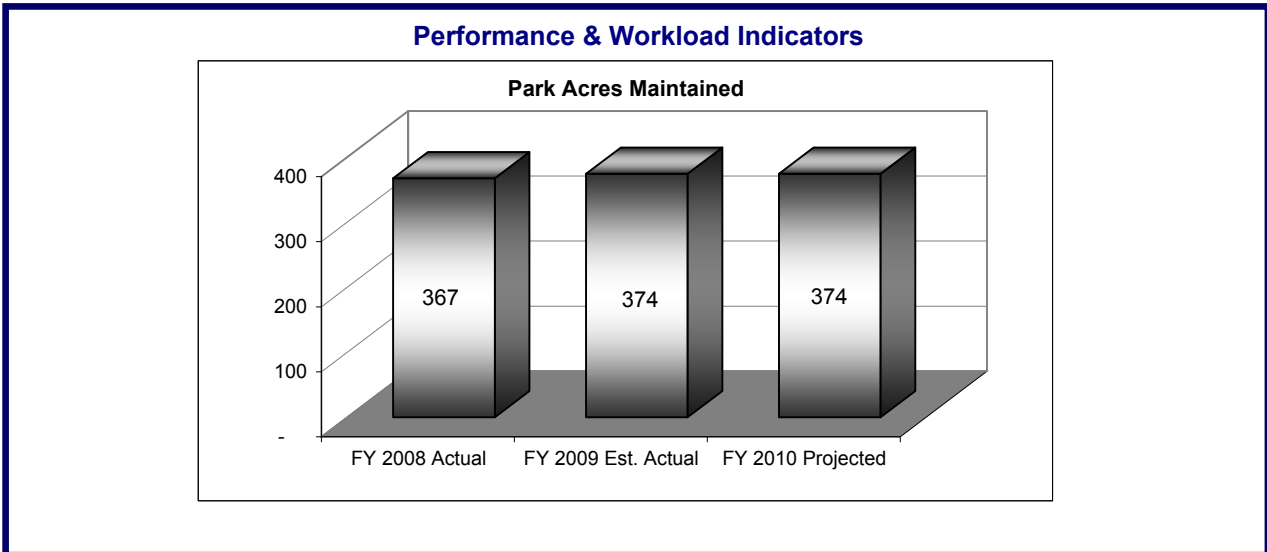
Utilities decreased 67.9% from the FY09 budget. All costs associated with maintenance on vehicles has been moved from the departments budgets and into a central fleet maintenance program area.

Contingency

The contingency line item captures the December 2008 adoption of impact fees. The revenue generated from the fees are to be used only for capital projects.

Parks Division Overview

The Parks Division is responsible for building maintenance, janitorial services, turf management, landscape maintenance and property upkeep for all parks, natural trails, and bicycle/pedestrian oasis facilities. Parks is also responsible for the landscape maintenance at Town Hall, including the Police Department and Library. Parks oversees all parks construction projects, including new construction, renovations and repairs.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Parks Maintenance Manager	1.00	1.00	1.00	1.00	-
Parks Maintenance Crew Lead	1.00	1.00	1.00	1.00	-
SR Parks Maintenance Worker	2.00	2.00	2.00	2.00	-
Parks Maintenance Worker	3.00	3.00	3.00	3.00	-
Park Monitor	1.40	1.40	1.40	1.40	-
Total FTE's	8.40	8.40	8.40	8.40	-
Expenditures					
Personnel	\$ 386,797	\$ 391,910	\$ 405,124	\$ 391,945	0.0%
Contracts/Services	190,262	134,608	134,400	62,800	-53.3%
Supplies	69,257	59,750	42,175	51,250	-14.2%
Utilities	145,341	152,500	147,300	143,000	-6.2%
Capital	385,302	62,820	-	-	-100.0%
Total Expenditures	\$ 1,176,960	\$ 801,588	\$ 728,999	\$ 648,995	-19.0%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 53.3% as part of the Town-wide effort to flat-line operations and maintenance costs. The use of outside services for pruning and trimming has been reduced and most maintenance will be done in-house. Also, the repair of equipment and vehicles has been removed from the departments budget and centralized in a fleet maintenance program area.

Utilities

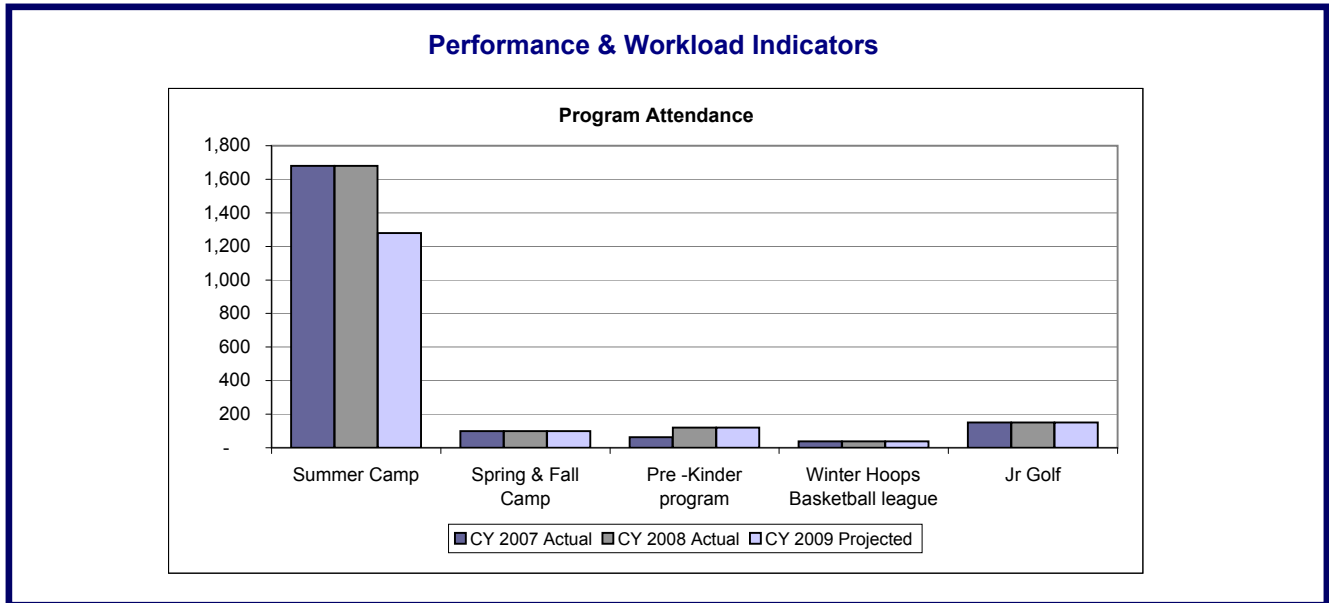
Utilities decreased 6.2% from the FY09 budget. All costs associated with maintenance on vehicles has been moved from the departments budgets and into a central fleet maintenance program area.

Capital

No capital projects have been budgeted for FY10.

Recreation Division Program Overview

The Recreation Division is responsible for providing recreational programs, activities, classes, hikes, and special events for all ages. Programs are provided at parks, public schools, the Library, and at the Rec Room - a 1,370 sq. ft. storefront space on the southwest corner of La Canada Drive and Naranja Drive.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Recreation Manager	1.00	1.00	1.00	1.00	-
Assistant Recreation Manager	1.00	1.00	1.00	1.00	-
Recreation Leader	0.40	0.40	0.40	0.40	-
Recreation Aide	3.70	3.70	3.70	3.70	-
Total FTE's	6.10	6.10	6.10	6.10	-
Expenditures					
Personnel	\$ 224,417	\$ 222,457	\$ 210,386	\$ 213,126	-4.2%
Contracts/Services	184,599	206,963	183,810	183,650	-11.3%
Supplies	4,474	3,300	2,120	2,120	-35.8%
Total Expenditures	\$ 413,490	\$ 432,720	\$ 396,316	\$ 398,896	-7.8%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 11.3% as part of the Town-wide effort to reduce operations and maintenance costs. Recreation programs along with telecommunications expenses have been stream-lined as part of this effort.

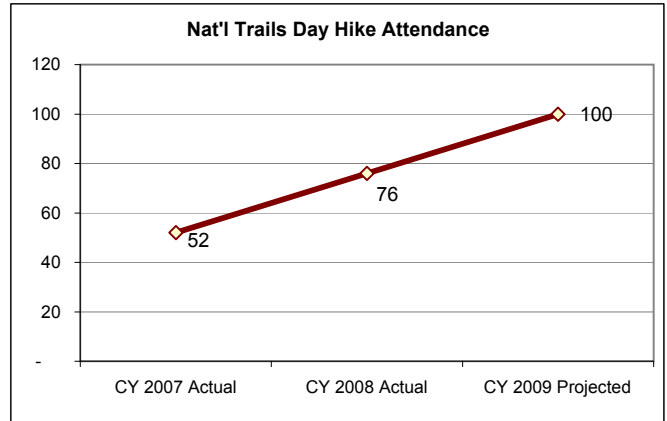
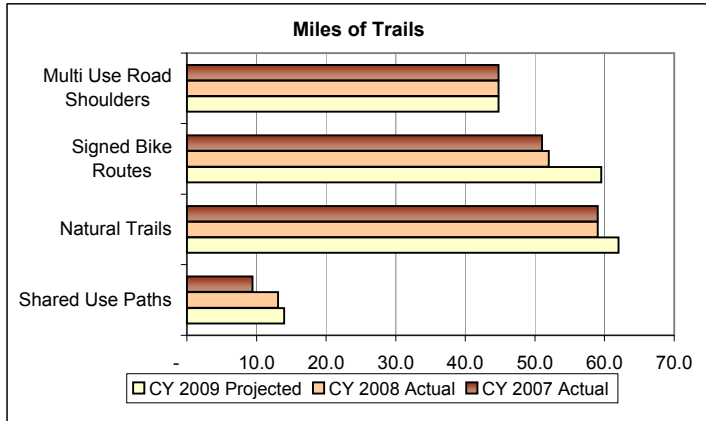
Supplies

Supplies decreased 35.8% from the FY09 budget, all in an effort to reduce O&M expenditures.

Trails Division Program Overview

The Trails Division is responsible for insuring that the Town's Trails Plan, as well as the Pedestrian & Bicycle Plan, is implemented and followed. This section handles trail issues, manages the Adopt-a-Trail program, and provides public information, safety and instructional programs. Additionally, Trails performs development review to insure that all "bike, ped & trails" issues are properly addressed when development occurs.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Multimodal Planner	1.00	1.00	1.00	1.00	-
Total FTE's	1.00	1.00	1.00	1.00	-
Expenditures					
Personnel	\$ 64,407	\$ 68,284	\$ 69,911	\$ 70,969	3.9%
Contracts/Services	5,510	4,485	2,021	1,545	-65.6%
Supplies	719	-	700	-	0.0%
Capital	(750)	-	-	-	0.0%
Total Expenditures	\$ 69,887	\$ 72,769	\$ 72,632	\$ 72,514	-0.4%

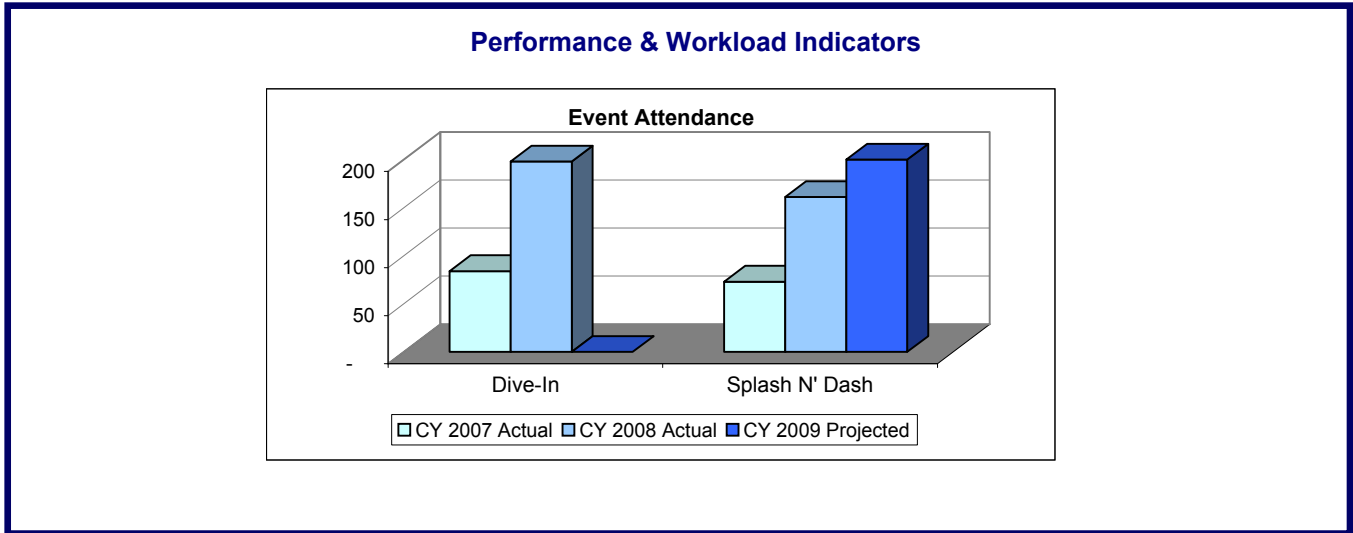
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 65.6% from the FY09 budget due to \$2K budgeted in FY09 for trail work and mapping which will not be repeated in FY10, and a reduction in printing, and travel and training expenses as part of the Town-wide effort to reduce operations and maintenance costs.

Aquatics Division Overview

The Aquatics Division is responsible for the safe operation, maintenance and management of the Oro Valley Municipal Pool. This facility includes an Olympic sized swimming pool, a wading pool, canteen, office and bath house. The pool, which is open from mid-January until mid-November, hosts over 112,000 visitors per year.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Aquatics Manager	1.00	1.00	1.00	1.00	-
Assistant Pool Manager	0.50	0.50	0.75	0.75	0.25
Water Safety Instructor	8.10	8.10	8.45	6.80	(1.30)
Total FTE's	9.60	9.60	10.20	8.55	(1.05)
Expenditures					
Personnel	\$ 298,517	\$ 309,451	\$ 313,664	\$ 269,682	-12.9%
Contracts/Services	30,587	31,340	37,935	28,155	-10.2%
Supplies	59,596	68,500	56,770	47,020	-31.4%
Utilities	103,840	120,000	123,300	127,000	5.8%
Capital	80,979	-	3,000	-	0.0%
Total Expenditures	\$ 573,520	\$ 529,291	\$ 534,669	\$ 471,857	-10.9%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Budgeted personnel decreased 12.9% from the FY09 budget. For FY10, the "Dive-In" event will not take place, therefore, Water Safety Instructors (WSI) will not be needed to staff the event.

Contracts/Services

Contracts/Services decreased 10.2% as part of the Town-wide effort to reduce operations and maintenance costs.

Supplies

Supplies decreased 31.4% from the FY09 budget due to the conversion from a bromine system to chlorine, resulting in significant savings.



Public Works Highway Operations

Department Overview

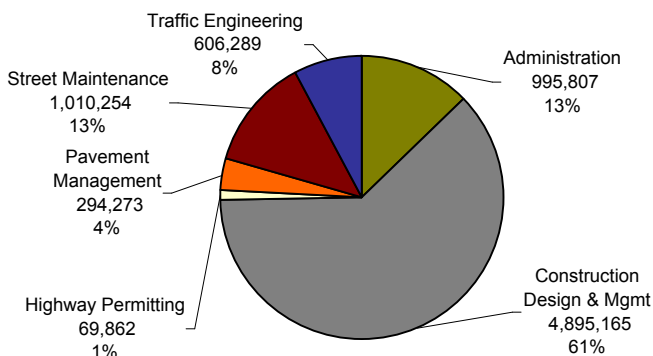
The Department of Public Works is lead by the Town Engineer which is a position that is required by State Law. The Department is organized into four functional divisions: Engineering, Development Review, Operations, and Transit. Services provided by the department enhance the quality of life and community infrastructure of the Town and its citizens. Basic services provided are stormwater management, street maintenance, transportation planning, transit (Coyote Run), traffic engineering, flood control, highway capacity and safety improvements, pavement management, quality development review, and public outreach.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
35.50	35.50	34.63	33.63

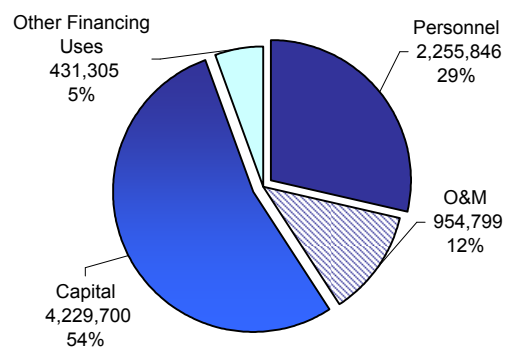
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Administration	\$ 1,358,916	\$ 1,418,123	\$ 888,097	\$ 995,807	-29.8%
Construction Design & Management	2,471,238	2,161,079	1,847,435	4,895,165	126.5%
Highway Permitting	99,831	74,698	72,217	69,862	-6.5%
Pavement Management	188,816	288,687	288,913	294,273	1.9%
Street Maintenance	1,548,232	1,570,454	1,524,216	1,010,254	-35.7%
Traffic Engineering	395,164	359,294	361,865	606,289	68.7%
	\$ 6,062,198	\$ 5,872,335	\$ 4,982,743	\$ 7,871,650	34.0%

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Construction Sales Tax	\$ 2,639,189	\$ 2,231,463	\$ 2,320,450	\$ 1,899,884	-14.9%
Licenses & Permits	31,539	32,000	24,526	24,892	-22.2%
Economic Stimulus Funds	-	-	-	3,000,000	100.0%
State Grants	695,464	-	114,829	-	0.0%
HURF Gas Taxes	3,002,828	3,160,116	2,631,021	2,656,128	-15.9%
Interest	187,687	180,000	75,223	75,223	-58.2%
Miscellaneous	78,889	5,000	12,277	12,277	145.5%
	\$ 6,635,596	\$ 5,608,579	\$ 5,178,326	\$ 7,668,404	36.7%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



Mission

To provide the highest quality, cost effective and responsive services in a manner that is transparent to citizens.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Cracked sealed 115 lane miles of paved streets - Constructed Transit Infrastructure support <ul style="list-style-type: none"> • Lambert Lane Bus pull-out • RV Park and Ride facility - Reconstructed the intersection of Limewood and Camino del Fierro - Increased sweeping of public paved streets - Completed surface treatments: <ul style="list-style-type: none"> • Oro Valley Estates • Monterra Ridge • Monterra Hills • Monterra Estates • Lambert Lane multi-use path • La Canada/Lambert Lane to CDO Bridge multi-use path • La Canada/Tangerine to Moore multi-use path • Town parking lot - Four Buffelgrass Eradication Days - Secured Federal Stimulus funding for roadway projects within the Town 	<p>Focus Area: Financial & Economic Sustainability</p> <ul style="list-style-type: none"> ■ Maintain a balanced budget ■ Maintain and improve the current good rating of our paved roads system ■ Continue to secure new funding for Pavement Surface Treatment programs ■ Deliver CIP projects on time and on budget ■ Maximize usage of other non-Town funding sources to include grants, bonds, and in-kind support from the Pima County Flood Control District (PCFCD), the Arizona Department of Environmental Quality (ADEQ), the Environmental Protection Agency (EPA), and Community Groups ■ Plan, design and build roadway projects within budget ■ Continue securing regional funds from Pima Association of Governments (PAG) for arterial roads within the Town <p>Focus Area: Quality of Life & Environmental Sustainability</p> <ul style="list-style-type: none"> ■ Improve good air quality by reducing congestion at intersections and roadways ■ Reduce noise levels ■ All roadway construction projects designed to comply with environmental regulations such as the "Clean Water Act" and "Clean Air Act" ■ Enforce Manual of Uniform Traffic Control Devices (MUTCD) standards in public streets ■ Continue the Buffelgrass and Fountain Grass eradication program ■ Maintain good quality road surfaces ■ Meet environmental quality guidelines ■ Maintain safe roadway system <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Develop an annual preventative maintenance plan and schedule ■ Maintain the Pavement Management program ■ Build long lasting roadway projects ■ Provide multi-use paths and sidewalks on all new roadway projects ■ Partner and work with other departments and utility companies

Administration Program Overview

The Administration Office is led by the Town Engineer who is responsible for the overall operations of the Public Works Department. The Town Engineer maintains an active role in regional financial and legislative actions in cooperation of development and maintenance of a quality infrastructure. Administration is responsible for funding and program implementation that includes monitoring and evaluating budget spending and programs, contract management, and obtaining reimbursement of outside funding for major roadway projects from Pima Association of Governments (PAG), the Arizona Department of Transportation (ADOT), and the Federal Emergency Management Agency (FEMA). One of Administrations primary functions is to build trust with the public through effective public outreach and communication by maintaining and updating the Public Works web page and holding public open house meetings for new community programs and roadway projects.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Town Engineer	1.00	1.00	1.00	1.00	-
Administration Coordinator	1.00	1.00	1.00	1.00	-
Facilities Maintenance Tech	-	1.00	-	-	(1.00)
Office Specialist	-	1.00	1.00	1.00	-
Senior Office Assistant	1.00	-	-	-	-
Total FTE's	3.00	4.00	3.00	3.00	(1.00)
Expenditures					
Personnel	\$ 245,995	\$ 304,846	\$ 288,556	\$ 261,479	-14.2%
Contracts/Services	234,822	232,229	235,636	168,750	-27.3%
Supplies	100,305	21,800	16,500	16,500	-24.3%
Utilities	63,982	92,573	92,573	92,573	0.0%
Capital	35,442	49,200	25,200	25,200	-48.8%
Transfers Out	678,370	717,475	229,632	431,305	-39.9%
Total Expenditures	\$ 1,358,916	\$ 1,418,123	\$ 888,097	\$ 995,807	-29.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The decrease of 14.2% in Personnel is due to the transfer of the Facilities Maintenance Tech position from the Highway Fund to the Facilities Maintenance Division in the General Fund.

Contracts/Services

Contracts/Services decreased 27.3% as part of the Town-wide effort to reduce operations and maintenance expenditures.

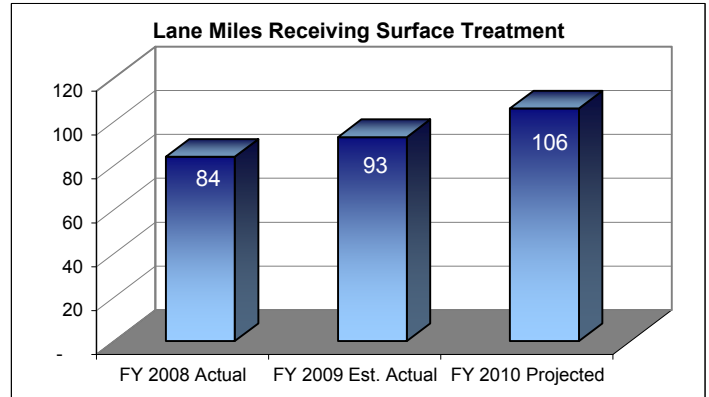
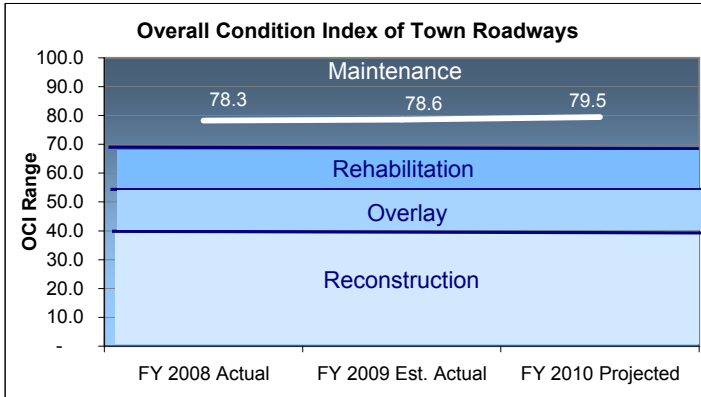
Capital

Expenditures for capital decreased 48.8%. In FY09, \$24K was budgeted for a new department vehicle, which was not purchased.

Construction Design Program Overview

This section is lead by the Engineering Division and is responsible for managing the design and construction of roadway projects. While most large projects are designed by consultants, the Engineering Division has a small in-house design section to design small Town projects. This program is responsible for the construction management for all the public roadway projects, large and small.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Engineering Division Manager	0.80	1.00	1.00	1.00	-
Senior Civil Engineer	0.75	0.75	0.75	0.75	-
Civil Engineer/Project Manager	1.00	1.00	1.00	1.00	-
Construction Manager	1.00	1.00	1.00	1.00	-
Civil Engineer Designer	2.00	1.00	1.00	1.00	-
Senior Civil Engineer Technician	1.00	-	-	-	-
Civil Engineer Technician	1.00	-	-	-	-
Construction Inspector	1.00	1.00	1.00	1.00	-
Construction Clerk	1.00	1.00	1.00	1.00	-
Total FTE's	9.55	6.75	6.75	6.75	-
Expenditures					
Personnel	\$ 762,404	\$ 564,594	\$ 574,267	\$ 565,165	0.1%
Contracts/Services	55,837	170,300	88,500	125,500	-26.3%
Supplies	6,329	6,300	4,300	3,500	-44.4%
Capital	1,646,668	1,419,885	1,180,368	4,201,000	195.9%
Total Expenditures	\$ 2,471,238	\$ 2,161,079	\$ 1,847,435	\$ 4,895,165	126.5%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 26.3% as part of the Town-wide effort to reduce operations and maintenance expenditures.

Supplies

The decrease of 44.4% in Supplies is also part of the Town-wide effort to reduce operations and maintenance expenditures.

Capital

Expenditures for capital increased approximately 196% to account for \$3 million to be received in federal stimulus money for the maintenance of Town roadways.

Highway Permitting Program Overview

This section is lead by the Engineering Division and is responsible for issuing right-of-way permits for all activities within the Town's right-of-way. This section performs construction observation for all private development thus ensuring that private developments are build in compliance with Town approved improvement plans.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Engineering Division Manager	0.20	-	-	-	-
Senior Civil Engineer Technician	1.00	1.00	1.00	1.00	-
Civil Engineer Technician	1.00	-	-	-	-
Total FTE's	2.20	1.00	1.00	1.00	-
Expenditures					
Personnel	\$ 98,931	\$ 72,898	\$ 70,417	\$ 68,862	-5.5%
Contracts/Services	680	1,500	1,500	1,000	-33.3%
Supplies	220	300	300	-	-100.0%
Total Expenditures	\$ 99,831	\$ 74,698	\$ 72,217	\$ 69,862	-6.5%

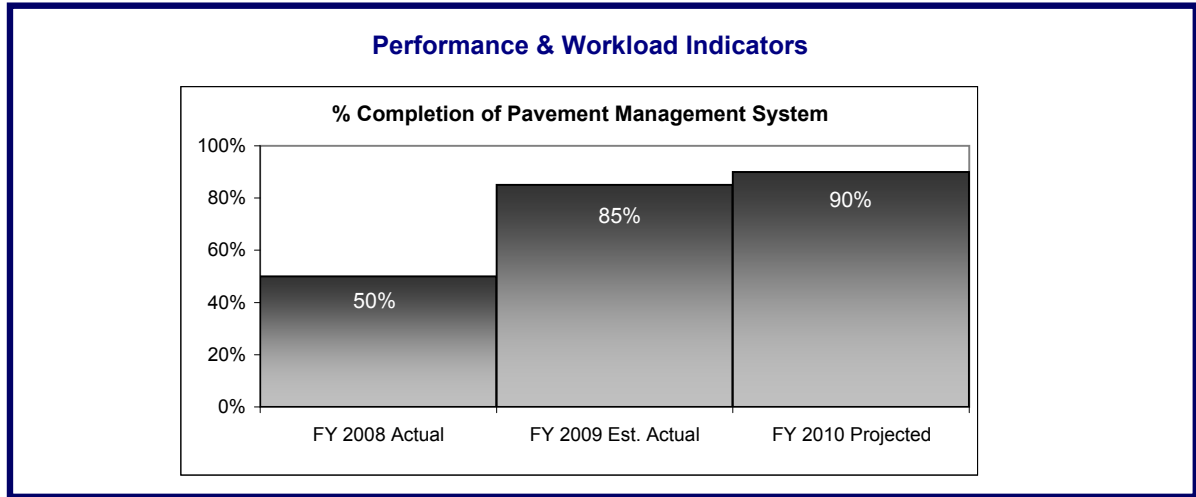
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 33.3% as part of the Town-wide effort to reduce operations and maintenance expenditures.

Pavement Management Program Overview

Pavement Management is a section of the Operations Division. This section is responsible for developing annual and long term schedules for surface treatments on Town streets.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Operations Division Manager	0.40	0.40	0.40	0.40	-
Civil Engineer	0.80	0.80	0.80	0.80	-
Civil Engineer Designer	-	1.00	1.00	1.00	-
Pavement Management Specialist	1.00	1.00	1.00	1.00	-
Senior Office Assistant	0.20	0.43	0.46	0.46	0.03
Office Assistant	0.10	-	-	-	-
Total FTE's	2.50	3.63	3.66	3.66	0.03
Expenditures					
Personnel	\$ 177,161	\$ 274,187	\$ 277,163	\$ 284,523	3.8%
Contracts/Services	1,476	11,750	9,000	8,500	-27.7%
Supplies	1,273	750	750	750	0.0%
Capital	8,906	2,000	2,000	500	-75.0%
Total Expenditures	\$ 188,816	\$ 288,687	\$ 288,913	\$ 294,273	1.9%

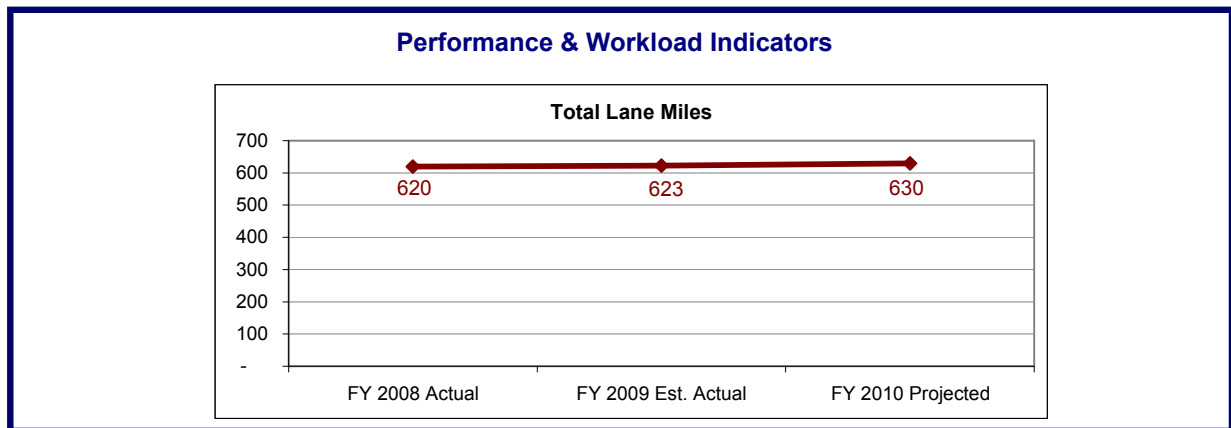
FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 27.7% from the FY09 budget. For the FY10 budget, each department was instructed to reduce operations and maintenance costs. Also, for FY10, all costs associated with maintaining vehicles has been moved from the departments budget into a centralized fleet maintenance program area.

Street Maintenance Program Overview

Street Maintenance is a section of the Operations Division. This section is responsible for maintaining the Town's streets and drainage ways.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Operations Division Manager	0.50	0.50	0.50	0.50	-
Streets Superintendent	1.00	-	-	-	-
Streets & Drainage Senior Crew Lead	-	1.00	1.00	1.00	-
Heavy Equipment Mechanic	1.00	1.00	1.00	-	(1.00)
Streets & Drainage Crew Leader	2.00	3.00	2.00	3.00	-
Traffic Signs/Markings Crew Leader	1.00	1.00	1.00	-	(1.00)
Senior Heavy Equipment Operator	1.00	1.00	1.00	1.00	-
Senior Traffic Signs/Markings Worker	2.00	1.00	1.00	-	(1.00)
Facilities Maintenance Technician	-	-	1.00	-	-
Heavy Equipment Operator	2.00	2.00	5.00	5.00	3.00
Traffic Signs/Markings Worker	1.00	2.00	-	-	(2.00)
Senior Maintenance Worker	1.00	-	-	-	-
Senior Office Assistant	0.40	0.63	0.71	0.71	0.08
Maintenance Worker	2.00	4.00	2.00	2.00	(2.00)
Office Assistant	0.30	-	-	-	-
Total FTE's	15.20	17.13	16.21	13.21	(3.92)
Expenditures					
Personnel	\$ 705,790	\$ 955,528	\$ 904,876	\$ 707,878	-25.9%
Contracts/Services	395,780	368,701	359,640	217,876	-40.9%
Supplies	72,496	94,725	93,200	83,000	-12.4%
Utilities	66,040	50,000	65,000	-	-100.0%
Capital	308,127	101,500	101,500	1,500	-98.5%
Total Expenditures	\$ 1,548,232	\$ 1,570,454	\$ 1,524,216	\$ 1,010,254	-35.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 25.9% from FY09. Most of this decrease is due to several positions that have been transferred to the Traffic Engineering program area for FY10. Also, as part of centralizing costs associated with fleet maintenance, the Heavy Equipment Mechanic position has been transferred to the newly created fleet maintenance program area.

Contracts/Services

Contracts/Services decreased 40.9% as part of the Town-wide effort to reduce operations and maintenance expenditures, and the transfer of some costs to the Traffic Engineering program area. As well, \$15K in costs associated with vehicle maintenance has been transferred to the new fleet maintenance program area.

Utilities

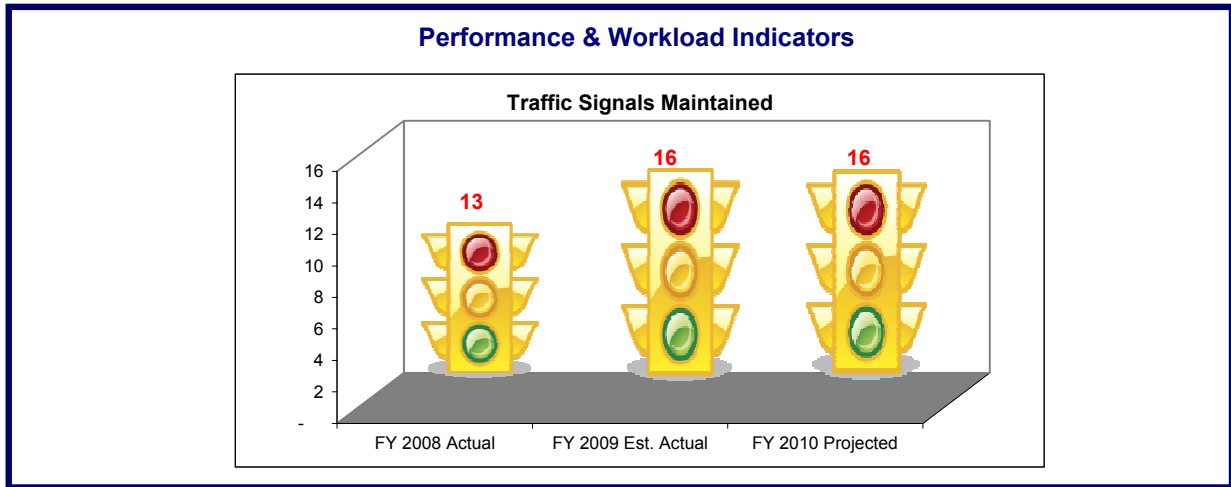
Fuel costs for FY10 have been centralized in the new fleet maintenance program area.

Capital

Due to limited funding, equipment has not been budgeted for FY10.

Traffic Engineering Program Overview

Traffic Engineering is a section of the Operations Division. This section is responsible for the maintenance and operations of the Town's traffic intersection signals and lights.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Operations Division Manager	0.10	0.10	0.10	0.10	-
Senior Civil Engineer	0.25	0.25	0.25	0.25	-
Civil Engineer	0.20	0.20	0.20	0.20	-
Senior Traffic Technician	1.00	1.00	1.00	1.00	-
Civil Engineer Technician	-	-	-	1.00	1.00
Traffic Technician	1.00	1.00	1.00	1.00	-
Senior Traffic Signs/Markings Worker	-	-	-	1.00	1.00
Traffic Signs/Markings Worker	-	-	1.00	1.00	1.00
Senior Office Assistant	0.40	0.44	0.46	0.46	0.02
Office Assistant	0.10	-	-	-	-
Total FTE's	3.05	2.99	4.01	6.01	3.02
Expenditures					
Personnel	\$ 259,788	\$ 199,994	\$ 238,834	\$ 367,939	84.0%
Contracts/Services	31,594	57,175	25,281	127,750	123.4%
Supplies	234	1,125	750	41,100	3553.3%
Utilities	62,412	70,000	66,000	68,000	-2.9%
Capital	41,137	31,000	31,000	1,500	-95.2%
Total Expenditures	\$ 395,164	\$ 359,294	\$ 361,865	\$ 606,289	68.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel costs increased 84% from FY09. This increase is due to several positions that have been transferred from the Street Maintenance program area, as part of a department reorganization to allow for better alignment of duties.

Contracts/Services

Contracts/Services increased approximately 120% from the FY09 budget. Some costs captured in the Street Maintenance program area in previous years have been budgeted in Traffic Engineering for FY10, part of the departments reorganization.

Supplies

Supplies increased significantly in FY10 for hardware and material supplies.

Capital

Due to limited funding, equipment has not been budgeted for FY10.



Public Works

Roadway Development Impact Fees

Department Overview

The Division manages all Capital Improvement Projects (CIP) from planning, design, and construction. The Division is the lead for the consultant selection and preparation of the Request for Proposal (RFP) process, reviews traffic control plans, performs contract administration, and maintains the website for the Department of Public Works.

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Federal Grants	\$ 500,000	\$ 500,000	\$ 34,000	\$ -	-100.0%
State Grants	4,106,600	3,561,500	2,185,668	5,919,487	66.2%
Pima County Bonds	591,572	-	56,315	-	0.0%
H.E.L.P. Loan	8,000,000	9,300,000	-	-	-100.0%
Development Impact Fees	910,741	843,750	412,703	1,051,549	24.6%
Interest	339,628	220,000	93,358	46,679	-78.8%
Miscellaneous	172,191	7,000	44,104	28,000	300.0%
	\$ 14,620,732	\$ 14,432,250	\$ 2,826,148	\$ 7,045,715	-51.2%

FY 2009 Highlights

- Projects completed in FY 08/09:
- CDO lineal path
 - Glover/La Cholla intersection
 - La Cholla improvements from Tangerine Road to Lambert Lane
 - Widening of La Canada Drive from Tangerine Road to Naranja Drive

FY 2010 Goals and Objectives

Focus Area: Financial & Economic Sustainability

- Continue securing regional funds from Pima Association of Governments (PAG) for arterial roadways
- Plan and design roadway projects within budget
- Perform more in-house design projects

Focus Area: Quality of Life & Environmental Sustainability

- Improve air quality by reducing congestion at intersections and roadways
- Reduce noise levels
- Projects will comply with environmental regulations such as "Clean Water Act" and "Clean Air Act"

Focus Area: Community Infrastructure

- Projects to be completed in FY 09/10:
- Lambert Lane design
 - Construction of Hardy/Northern intersection
 - Improvement construction on Magee Road from First Ave. to Oracle Road

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Expenditures					
Contracts/Services	\$ 6,925	\$ -	\$ 101,557	\$ 25,000	0.0%
Capital	7,018,579	21,520,000	8,820,564	5,671,486	-73.6%
Debt Service	2,724,994	225,000	31,500	255,760	13.7%
Total Expenditures	\$ 9,750,498	\$ 21,745,000	\$ 8,953,621	\$ 5,952,246	-72.6%



Public Works Development Review

Department Overview

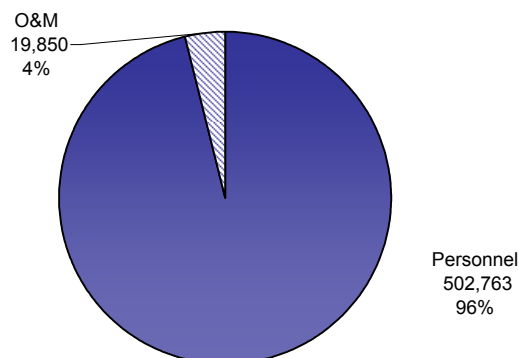
The Development Review Division reviews all development plans, preliminary plats, improvement and grading plans for privately constructed commercial, institutional and residential projects within the Town. The Division issues grading and floodplain use permits for all of the approved projects. The primary emphasis is assuring that projects adhere to all Town codes, standards and policies. This Division also manages and issues all permits required for private construction within the Town's right-of-ways.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
6.00	6.00	6.00	6.00

	Expenditures by Program Area				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Development Review	\$ 500,563	\$ 523,225	\$ 513,215	\$ 522,613	-0.1%

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Grading Permit Fees	\$ 20,235	\$ 28,800	\$ 12,744	\$ 12,744	-55.8%
Floodplain Requests	180	200	-	-	-100.0%
Engineer Plan Review Fees	21,095	21,600	27,333	27,333	26.5%
Grading Review Fees	8,652	15,600	2,743	2,743	-82.4%
Grading Inspection Fees	1,640	3,000	960	1,960	-34.7%
	\$ 51,802	\$ 69,200	\$ 43,780	\$ 44,780	-35.3%

FY 2010 Expenditures by Category

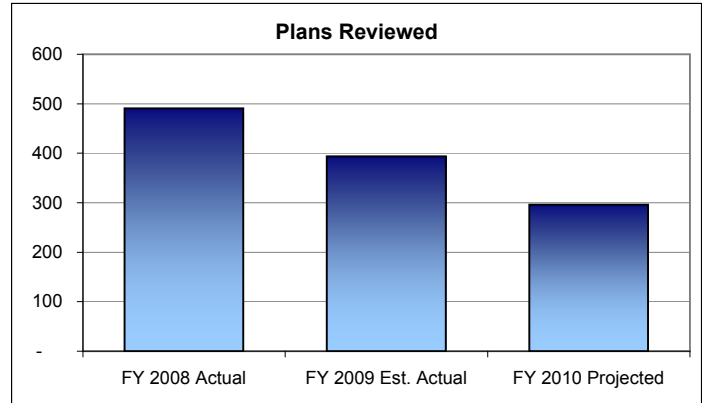
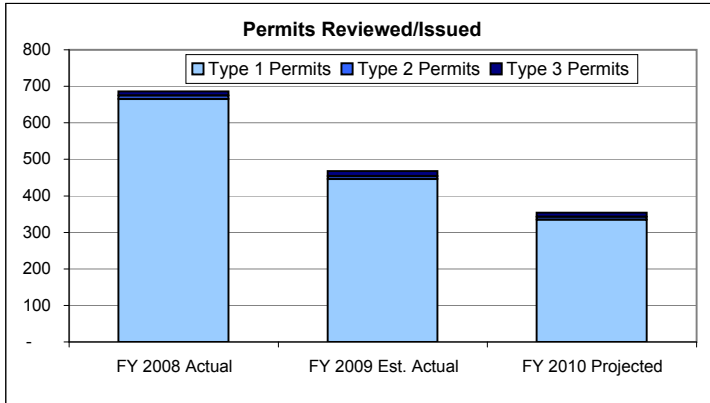


Mission

This division's primary purpose is to ensure that private developments are designed and built in compliance with all Town codes, standards, and policies.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Instituted Public Works review and acceptance of tract home grading, aka mass grade residential - Assisted the Finance Department, revised the permit and review fee structure - Assisted the Planning & Zoning Department, revised the Zoning Code to expedite recovery of development assurance funding for abandoned projects - Assisted the Planning & Zoning Department in creating water harvesting criteria and standards to be incorporated within the future Landscape Zoning Code revisions 	<p>Focus Area: Financial & Economic Sustainability</p> <ul style="list-style-type: none"> ■ Implement the revised Development Review Process to minimize Town resources expended and expedite approval timeframes to permit issuance ■ Support Engineering to provide in-house engineering and design services for Town site projects to mitigate or eliminate outside consultant fees ■ Continue to monitor private construction projects to ensure adequate improvements to Town infrastructure by the developers <p>Focus Area: Quality of Life & Environmental Sustainability</p> <ul style="list-style-type: none"> ■ Continue to provide adequate staff presence in the field to control construction impacts to the general community ■ Finalization and implementation of the revised Landscape Zoning Code water harvesting criteria ■ Obtain LEED certification for key staff members <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ In association with the Planning & Zoning Department, implement the revised and expanded submittal criteria checklist

Performance and Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Development Review Division Manager	1.00	1.00	1.00	1.00	-
Senior Civil Engineer	1.00	1.00	1.00	1.00	-
Civil Engineer	1.00	1.00	1.00	1.00	-
Engineering Design Reviewer	1.00	1.00	1.00	1.00	-
Civil Engineering Technician	2.00	2.00	2.00	2.00	-
Total FTE's	6.00	6.00	6.00	6.00	-
Expenditures					
Personnel	\$ 472,037	\$ 492,949	\$ 498,896	\$ 502,763	2.0%
Contracts/Services	26,647	26,426	10,609	16,100	-39.1%
Supplies	1,878	3,850	3,710	3,750	-2.6%
Total Expenditures	\$ 500,563	\$ 523,225	\$ 513,215	\$ 522,613	-0.1%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

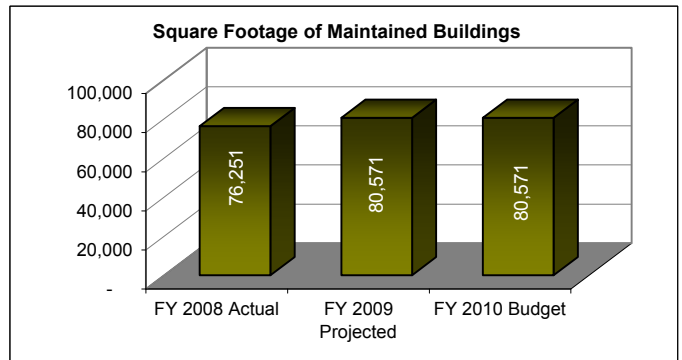
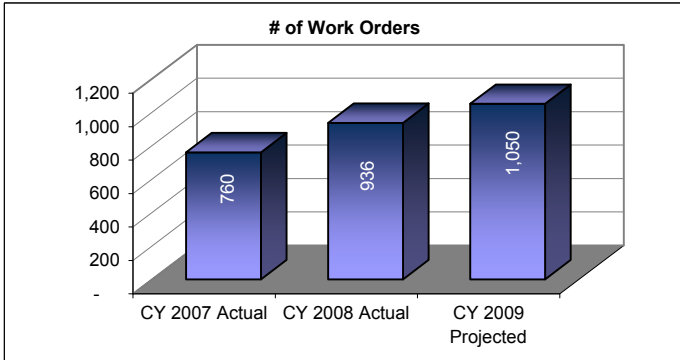
Contracts/Services decreased 39.1% from the FY09 budget. For FY10, departments were instructed to reduce their operations and maintenance costs. The use of outside services, travel and training, and various equipment purchases were reduced and/or put on hold for the upcoming budget year. Also, \$2K in vehicle maintenance was transferred to the newly created fleet maintenance program area.



Department Overview

The Facilities Maintenance Division provides building maintenance repairs, minor renovations, project management, contract administration, energy management and HVAC services for the Town's facilities. This Division is responsible for the maintenance of 13 Town buildings and structures totaling approximately 76,000 square feet of building space.

Performance and Workload Indicators



Maintenance Cost/Square Foot	FY 2008 Actual	FY 2009 Projected	FY 2010 Budget
Administration	\$ 3.48	\$ 4.36	\$ 4.00
Library	*	3.98	4.59
Water Utility	4.22	2.37	3.43
Court	3.39	2.64	3.67
Development Services	3.58	2.58	3.63
Police	2.77	2.44	3.45
Calle Concordia	4.11	6.42	4.72
Municipal Operations Center	-	2.23	3.41

*maintenance costs for Library building captured in Library dept. budget for FY08

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Facilities Maintenance Crew Leader	-	1.00	1.00	1.00	-
Facilities Maintenance Tech	1.00	-	-	1.00	1.00
Total FTE's	1.00	1.00	1.00	2.00	1.00
Expenditures					
Personnel	\$ 55,162	\$ 60,034	\$ 60,329	\$ 112,683	87.7%
Contracts/Services	117,737	208,800	205,337	195,970	-6.1%
Supplies	24,993	19,025	15,958	17,620	-7.4%
Utilities	-	420	997	-	-100.0%
Capital	-	15,000	15,000	675	-95.5%
Total Expenditures	\$ 197,892	\$ 303,279	\$ 297,620	\$ 326,948	7.8%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The increase of 87.7% in Personnel is due to the transfer of the Facilities Maintenance Tech position from the Highway Fund into the Facilities Maintenance department in the General Fund.

Contracts/Services

Contracts/Services decreased 6.1% as part of the Town-wide effort to reduce operations and maintenance costs.

Expenditures relating to travel and training, and outside services for building maintenance have been reduced as part of this cost saving measure.

Mission

The Custodial and Facility Maintenance Division of the Public Works Department is dedicated to providing a safe, healthy and functional working environment for employees and citizens of the Town of Oro Valley to conduct daily business.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Completed Hopi Conference Room remodel project - In-progress inspection of facilities keyless access security system - Initiating contract and contract administration for interior painting of Town Library/phase I - Installed a metal ceiling in Record Room to protect files from water leaks 	<p>Focus Area: Financial and Economic Sustainability</p> <ul style="list-style-type: none"> ■ Establish baseline electrical usage to evaluate energy consumed by each facility ■ Establish energy saving devices (i.e. programmable thermostats to control heating/cooling) <p>Focus Area: Quality of Life</p> <ul style="list-style-type: none"> ■ Provide for customer safety and comfort ■ Install programmable thermostats <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Initiate Preventative Maintenance Program for all facilities <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Efficiently use Work Order System ■ Increase technical certifications of employees



Public Works Public Transit

Department Overview

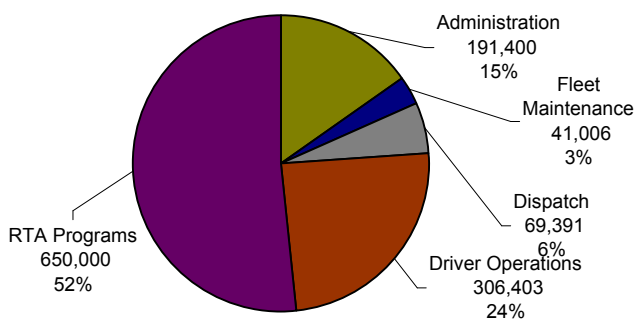
The Town Council's goal is to provide a locally run, reasonably priced service to enable our neighbors with disabilities to achieve the mobility that many of us take for granted. It will also help our residents who are older and otherwise would not have a way to get to doctor's appointments or shop for groceries. The Town's transit division will consist of a Transit Administrator who shall also serve as the Operations Manager for the Town's Para-transit service called Coyote Run, and as many drivers and dispatchers as may from time to time be deemed necessary by the council for the efficient operation of the Transit Division.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
10.62	19.19	10.10	10.10

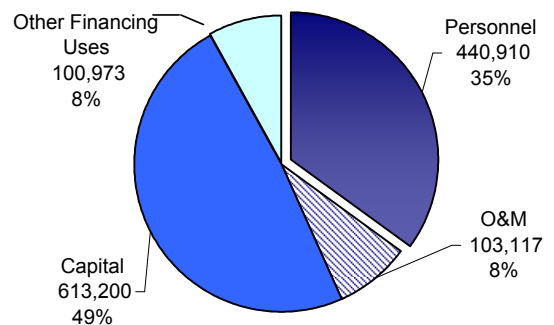
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
		Transit Administration	\$ 90,142		
Fleet Maintenance	56,131	69,926	58,544	41,006	-41.4%
Dispatch/Scheduling	72,918	89,803	75,726	69,391	-22.7%
Driver Operations	341,090	446,980	390,657	306,403	-31.5%
RTA Programs	705,020	675,000	740,000	650,000	-3.7%
	\$ 1,265,301	\$ 1,385,929	\$ 1,364,819	\$ 1,258,200	-9.2%

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
		Federal Grants	\$ -		
State Grants	-	46,500	-	-	-100.0%
LTAf	184,606	189,403	190,924	188,544	-0.5%
PAG Reimbursement	64,418	64,418	76,590	75,000	16.4%
RTA Reimbursement	705,020	1,569,750	740,000	650,000	-58.6%
Fare Box	57,600	62,830	56,568	60,900	-3.1%
Interest	16,175	20,000	2,469	2,469	-87.7%
Miscellaneous	28,099	10,000	7,371	6,531	-34.7%
General Fund Subsidy	302,297	198,598	198,598	302,000	52.1%
	\$ 1,358,215	\$ 2,221,499	\$ 1,332,520	\$ 1,285,444	-42.1%

FY 2010 Expenditures by Program



FY 2010 Expenditures by Category



Mission

Working proudly to provide and encourage mobility to all of Oro Valley through an alternative mode of transportation.

FY 2009 Highlights

- Coyote Run continues to experience ridership growth
- The Town's first park-and-ride facility opened to the public on March 2nd. The facility is located at 2291 E. Rancho Vistoso Blvd.
- The Town authorized the Riverfront Park on Lambert Lane as the second park-and-ride facility
- The Regional Transportation Authority and Oro Valley launched two new express services on February 15, 2009
- Updated new Coyote Run fare passes for easier fare payment for riders

FY 2010 Goals and Objectives

Focus Area: Financial & Economic Sustainability

- Maintain a balanced budget
- Continue to manage the Intergovernmental Agreement with the Regional Transportation Authority (RTA) to provide funding for transit related projects
- Sustain a cost recovery for Coyote Run equal to national guidelines
- Explore alternative funding sources supporting transit services

Focus Area: Quality of Life & Environmental Sustainability

- Work with the RTA to begin Sun Shuttle service, the Town's first new circulator bus service

Focus Area: Community Infrastructure

- Work with the RTA to identify transit related infrastructure needs for the community in support of local circulator service
- Encourage transit development throughout Oro Valley

Focus Area: Leadership and Communication

- Build trust through effective public outreach and communication
- Develop a team environment that is supportive and goal oriented in order to achieve excellence in transit service

Administration Program Overview

The administrative office of the Transit Division is staffed by the Transit Services Administrator. The Transit Administrator is responsible for the overall operations of the Transit Services Division and is responsible for the FTA drug and alcohol policy and safety and security measures and the RTA related funding and program implementation. The Transit Services Administrator supervises all of the transit drivers including the Lead Driver and the dispatch operations and fleet maintenance. The Transit Administrator is also responsible for contract monitoring of the fixed route system on Oracle Road which is under contract with Sun Tran. Additional responsibilities include (but not limited to) procurement, grant writing, transit research and transportation planning.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Transit Services Administrator	0.60	0.60	0.60	0.60	-
Lead Transit Driver	0.10	0.10	0.10	0.10	-
Total FTE's	0.70	0.70	0.70	0.70	-
Expenditures					
Personnel	\$ 58,365	\$ 68,435	\$ 69,134	\$ 69,567	1.7%
Contracts/Services	28,571	33,235	28,578	18,180	-45.3%
Supplies	3,206	2,550	2,180	2,680	5.1%
Transfers Out	-	-	-	100,973	0.0%
Total Expenditures	\$ 90,142	\$ 104,220	\$ 99,892	\$ 191,400	83.6%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 45.3% from the FY09 budget, part of the Town-wide effort to reduce operations and maintenance expenditures. Also, \$7.5K budgeted in FY09 for Sun Tran services will not be needed for FY10 due to an under performing express service route which Transit personnel has decided not to fund.

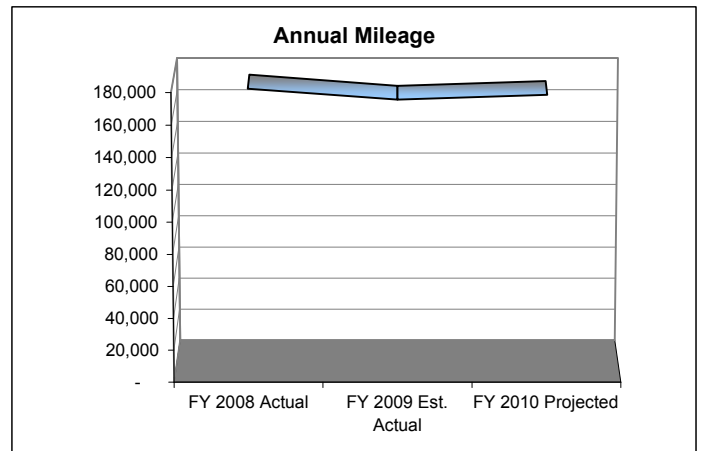
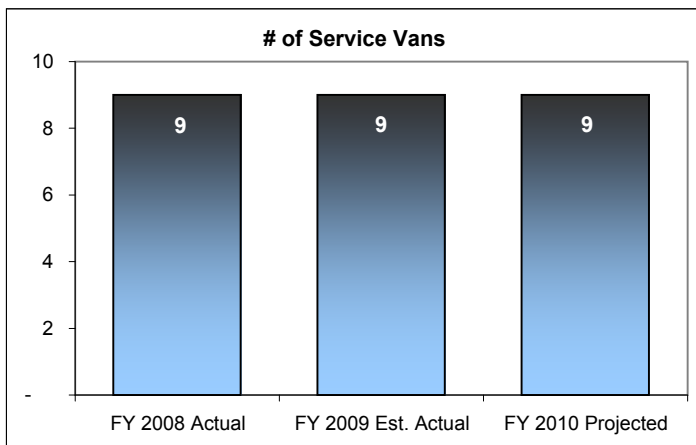
Transfers

In FY10, \$101K will be transferred from the Transit department to the Fleet Maintenance internal service fund, a newly created program area. The \$101K represents Transits portion of the total overall vehicle fleet pool.

Fleet Maintenance Program Overview

Fleet maintenance is supervised by the Transit Services Administrator and monitored daily by the Lead Driver. Fleet maintenance is responsible for the upkeep of all nine service vehicles and one personnel vehicle. Fleet maintenance is responsible for insuring that all vehicles are road worthy and safe for the traveling public. This includes following Federal Transit Authority guidelines on routine preventative maintenance and cleaning of service vehicles. Fleet maintenance is responsible for invoicing and documentation/record keeping of all maintenance associated paperwork. Fleet maintenance works with vendors in the community to ensure best quality and price for all vehicle maintenance.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Transit Services Administrator	0.20	0.20	0.20	0.20	-
Lead Transit Driver	0.40	0.40	0.40	0.40	-
Total FTE's	0.60	0.60	0.60	0.60	-
Expenditures					
Personnel	\$ 36,344	\$ 40,146	\$ 38,894	\$ 40,506	0.9%
Contracts/Services	19,430	29,480	19,500	200	-99.3%
Supplies	357	300	150	300	0.0%
Total Expenditures	\$ 56,131	\$ 69,926	\$ 58,544	\$ 41,006	-41.4%

FY 2009/2010 Expenditure and Staffing Changes

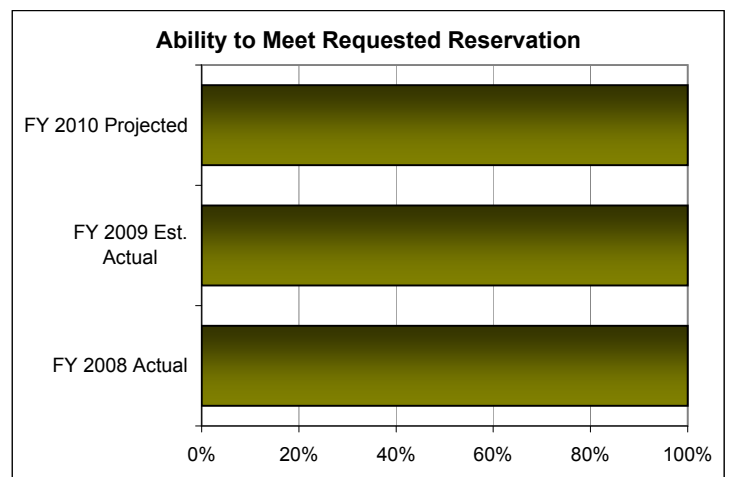
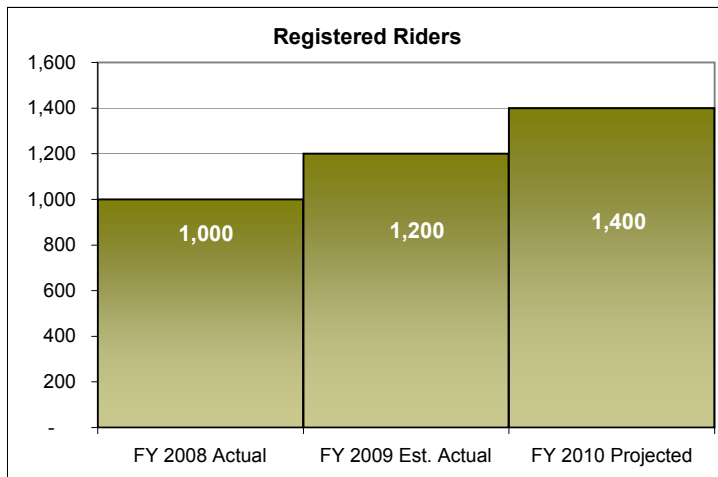
Contracts/Services

Contracts/Services decreased 99.3% due to the departments vehicle repairs costs transferred to the Fleet Maintenance internal service fund.

Dispatch/Scheduling Program Overview

The dispatch and scheduling office is currently supervised by the transit Services Administrator and is staffed by one part-time dispatcher scheduler and the Lead Driver. This dispatch and scheduling office is responsible for all intakes of new passengers and all inquiries about the available services and serves a small clearinghouse for information about other local transit services. The primary function of the dispatch and scheduling office is to intake all passenger request for trips and to schedule and then dispatch those trips on a written manifest using state of the art dispatch/scheduling software. Dispatchers are responsible for the control and movement of all transit services division vehicles.

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Transit Services Administrator	0.20	0.20	0.20	0.20	-
Dispatcher	1.50	1.50	1.00	1.00	(0.50)
Total FTE's	1.70	1.70	1.20	1.20	(0.50)
Expenditures					
Personnel	\$ 54,176	\$ 79,083	\$ 66,736	\$ 63,041	-20.3%
Contracts/Services	9,274	8,195	8,015	5,900	-28.0%
Supplies	608	2,525	975	450	-82.2%
Capital	8,860	-	-	-	0.0%
Total Expenditures	\$ 72,918	\$ 89,803	\$ 75,726	\$ 69,391	-22.7%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel decreased 20.3% due to a vacant part-time Dispatcher position from FY09 affected by the hiring freeze implemented in November 2008.

Contracts/Services

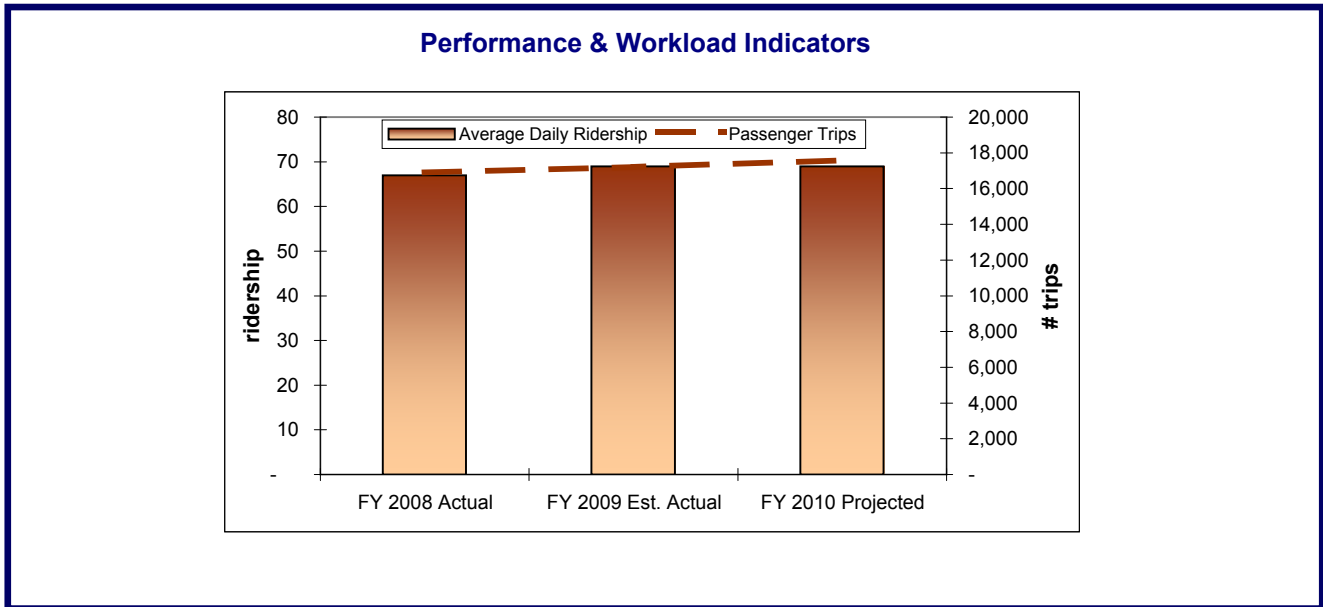
Contracts/Services decreased 28% as part of the Town-wide effort to reduce operations and maintenance expenditures.

Supplies

As well, supplies decreased 82.2% as part of the Town-wide effort to reduce operations and maintenance expenditures

Driver Operations Program Overview

The Transit Divisions Operations is currently supervised by the Transit Services Administrator. The Transit Division's Operations Division includes one employee group of drivers. The drivers group includes a Lead Driver and both full and part-time drivers.



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Lead Driver	0.50	0.50	0.50	0.50	-
Driver	7.12	7.12	7.10	7.10	(0.02)
Total FTE's	7.62	7.62	7.60	7.60	(0.02)
Expenditures					
Personnel	\$ 248,775	\$ 297,360	\$ 252,981	\$ 267,796	-9.9%
Contracts/Services	28,371	19,820	13,660	24,407	23.1%
Supplies	-	800	914	1,000	25.0%
Utilities	63,944	65,000	47,000	-	-100.0%
Capital	-	64,000	76,102	13,200	-79.4%
Total Expenditures	\$ 341,090	\$ 446,980	\$ 390,657	\$ 306,403	-31.5%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

The FY10 budget includes the use of volunteers to fill the vacancies of part-time driver positions, with a projected savings of \$30K in personnel costs.

Contracts/Services

Contracts/Services increased 23.1% for training the volunteer drivers will be required to take to be compliant with FTA regulations.

Utilities

Fuel costs for FY10 have been centralized in the newly created Fleet Maintenance internal service fund.

Regional Transportation Authority (RTA) Program Overview

The RTA Program consists of a Park n Ride facility located on the corner of Rancho Vistoso Blvd. and Innovation Park Drive. The lot has 102 parking spaces and is used for carpools, van pools, and transit users.

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Transit Coordinator	-	1.00	-	-	(1.00)
Driver	-	7.07	-	-	(7.07)
Dispatcher	-	0.50	-	-	(0.50)
Total FTE's	-	8.57	-	-	(8.57)
Expenditures					
Contracts/Services	\$ -	\$ -	\$ -	\$ 50,000	0.0%
Capital	705,020	675,000	740,000	600,000	-11.1%
Total Expenditures	\$ 705,020	\$ 675,000	\$ 740,000	\$ 650,000	-3.7%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

For FY10, \$50K has been budgeted for maintenance of the park-and-ride facility. All costs are fully funded by the RTA.

Capital

In FY09, \$740K was received from the RTA for the construction of the park-and-ride facility. \$600K has been budgeted in FY10 for any potential RTA projects, not yet known. All projects would be fully funded by the RTA.



Public Works Stormwater Utility

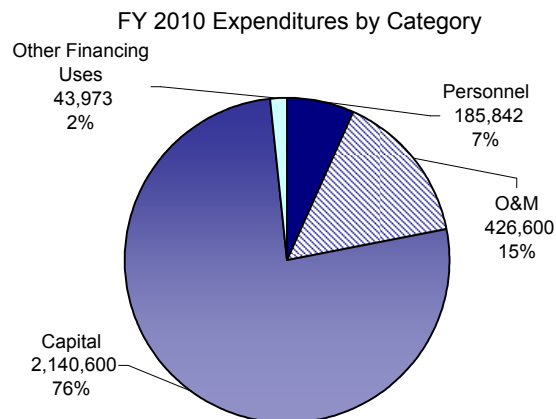
Department Overview

The Utility is managed through a section of the Public Works Operations Division. The section is responsible for meeting all quality and quantity issues including the Town's Stormwater Management Plan, Floodplain and Erosion Hazard Management, and supporting all other Town programs that are impacted by storm events. The Division also coordinates with Federal, State and local government agencies related to the Town's Stormwater program.

Total FTE's			
FY 2008 Actuals	FY 2009		FY 2010 Budget
	Budget	Estimate	
2.00	2.00	2.30	2.30

	Expenditures by Program Area				% to Budget
	FY 2008 Actuals	FY 2009		FY 2010 Budget	
		Budget	Estimate		
Stormwater Management	\$ 177,673	\$ 1,859,511	\$ 780,041	\$ 2,797,015	50.4%

	Revenue Sources				% to Budget
	FY 2008 Actuals	FY 2009		FY 2010 Budget	
		Budget	Estimate		
Federal Grants	\$ -	\$ 900,000	\$ 105,718	\$ 1,275,500	41.7%
State Grants	721,180	300,000	-	726,100	142.0%
Stormwater Fee	357,602	735,000	729,915	739,500	0.6%
Interest	233	-	1,982	1,982	100.0%
Miscellaneous	-	-	1,084	500	100.0%
	\$ 1,079,015	\$ 1,935,000	\$ 838,699	\$ 2,743,582	41.8%



Mission

We will provide safe and efficient management of the Stormwater Utility to promote and protect life and safety, water quality, and the Town's working and natural environment before, during, and after the occurrence of storm events in accordance with all Town codes, standards, and policies.

FY 2009 Highlights	FY 2010 Goals and Objectives
<ul style="list-style-type: none"> - Received FEMA approval of \$1.8 million wash mitigation/ roadway crossing project - Completed \$200K drainage improvements in Oro Valley Estates funded by the Pima County Flood Control District - Stormwater Pollution educational meetings conducted at local public elementary schools - Significant increase in street sweeping - Vegetation Management Plan for Town watercourses completed - Stormwater Utility Asset Management System developed - Utility repair and maintenance including culvert and storm channel clearing, outfall repairs and inspections begun - ADEQ state permit compliant 	<p>Focus Area: Financial & Economic Sustainability</p> <ul style="list-style-type: none"> ■ Increase documentation and inspections of private Stormwater Management infrastructure for operations and maintenance ■ Incorporate the Stormwater Fee assessment process into the Development Services Permit Fee approval checklist ■ Maximize usage of other non-Town funding sources to include grants, bonds, and in-kind support from the PCFCD, ADEQ, EPA, and Community Groups <p>Focus Area: Quality of Life & Environmental Sustainability</p> <ul style="list-style-type: none"> ■ Improve drainage debris cleanup after storm events ■ Minimize disruptions caused by storm events through improved maintenance of the storm drains and public roads ■ Improve balance between flood control and riparian areas/native plants through implementation of vegetation management plan <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Develop an annual preventative maintenance plan and schedule ■ Improve Stormwater quality and quantity systems ■ Obtain the necessary equipment to perform maintenance on Town's infrastructure <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Improve Stormwater web page effectiveness ■ Expand outreach venues to schools and public forums ■ Continue leadership and communication training for staff

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Stormwater Engineer	1.00	1.00	1.00	1.00	-
Civil Engineering Technician	1.00	1.00	1.00	1.00	-
Intern	-	-	0.30	0.30	0.30
Total FTE's	2.00	2.00	2.30	2.30	0.30
Expenditures					
Personnel	\$ 83,849	\$ 159,982	\$ 157,307	\$ 185,842	16.2%
Contracts/Services	78,788	288,450	332,602	413,600	43.4%
Supplies	5,550	11,500	11,079	13,000	13.0%
Utilities	-	5,000	20,000	-	-100.0%
Capital	9,486	1,354,579	259,053	2,140,600	58.0%
Transfers Out	-	40,000	-	43,973	9.9%
Total Expenditures	\$ 177,673	\$ 1,859,511	\$ 780,041	\$ 2,797,015	50.4%

FY 2009/2010 Expenditure and Staffing Changes

Personnel

Personnel expenditures increased 16.2% over the FY09 budget. In FY09, an intern was hired to assist in field inspections and to perform the field work necessary for development of a stormwater utility map.

Contracts/Services

Contracts/Services increased 43.4% due to various stormwater maintenance projects budgeted for FY10.

Utilities

In FY10, all costs associated with operating vehicles for each department have been centralized in a fleet maintenance program area.

Capital

In FY10, \$2 million is budgeted for town-wide drainage projects compared to \$1.2 million budgeted in FY09.



Public Works Fleet Maintenance

Department Overview

The Fleet Maintenance program area is a newly created program area for FY 2010. The program area is to be set up as an internal service fund under the Public Works department and each Town department that maintains a fleet of vehicles and/or equipment will contribute to this fund based on their respective fleet size and related costs.

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Transfer from General Fund	\$ -	\$ -	\$ -	\$ 452,612	0.0%
Transfer from Special Revenue Funds				304,006	0.0%
Transfer from Enterprise Funds				139,296	0.0%
Total	\$ -	\$ -	\$ -	\$ 895,914	0.0%

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Maintenance Technician	-	-	-	1.00	1.00
Heavy Equipment Mechanic	-	-	-	1.00	1.00
Senior Office Assistant	-	-	-	0.37	0.37
Total FTE's	-	-	-	2.37	2.37
Expenditures					
Personnel	\$ -	\$ -	\$ -	\$ 131,882	0.0%
Contracts/Services	-	-	-	262,354	0.0%
Utilities	-	-	-	501,678	0.0%
Total Expenditures	\$ -	\$ -	\$ -	\$ 895,914	0.0%

FY 2009/2010 Expenditure and Staffing Changes

All FTE's and expenditures for FY10 have been transferred from other departments into the Fleet Maintenance internal service fund.



Water Utility

Department 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 and in sufficient quantity to meet customer demands. 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.

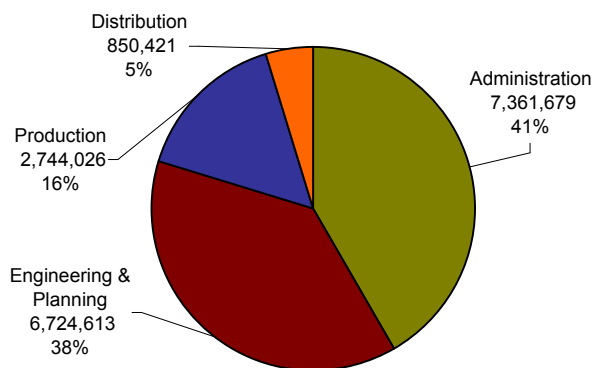
Total FTE's				
FY 2008 Actuals	FY 2009		FY 2010 Budget	
	Budget	Estimate		
35.50	36.50	36.50	36.50	

	Expenditures by Division				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Administration	\$ 7,840,203	\$ 7,078,827	\$ 7,856,390	\$ 7,361,679	4.0%
Engineering & Planning	4,356,767	5,050,272	4,170,248	6,724,613	33.2%
Production	2,581,380	3,170,285	2,674,471	2,744,026	-13.4%
Distribution	853,147	930,339	951,709	850,421	-8.6%
	\$ 15,631,496	\$ 16,229,723	\$ 15,652,818	\$ 17,680,739	8.9%

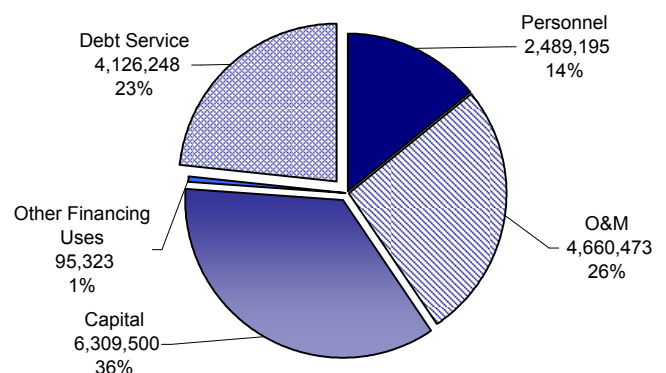
Does not include non-cash outlays for depreciation and amortization

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Charges for Services	\$ 620,169	\$ 553,000	\$ 554,200	\$ 447,200	-19.1%
Interest	420,611	275,000	120,000	120,000	-56.4%
Miscellaneous	20,276	-	316,831	-	0.0%
WIFA Loan Proceeds	-	-	-	4,850,000	100.0%
Water Sales	11,686,598	11,547,900	11,502,100	11,502,100	-0.4%
	\$ 12,747,655	\$ 12,375,900	\$ 12,493,131	\$ 16,919,300	36.7%

FY 2010 Expenditures by Division



FY 2010 Expenditures by Category



Mission

The Oro Valley Water Utility has the responsibility and obligation to ensure that safe, high quality and reliable drinking water is delivered to every customer. The Utility ensures that adequate amounts of water and pressure are available at all times. The Utility will strive to develop, finance and maintain all infrastructures deemed necessary to meet public safety needs. The Utility staff shall strive to treat all customers with respect, courtesy and professionalism and provide the highest quality of customer service.

FY 2009 Highlights

- The Utility took 1,421 water quality samples with all results meeting federal, state, and local water quality regulations
- Increased customer base in CY2008 by 295 new connections for a total of 18,330 connections as of 12/31/08
- Phase 2 of the reclaimed water delivery system was completed in October 2008. Total reclaimed water deliveries in 2008 were 574,769,000 gallons
- The Utility performed 145 residential water use audits in CY08. Customers continue to save water as a result of these audits
- In conjunction with the Northwest Water Providers, the Utility has been working on a pipeline routing study to determine the best alignment and pumping configuration for our Central Arizona Project (CAP) water delivery system. Two possible routes have been identified and work on these are now being refined and is expected to be completed in May 2009
- The U.S. Bureau of Reclamation has included an appropriation for funding the Northwest Reliability Reservoir in the FY 2009-10 budget. Representatives from the Town Council and Town Management will go to Washington, D.C. to lobby for this item to be approved in the federal budget
- Oro Valley and Metro Water have applied for AZ WIFA low interest loans to finance the engineering design of the CAP water pump stations and pipeline system

FY 2010 Goals and Objectives

Focus Area: Financial & Economic Sustainability

- Review water rates, fees, and charges to make sure costs incurred by the Utility to provide services are being recovered through the fees charged
- When feasible, seek low interest loans through state agencies to finance capital improvements
- Review water improvement plans for new development
- Develop and use renewable water supplies for existing and future customers

Focus Area: Quality of Life & Environmental Sustainability

- Maintain a high quality, safe, and reliable drinking water supply
- Conduct water resource planning for existing and future needs
- Plan for treatment and delivery of CAP water
- Continue to promote water conservation through water use audits, public education and outreach

Focus Area: Community Infrastructure

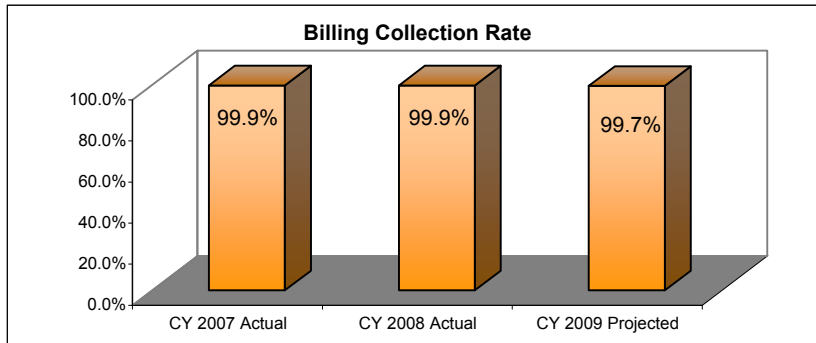
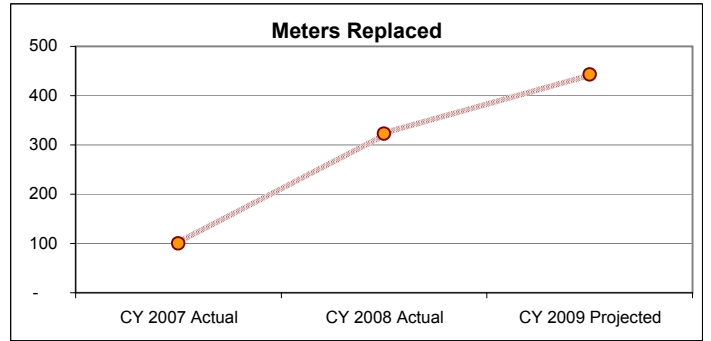
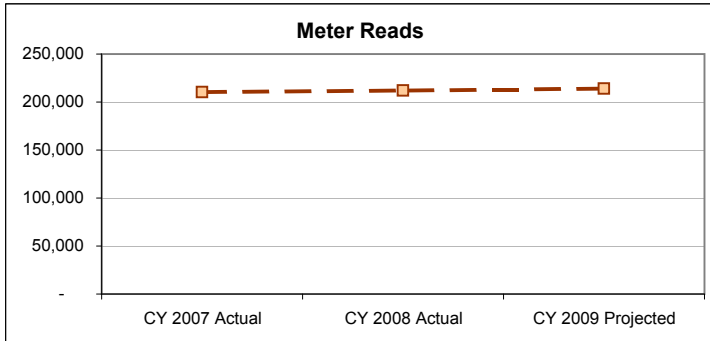
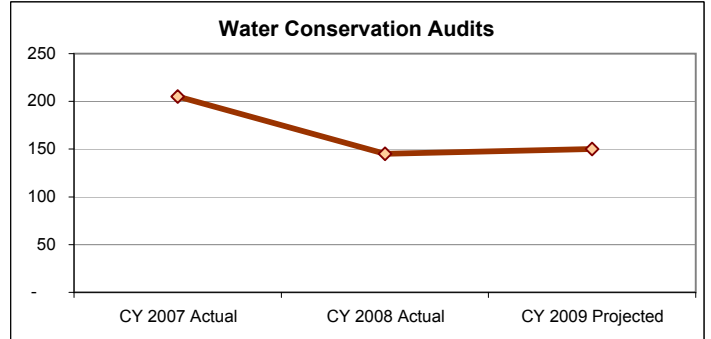
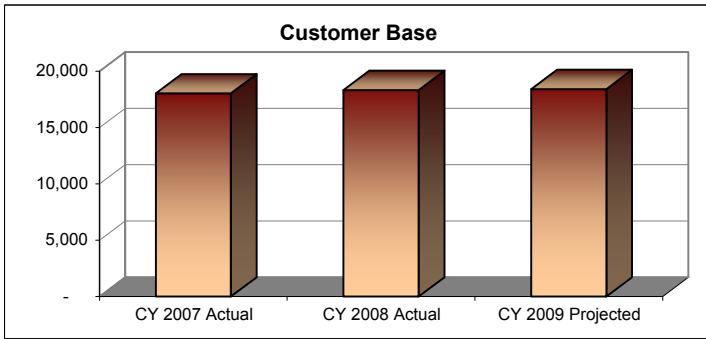
- Construct potable water facilities to meet demands and enhance system reliability
- Installation of additional security equipment to protect the safety of the potable water supply
- Construct and inspect water facilities in accordance with approved plans and specifications

Administration Division Overview

The Administration Division is responsible for the overall management of the Utility, customer service, meter reading, water utility billings, collection of water revenues, administration of department's budget, implementation of water rates, fees and charges, and strategic planning. Programs within this division include:

- Billings/Collections/Meters
- Water Conservation
- Water Resource Planning

Performance & Workload Indicators



Administration Division Overview Cont'd

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
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 Reader Supervisor	-	1.00	1.00	1.00	-
Water Utility Operator I	5.00	5.00	5.00	5.00	-
Customer Service Rep.	4.00	4.00	4.00	4.00	-
Water Conservation Specialist	1.00	1.00	1.00	1.00	-
Water Conservation Assistant	0.50	0.50	0.50	0.50	-
Total FTE's	14.50	15.50	15.50	15.50	-
Expenditures					
Personnel	\$ 957,797	\$ 1,000,548	\$ 963,554	\$ 1,006,748	0.6%
Contracts/Services	1,846,251	2,081,967	2,908,822	1,848,105	-11.2%
Supplies	99,577	106,700	100,106	108,255	1.5%
Utilities	33,832	34,700	38,200	22,000	-36.6%
Capital	43,506	257,600	248,396	155,000	-39.8%
Other Financing Uses	2,200,000	-	-	95,323	0.0%
Debt Service	2,659,240	3,597,312	3,597,312	4,126,248	14.7%
Total Expenditures	\$ 7,840,203	\$ 7,078,827	\$ 7,856,390	\$ 7,361,679	4.0%

Does not include non-cash outlays for depreciation and amortization

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 11.2% as part of the Town-wide effort to reduce operations and maintenance expenditures. The use of outside services, and costs associated with travel and training have been reduced as part of this effort.

Utilities

In FY10, all expenditures associated with maintaining a department vehicle have been centralized into an internal service fund. Approximately \$15K in fuel costs has been transferred to the Fleet Maintenance internal service fund.

Capital

Expenditures for Capital decreased 39.8%. There will be no purchases of new vehicles in FY10 and fewer replacements of meters.

Other Financing Uses

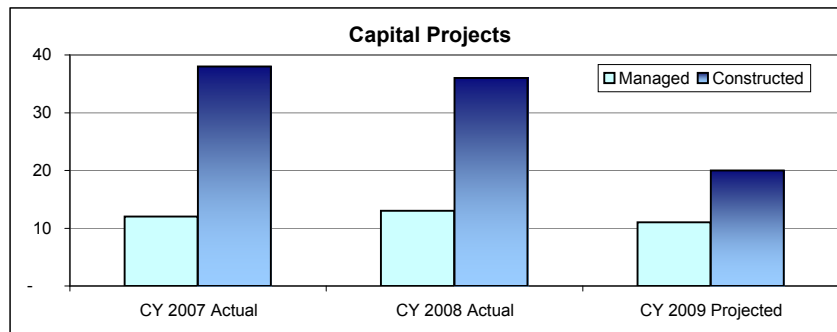
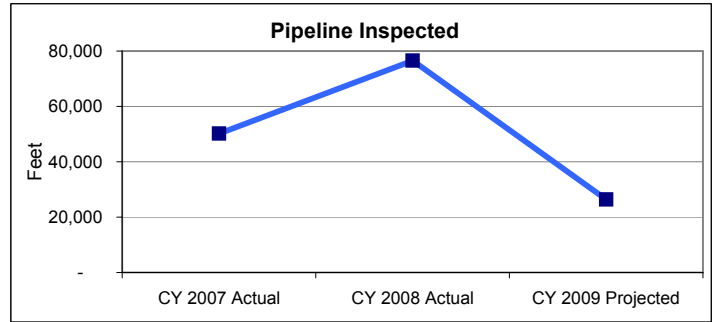
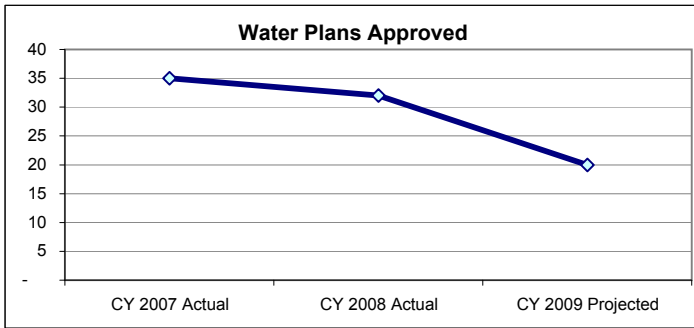
The \$95K budgeted in FY10 represents the Water Utility's contribution to the Fleet Maintenance internal service fund.

Engineering & Planning Division Overview

This Division is responsible for managing design and construction of the capital improvement program and new development, construction inspection and the geographic information mapping system. Programs within this division include:

- Construction Inspection
- Mapping
- Capital Improvements

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Engineering Division Manager	1.00	1.00	1.00	1.00	-
Project Manager	1.00	1.00	1.00	1.00	-
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	-
Total FTE's	6.00	6.00	6.00	6.00	-
Expenditures					
Personnel	\$ 481,037	\$ 481,107	\$ 495,113	\$ 487,862	1.4%
Contracts/Services	172,757	189,339	143,810	140,401	-25.8%
Supplies	5,221	3,300	3,030	2,350	-28.8%
Utilities	9,057	6,100	7,350	-	-100.0%
Capital	3,688,695	4,370,426	3,520,945	6,094,000	39.4%
Total Expenditures	\$ 4,356,767	\$ 5,050,272	\$ 4,170,248	\$ 6,724,613	33.2%

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 25.8% as part of the Town-wide effort to reduce operations and maintenance expenditures. The use of on-call engineering services has been reduced as part of this effort.

Utilities

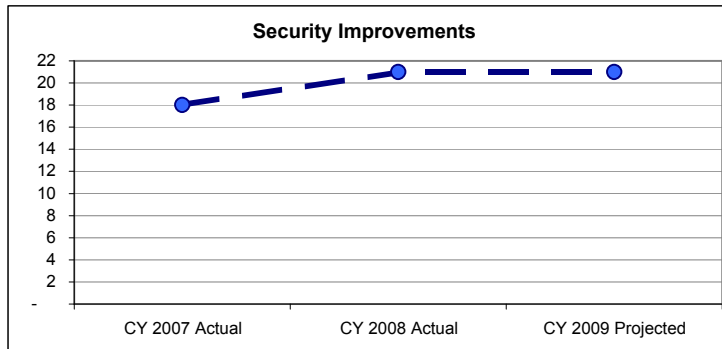
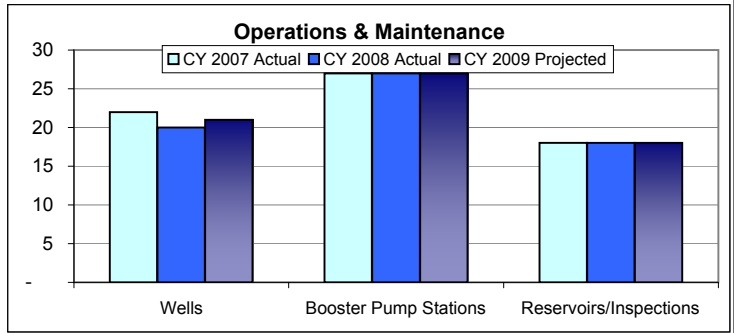
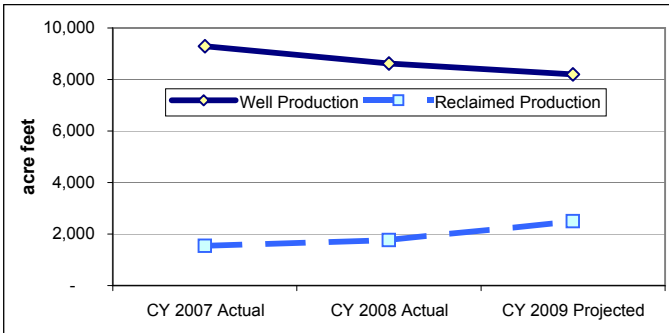
In FY10, all expenditures associated with maintaining a department vehicle have been centralized into an internal service fund. Approximately \$6K in fuel costs has been transferred to the Fleet Maintenance program area.

Production Division Overview

This Division is responsible for production of the potable water supply, operation and maintenance of all potable and reclaimed water production, facilities including wells, reservoirs, booster stations, electrical controls and operation and maintenance of security devices. Programs within this division include:

- Disinfection
- Security
- Preventative Maintenance

Performance & Workload Indicators



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Water Production Superintendent	1.00	1.00	1.00	1.00	-
Lead Water Utility Operator	1.00	1.00	1.00	1.00	-
Water Utility Operator II	5.00	5.00	5.00	5.00	-
Total FTE's	7.00	7.00	7.00	7.00	-
Expenditures					
Personnel	\$ 363,172	\$ 456,828	\$ 464,665	\$ 461,089	0.9%
Contracts/Services	1,189,333	1,375,856	1,070,010	1,153,877	-16.1%
Supplies	11,385	13,820	13,820	10,540	-23.7%
Utilities	1,008,507	1,174,781	983,326	1,070,520	-8.9%
Capital	8,983	149,000	142,650	48,000	-67.8%
Total Expenditures	\$ 2,581,380	\$ 3,170,285	\$ 2,674,471	\$ 2,744,026	-13.4%

Does not include non-cash outlays for depreciation and amortization

FY 2009/2010 Expenditure and Staffing Changes

Contracts/Services

Contracts/Services decreased 16.1% due to a decrease in reservoir equipment repair and maintenance costs.

Utilities

In FY10, all expenditures associated with maintaining a department vehicle have been centralized into an internal service fund. Approximately \$25K in fuel costs has been transferred to the Fleet Maintenance program area.

Capital

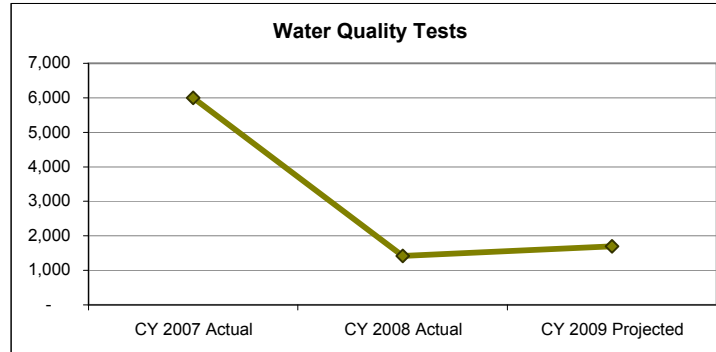
The department will not purchase new vehicles in FY10, contributing to the decrease of 67.8% in Capital costs.

Distribution Division Overview

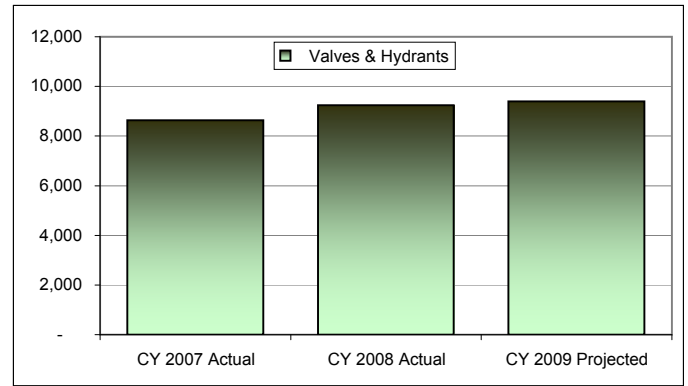
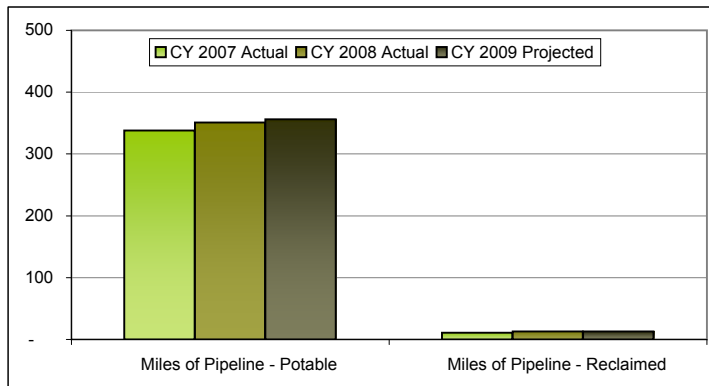
This Division is responsible for the operation and maintenance of potable and reclaimed water distribution facilities including, but not limited to, water mains, fire hydrants, and valves. Programs within this division include:

- Water Quality Sampling
- Backflow Prevention
- Preventative Maintenance

Performance & Workload Indicators



Operations & Maintenance



	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Water Distribution Superintendent	1.00	1.00	1.00	1.00	-
Lead Water Utility Operator	3.00	3.00	3.00	3.00	-
Water Utility Operator II	2.00	2.00	2.00	2.00	-
Water Utility Operator I	2.00	2.00	2.00	2.00	-
Total FTE's	8.00	8.00	8.00	8.00	-
Expenditures					
Personnel	\$ 522,915	\$ 531,557	\$ 535,462	\$ 533,496	0.4%
Contracts/Services	232,453	279,682	298,332	295,185	5.5%
Supplies	47,690	10,200	8,977	8,340	-18.2%
Utilities	34,731	27,100	30,350	900	-96.7%
Capital	15,358	81,800	78,588	12,500	-84.7%
Total Expenditures	\$ 853,147	\$ 930,339	\$ 951,709	\$ 850,421	-8.6%

FY 2009/2010 Expenditure and Staffing Changes

Utilities

In FY10, all expenditures associated with maintaining a department vehicle have been centralized into an internal service fund. Approximately \$27K in fuel costs has been transferred to the Fleet Maintenance program area.

Capital

The department will not purchase new vehicles in FY10, contributing to the decrease of 84.7% in Capital costs.



Water Utility Alternative Water Resource Development

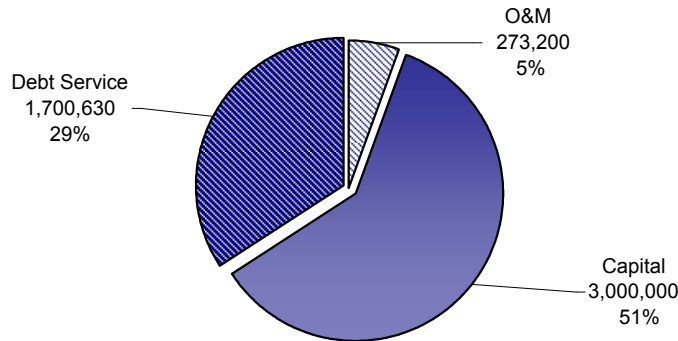
Department Overview

The Alternative Water Resource Development Impact Fee Fund accounts for expenditures for alternative water resource capital costs and any related debt service. Revenues are received from a groundwater preservation fee and impact fees. Specific activities include analysis, planning, design and construction of infrastructure required to deliver alternative water resource (CAP and reclaimed water) to the Town.

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Groundwater Preservation Fee	\$ 1,092,778	\$ 1,656,560	\$ 1,332,300	\$ 1,756,000	6.0%
Impact Fees	512,543	632,580	755,000	557,984	-11.8%
WIFA Loan Proceeds	-	623,000	693,522	2,500,000	301.3%
Interest	65,719	15,800	18,000	18,000	13.9%
Miscellaneous	170,000	-	-	-	0.0%
Total	\$ 1,841,040	\$ 2,927,940	\$ 2,798,822	\$ 4,831,984	65.0%

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Expenditures					
Contracts/Services	\$ 74,766	\$ 396,000	\$ 104,848	\$ 273,200	-31.0%
Capital	3,442,331	737,000	937,000	3,000,000	307.1%
Debt Service	82,909	1,752,010	1,706,706	1,700,630	-2.9%
Total Expenditures	\$ 3,600,006	\$ 2,885,010	\$ 2,748,554	\$ 4,973,830	72.4%

FY 2010 Expenditures by Category





Water Utility

Potable Water Systems Development

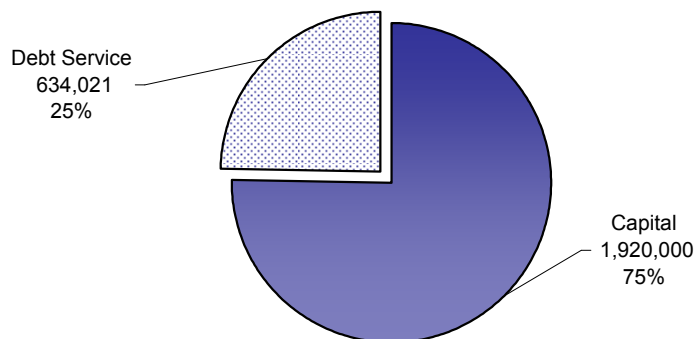
Department Overview

The Potable Water Systems Development Impact Fee Fund accounts for expenditures for potable water capital improvements that are growth-related and debt service. Revenues are received from impact fees which are collected and used for repayment of bonds sold to finance the capital projects. Specific activities include design and construction of infrastructure required to deliver potable water to meet the needs of future customers.

	Revenue Sources				
	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Single Family Connections	\$ 835,264	\$ 485,900	\$ 450,000	\$ 143,360	-70.5%
Multi - Family Connections	374,780	10,000	-	-	-100.0%
Commercial Connections	507,600	200,000	760,000	112,000	-44.0%
Irrigation Connections	160,210	80,000	329,360	28,373	-64.5%
TURF Connections	(13,568)	-	-	-	0.0%
Fire Flow Connections	61,370	25,000	120,000	3,771	-84.9%
Interest	377,930	315,200	136,000	136,000	-56.9%
Total	\$ 2,303,586	\$ 1,116,100	\$ 1,795,360	\$ 423,504	-62.1%

	FY 2008 Actuals	FY 2009		FY 2010 Budget	% to Budget
		Budget	Estimate		
Expenditures					
Capital	737,568	570,000	-	1,920,000	236.8%
Debt Service	-	637,646	637,646	634,021	-0.6%
Total Expenditures	737,568	1,207,646	637,646	2,554,021	111.5%

FY 2010 Expenditures by Category





Steam Pump Ranch

Department Overview

The Steam Pump Ranch Fund contains expenditures for building and infrastructure assessment of the historic site. The project represents Oro Valley's efforts to preserve the history and culture of the Town. Funding for Steam Pump Ranch is provided by Pima County Bond proceeds, Grants and Town General Funds.

	Revenue Sources				
	FY 2008	FY 2009		FY 2010	% to Budget
	Actuals	Budget	Estimate	Budget	
Federal Grants	\$ -	\$ 450,000	\$ -	\$ 250,000	-44.4%
Pima County Bond Proceeds	32,890	200,000	88,196	283,515	41.8%
Other Financing Sources	375,000	-	-	470,000	100.0%
	\$ 407,890	\$ 650,000	\$ 88,196	\$ 1,003,515	54.4%

	FY 2008	FY 2009	FY 2009	FY 2010	Variance
	Actual	Budget	Projected	Budget	to Budget
Expenditures					
Contracts/Services	\$ -	\$ 30,000	\$ 40,500	\$ 24,000	-20.0%
Supplies	2,777	7,000	7,250	6,500	-7.1%
Utilities	-	27,000	52,700	20,500	-24.1%
Capital	263,600	850,000	55,000	944,000	11.1%
Total Expenditures	\$ 266,378	\$ 914,000	\$ 155,450	\$ 995,000	8.9%



Municipal Operations Center

Department Overview

The Municipal Operations Center Fund is for the planning and construction of a new facility for the Police, Water Utility, and Public Works departments, as well as an addition to the Community Development building. Funding for this project has come from the General Fund, Highway Fund, and Water Utility Fund.

	Revenue Sources				% to Budget
	FY 2008	FY 2009		FY 2010	
	Actuals	Budget	Estimate	Budget	
INTEREST	\$ 31,773	\$ 20,000	\$ 15,295	\$ 15,295	-23.5%
BOND PROCEEDS	-	26,000,000	-	-	-100.0%
OTHER FINANCING SOURCES	5,752,000	-	-	-	0.0%
Total	\$ 5,783,773	\$ 26,020,000	\$ 15,295	\$ 15,295	-99.9%

	FY 2008 Actual	FY 2009 Budget	FY 2009 Projected	FY 2010 Budget	Variance to Budget
Personnel					
Special Project Manager	-	-	1.00	-	-
Total FTE's	-	-	1.00	-	-
Expenditures					
Personnel	\$ -	\$ -	\$ 57,561	\$ -	0.0%
Contracts/Services	-	-	-	-	0.0%
Capital	672,370	30,413,000	2,800	-	-100.0%
Debt Service	-	-	-	-	0.0%
Total Expenditures	\$ 672,370	\$ 30,413,000	\$ 60,361	\$ -	0.0%

FY 2009/2010 Expenditure and Staffing Changes

Due to the recessionary economy and budget constraints currently faced by the Town, Mayor and Council are considering options on the scope and financial viability of this project.



Capital Improvement Program Overview

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 handles infrastructure issues.

The Capital Improvement Program (CIP) is a comprehensive, five-year plan of capital projects that will support the continued growth and development of the Town. The CIP establishes the Capital Budget, which is submitted as the capital outlay portion of the annual Town budget. The CIP is used in implementing the General Plan and supporting the Town's adopted Strategic 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

Town staff, a Town Council representative, and board and commission representatives, form a CIP Technical Advisory Committee (CIPTAC). Each year the CIPTAC identifies new projects for inclusion in the CIP. The new projects incorporate goals and objectives identified in the Towns' Strategic Plan for the coming fiscal year. The approved CIP projects are incorporated into the Town's annual budget, while the remaining years offer insight into the needs of the Town for the next four years.

The CIP is comprised of four components:

- Needs assessment that identifies all needed and planned community infrastructure
- Financial analysis and determination of options and projected costs
- A plan that programs infrastructure by year over a five-year period
- A capital budget to be included in the annual budget for the new fiscal year

The Town uses the Capital Improvement Program 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 is an eight month process that begins in November and ends with the adoption of the Town's final budget in June. During this eight month time frame, project requests are submitted, reviewed and analyzed by Finance staff and the CIPTAC is formed. CIPTAC meetings convene in February for project presentation and evaluation. The meetings conclude in March with a CIPTAC recommendation for Council approval of the CIP document. A summary of the process and timeline is provided below:

November – December:	Department requests due/CIPTAC appointments
December – February:	Cost analysis performed, forms edited
February:	CIPTAC meeting scheduled to present project requests Project rankings due from CIPTAC



Capital Improvement Program Overview

- March: Present draft CIP to CIPTAC
CIPTAC finalizes CIP and recommends for Council adoption
- April: Budget study session to present Budget and CIP to Mayor and Council
- May: CIP presented to Planning and Zoning Commission
(The presentation to the Planning and Zoning Commission did not take place during the FY 09/10 CIP process due to length and duration of the budget study sessions needed to balance the Town's overall budget.)
- June: Adoption of Tentative Budget and CIP
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 CIPTAC in their selection of the projects to be funded. The CIPTAC has selected eight criteria for project evaluation. They are as follows:

- Public Health, Safety and Welfare
- Supports Stated Community Goals
- Fiscal Impact to Town
- Impact on Service Levels
- Impact on Operations and Maintenance
- Legal Ramifications
- Relationship to Other Projects/Coordination
- Avoidance of Future Capital Expenditures

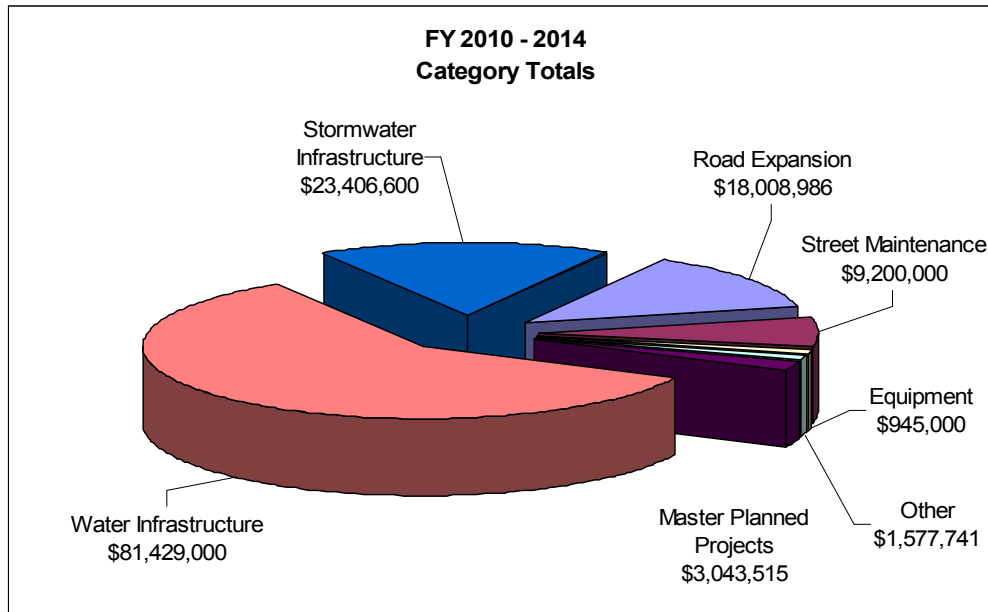
Only projects funded by the General Fund are subject to the evaluation criteria. Projects funded from the remaining Town Funds (ex. Highway, Development Impact Fee and Water Utility) are deemed vital and necessary to the Town's infrastructure. Furthermore, these funds are either self sustaining, receive funding from outside sources such as the Pima Association of Governments (PAG) and other governmental agencies and jurisdictions, or have dedicated revenues that specify the use of the funds.

Capital Improvement Program Summary

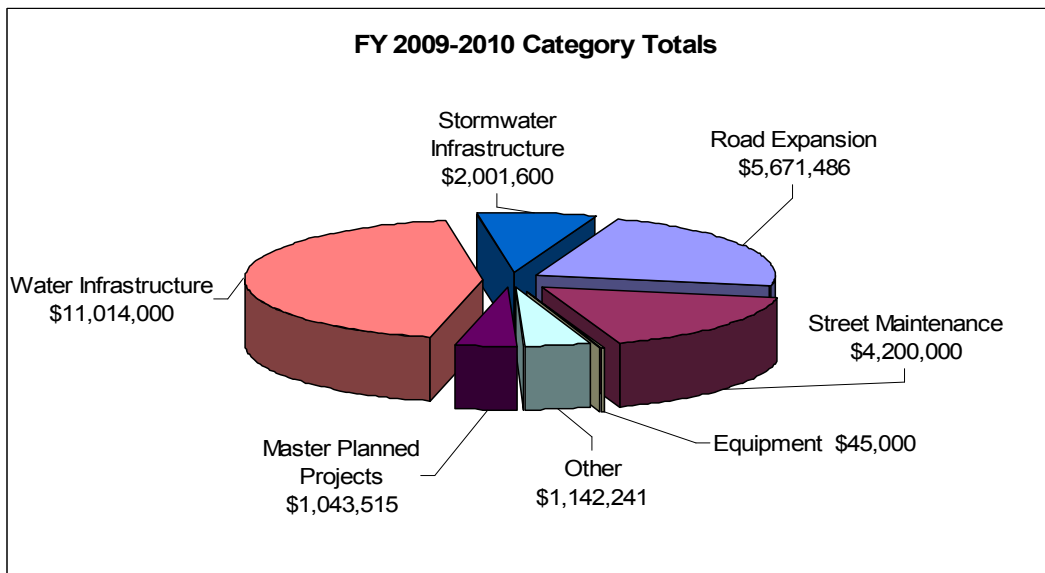
The cumulative 5-year capital budget for the Town of Oro Valley totals \$137,610,842 for fiscal years 2009-10 through 2013-14. The five year outlook is concentrated on Roadway expansion, Stormwater infrastructure, Water infrastructure and the Town's Master Planned Projects. The projects will have a substantial impact on the Town's ability to provide the citizens and community with the infrastructure and service that is essential for continued growth. The graph below shows the allocations by category for the given years:



Capital Improvement Program Overview



The amount allocated for CIP projects in the FY 09/10 proposed budget is \$25,117,842. The graph below shows the allocations by category for FY 09/10. The projects included in the FY 09/10 CIP reflect the needs of the Town based on goals established in both the General and Strategic Plans. The projects represent a significant investment in the infrastructure of the Town and attempt to meet the needs of the community.





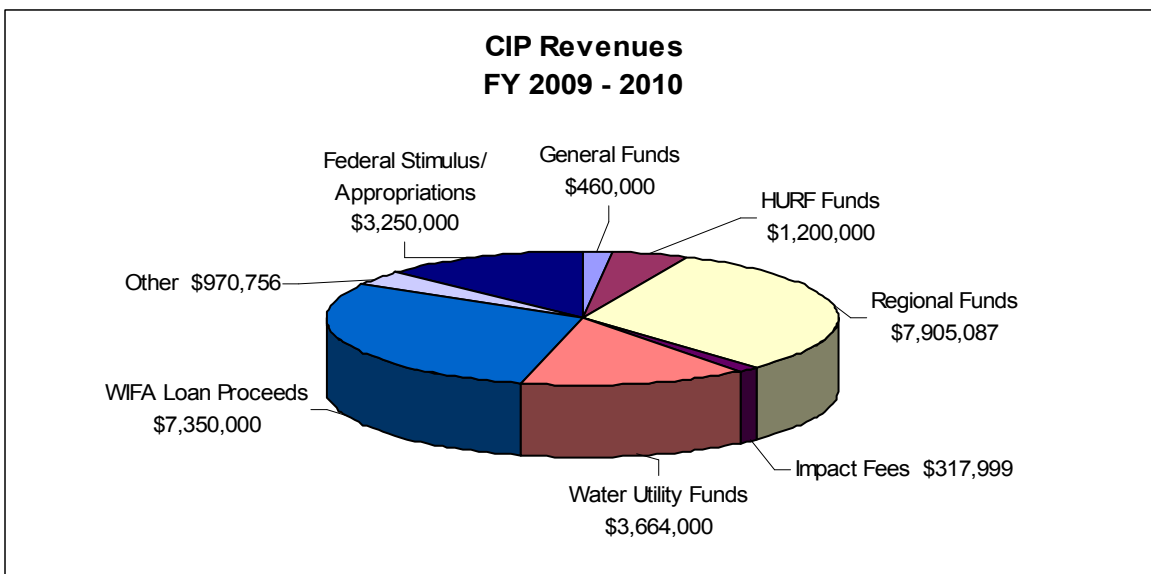
Capital Improvement Program Overview

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. The following options were considered when analyzing potential funding sources for CIP projects:

- Pay-as-you-go financing
- Bonds
- Certificates of participation
- Lease-purchase agreements
- Improvement districts
- Development impact fee ordinances
- Federal and State grants
- Donations and intergovernmental agreements
- User fees

Funding for the 2009 - 2010 CIP is derived from a variety of sources as depicted in the chart below:



Significant funding is generated through local taxes, development fees, intergovernmental grants, and Pima County bond proceeds. The Town relies heavily on income related to development to fund the projects, and a challenge for the Town will be to continue to develop funding sources to replace this income as construction activity declines in future years.

MULTI-YEAR CAPITAL PROJECTS – HISTORIC PRESERVATION AND TOWN FACILITIES

The following section identifies a number of significant capital projects that are currently under assessment by the Town Council and Town management. Funding in the specified amounts has been included in the FY 09/10 annual budget to further plan for the completion of these projects. More detailed multi-year budget amounts for these projects will be developed in future CIP plans as it becomes clearer how these projects will develop and what revenue sources are available to construct and operate them.



Capital Improvement Program Overview

Steam Pump Ranch

Steam Pump Ranch was established in the 1870's along what is now Oracle Road, north of First Avenue, (within current Oro Valley town limits). Use of the Steam Pump Ranch area began with transient passage following the course of the Canada del Oro. The ranch was along a frequently traveled route between Tucson and Camp Grant, a military outpost near the junction of Aravaipa Creek and the San Pedro River. The founders dug a well at the confluence of the nearby washes and installed a steam pump to bring water to the surface – which represents one of the first steam pumps used in the region. The name "Steam Pump" came from the wood-fired pump that was imported from Germany.

The Steam Pump Ranch budget for FY 2009 – 2010 is \$943,515. The budgeted amount will be expended on building and infrastructure assessments and immediate stabilization of all historic structures. Funding for the Steam Pump Ranch is provided by Pima County Bond Funds, Town General Funds and possible receipt of Federal Appropriation dollars targeted for Historic Preservation. The Town has adopted a master plan for the site that will guide its future development.

Honey Bee Village

The Honey Bee Village is a settlement that was established near the start of the Hohokam Cultural sequence (around A.D. 450-600) and was continuously occupied up to the thirteenth century. It is the only such historic Hohokam village site left largely intact within the Town of Oro Valley. The Honey Bee Village site is located along the east side of Rancho Vistoso Boulevard immediately south of the Moore Road alignment.

The FY 2009 – 2010 budget includes \$100,000 in contingency funds that will allow the Town to receive and expend possible grant funds during the 09-10 fiscal year. The money will be expended only if the grant applications are awarded to the Town.

Naranja Town Site

The 213+ acre property is centrally located in Oro Valley, north of Naranja Road, east of Copper Creek subdivision, south of Tangerine Road, and west of the Monterra Hills subdivision. In 1996, the Town purchased the west 40 acres of the site for recreational purposes and the remaining 173 acres were purchased at a State Land auction in October of 2000. Although the site is currently vacant and void of buildings, it was once used as a sand and gravel operation, as well as a mixing plant.

In November 2008, Oro Valley citizens voted against a bond proposal that would have authorized the Town to issue General Obligation bonds to build the initial phase of the park facility. The FY 09/10 CIP does not include an allocation for this facility as the Town is currently evaluating potential options for use of the land.

Rancho Vistoso Municipal Complex

Due to the growth in Town operations and personnel, the Town has established a Municipal Operations Center Fund for the planning and construction of new Town facilities which will be located on Town-owned property at Rancho Vistoso Blvd. and Innovation Way. In FY 2007 – 2008 Town staff from the Public Works and Water Departments relocated to modular buildings the Town has installed on the property. A full facility master plan has been completed for this site and includes nearly 64,000 square feet of new space, plus the renovation of almost 11,000 square feet of space at the existing Town Hall site. Due to the recessionary economy and budget constraints currently faced by the Town, Mayor and Council delayed implementation of the master plan on this project for the 09-10 fiscal year.



Capital Improvement Program Overview

CIPTAC Recommendations

During this year's process, the CIPTAC recommended the following for FY 2009 – 2010:

- Utilize the \$130,000 General Fund allocation to fund the Virtual Data Center
- Town Council utilize cash reserves to fund the remaining General Fund projects in the amount of \$490,000
- Town Council continue evaluating alternative stable revenue sources that will enhance the completion of future CIP projects

Summary

Projects included in the FY 2009 – 2010 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 2009 – 2010 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 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 is continually reevaluated to assure the projects and funding sources are in accordance with the Town Council priorities and policies.

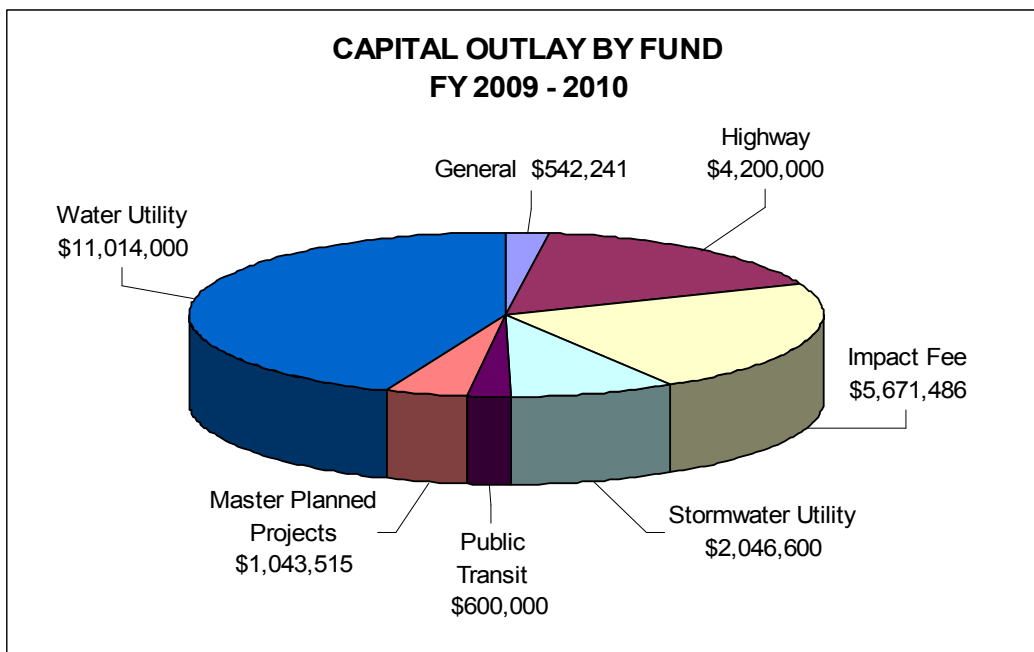
The documents provided on the following pages offer an in-depth view into the CIP Budget and provide detailed information on the projects and the impact they have on the operating budget.



Capital Improvement Program Overview

Table 1 below shows the Five Year CIP Projects by Fund:

Fund	Table 1					Totals
	Fiscal Year					
	09/10	10/11	11/12	12/13	13/14	
General	\$ 542,241	\$ 140,000	\$ 260,000	\$ -	\$ -	\$ 942,241
Highway & Economic Stimulus	\$ 4,200,000	\$ 1,335,000	\$ 1,325,000	\$ 1,375,000	\$ 1,375,000	\$ 9,610,000
Impact Fee	\$ 5,671,486	\$ 3,460,000	\$ 2,090,000	\$ 6,787,500	\$ -	\$ 18,008,986
Stormwater Utility	\$ 2,046,600	\$ 3,805,000	\$ 2,330,000	\$ 3,460,000	\$ 11,900,000	\$ 23,541,600
Public Transportation/RTA	\$ 600,000	\$ 72,500	\$ 145,000	\$ 145,000	\$ 73,000	\$ 1,035,500
Master Planned Projects	\$ 1,043,515	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 3,043,515
Water Utility	\$ 11,014,000	\$ 6,670,000	\$ 4,767,000	\$ 25,771,500	\$ 33,206,500	\$ 81,429,000
Total All Funds	\$ 25,117,842	\$15,482,500	\$12,917,000	\$37,539,000	\$46,554,500	\$137,610,842



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Town of Oro Valley
Community of Excellence

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Projects by Fund

Table 2 below identifies the General Fund Projects for Fiscal Years 2010 – 2014:

Table 2

General Fund

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
Town-Wide Telecommunications Upgrade	\$ -	\$ 140,000	\$ 260,000	\$ -	\$ -
PD Substation at Vestar - Rollover	\$ 350,000	\$ -	\$ -	\$ -	\$ -
Virtual Data Center	\$ 110,000	\$ -	\$ -	\$ -	\$ -
Big Wash Multi Use Path	\$ 82,241	\$ -	\$ -	\$ -	\$ -
Totals	\$ 542,241	\$ 140,000	\$ 260,000	\$ -	\$ -

Table 3 below identifies the Highway and Economic Stimulus Fund Projects for Fiscal Years 2010 – 2014:

Table 3

Highway Fund

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
Oro Valley Surface Treatments	\$ 4,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
New Sidewalk Installation	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Purchase new Cat Backhoe	\$ -	\$ 85,000	\$ -	\$ -	\$ -
Purchase a skidsteer tractor, 'Bobcat' with attachments	\$ -	\$ -	\$ 75,000	\$ -	\$ -
Distributor truck and tank for holding fog seal oil	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000
Totals	\$ 4,200,000	\$ 1,335,000	\$ 1,325,000	\$ 1,375,000	\$ 1,375,000

Table 4 below identifies the Stormwater Fund Projects for Fiscal Years 2010 – 2014:

Table 4

Stormwater Fund

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
10 ton dump truck	\$ 45,000	\$ 45,000	\$ 45,000	\$ -	\$ -
Lomas De Oro Subdivision	\$ 1,701,600	\$ -	\$ -	\$ -	\$ -
Oro Valley Estates Drainage	\$ 300,000	\$ 450,000	\$ -	\$ -	\$ -
Portable Vehicle Wash Rack	\$ -	\$ 35,000	\$ 35,000	\$ 35,000	\$ -
Oro Valley C.C. Site 7	\$ -	\$ 500,000	\$ -	\$ -	\$ -
Highland Wash Basin Mgmt. Study	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Arroyo Grande Basin Mgmt. Study	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Chalk Wash Erosion and Flood Protection	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
CDO Wash Floodplain Land Acq.	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -
Pegler Wash Basin Mgmt. Study	\$ -	\$ -	\$ 75,000	\$ -	\$ -
Lambert Road Box Culvert	\$ -	\$ -	\$ 600,000	\$ -	\$ -
Highland Wash Basin Improvements	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -
Un-named Wash Basin Mgmt. Study	\$ -	\$ -	\$ 75,000	\$ -	\$ -
Arroyo Grande Basin Improvements	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -
Moore Road Box Culverts	\$ -	\$ -	\$ -	\$ 350,000	\$ -
Carmack Wash Basin Mgmt. Study	\$ -	\$ -	\$ -	\$ 75,000	\$ -
Pegler Wash Drainage Improvements	\$ -	\$ -	\$ -	\$ 500,000	\$ -
Un-named Wash Improvements	\$ -	\$ -	\$ -	\$ 500,000	\$ -
Carmack Wash Drainage Improvements	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Big Wash Land Acq/Recharge Project	\$ -	\$ -	\$ -	\$ -	\$ 10,725,000
Unknown wash (Villages) Basin Mgmt. Study	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Logan's Crossing Erosion & Flood Control	\$ -	\$ -	\$ -	\$ -	\$ 600,000
Totals	\$ 2,046,600	\$ 3,805,000	\$ 2,330,000	\$ 3,460,000	\$ 11,900,000



Projects by Fund

Table 5 below identifies the Public Transportation and RTA Fund Projects for Fiscal Years 2010 – 2014:

Table 5

Public Transportation

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
Oro Valley Transit Services	\$ 600,000	\$ 72,500	\$ 145,000	\$ 145,000	\$ 73,000
Totals	\$ 600,000	\$ 72,500	\$ 145,000	\$ 145,000	\$ 73,000

Table 6 below identifies the Impact Fee Fund Projects for Fiscal Years 2010 – 2014:

Table 6

Impact Fee Fund

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
Lambert Lane Widening (La Canada to 1st Avenue)	\$ 2,500,000	\$ 2,600,000	\$ 1,100,000	\$ 4,200,000	\$ -
Magee Road - (Oracle to N. 1st Avenue)	\$ 1,075,000	\$ -	\$ -	\$ -	\$ -
Naranja - (Shannon to La Canada)	\$ 127,000	\$ 860,000	\$ 990,000	\$ 2,587,500	\$ -
Tangerine - (Shannon to La Canada)	\$ 675,000	\$ -	\$ -	\$ -	\$ -
Pedestrian Bridge Over CDO Wash	\$ 134,486	\$ -	\$ -	\$ -	\$ -
Hardy Road @ Northern Intersection	\$ 710,000	\$ -	\$ -	\$ -	\$ -
La Canada Widening - Landscape Establishment	\$ 50,000	\$ -	\$ -	\$ -	\$ -
La Cholla Overlay - Rollover Project	\$ 400,000	\$ -	\$ -	\$ -	\$ -
Totals	\$ 5,671,486	\$ 3,460,000	\$ 2,090,000	\$ 6,787,500	\$ -

Table 7 below identifies the Existing System Improvement Projects for the Water Utility for Fiscal Years 2010 – 2014:

Table 7

Existing System Improvements

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
Well Drill & Equip E-1B	\$ 1,434,000	\$ -	\$ -	\$ -	\$ -
Well Drill & Equip Steam Pump	\$ 650,000	\$ 1,000,000	\$ -	\$ -	\$ -
Well E-8 Development	\$ -	\$ -	\$ 60,000	\$ -	\$ -
North La Canada 3.0 MG, 50%	\$ 1,464,000	\$ 250,000	\$ -	\$ -	\$ -
Crimson Canyon Booster	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Sheraton D-Zone Booster	\$ 734,000	\$ -	\$ -	\$ -	\$ -
High Mesa G-Zone Booster	\$ -	\$ -	\$ 550,000	\$ -	\$ -
High Mesa F-Zone Booster	\$ -	\$ -	\$ 550,000	\$ -	\$ -
Tangerine Booster	\$ -	\$ -	\$ -	\$ 150,000	\$ -
CDO Booser - possible demolition	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Deer Run Booster	\$ -	\$ -	\$ -	\$ -	\$ 1,280,000
Tangerine Hills - 8 Inch Main Replacement	\$ -	\$ 2,000,000	\$ 200,000	\$ -	\$ -
East Lambert Lane 12" Main Relocation (DPW)	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -
Campo Bello - 8 Inch Main Replacement	\$ -	\$ 700,000	\$ -	\$ -	\$ -
Hilton 6" Meter by-pass	\$ -	\$ 40,000	\$ -	\$ -	\$ -
Innovation - 16" Main Replacement	\$ 488,000	\$ -	\$ -	\$ -	\$ -
RTA Utility Relocation (allowance) - Rollover	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Rancho Verde Main Replacement	\$ -	\$ -	\$ 500,000	\$ -	\$ -
La Canada 24 Inch Main - 50%	\$ 334,000	\$ -	\$ -	\$ -	\$ -
3 Pressure Reducing Stations (PRV'S)	\$ 90,000	\$ -	\$ -	\$ -	\$ -
Acces Road & Wall - Well D-6	\$ -	\$ 100,000	\$ -	\$ -	\$ -
RV Chlorine Storage	\$ -	\$ 100,000	\$ 200,000	\$ -	\$ -
Linda Vista Drainage Improvements	\$ -	\$ -	\$ 150,000	\$ -	\$ -
Access Road - Well C-8	\$ -	\$ 50,000	\$ -	\$ -	\$ -
Security Wall - Well C-8	\$ -	\$ -	\$ 100,000	\$ -	\$ -
Replace Security Wall at CS-2 - Countryside	\$ -	\$ 80,000	\$ -	\$ -	\$ -
Big Wash Security Wall	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Totals	\$ 6,094,000	\$ 4,920,000	\$ 2,360,000	\$ 450,000	\$ 1,280,000



Projects by Fund

Table 8 below identifies the Expansion Related Improvement Projects for the Water Utility for Fiscal Years 2010 – 2014:

Table 8

Expansion Related Improvements

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
New Well	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000
Palisades Reservoir 3.2 MG	\$ -	\$ -	\$ -	\$ 390,000	\$ 6,465,000
North La Canada 3.0 MG, 50%	\$ 1,500,000	\$ 250,000	\$ -	\$ -	\$ -
Moore Road Main Oversize - Rollover	\$ 70,000	\$ -	\$ -	\$ -	\$ -
Palisades C-Zone Main	\$ -	\$ -	\$ -	\$ 250,000	\$ 780,000
La Canada 24 Inch Main	\$ 350,000	\$ -	\$ -	\$ -	\$ -
Totals	\$ 1,920,000	\$ 250,000	\$ -	\$ 1,240,000	\$ 7,845,000

Table 9 below identifies CAP Improvement Projects for the Water Utility for Fiscal Years 2010 -2014:

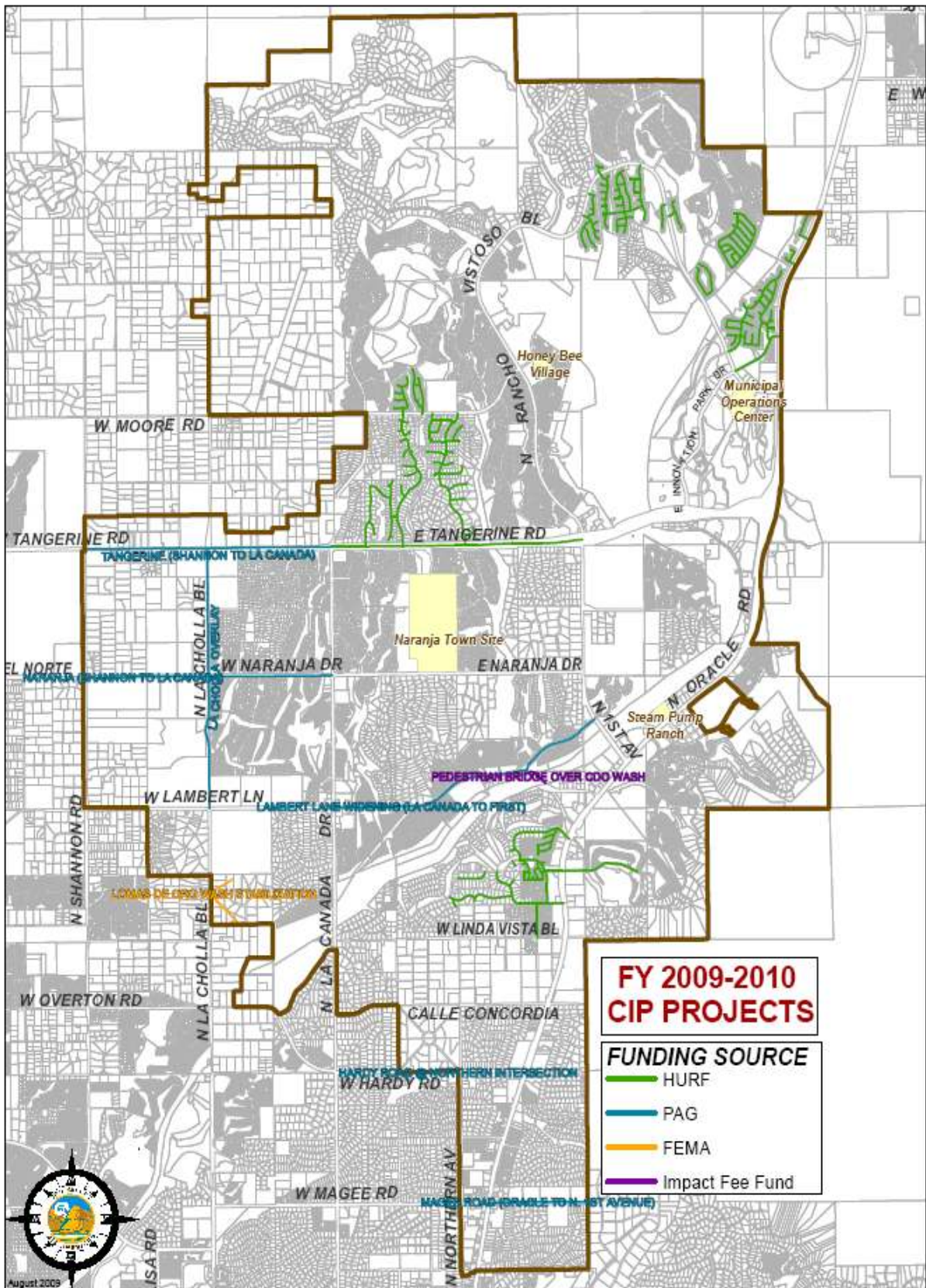
Table 9

CAP Improvement Projects

Project Name	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
NW CAP Delivery - Design Only	\$ 2,500,000	\$ 1,500,000	\$ -	\$ -	\$ -
Land	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Northwest WTP Carollo Study 2007	\$ -	\$ -	\$ 2,407,000	\$ 10,831,500	\$ 10,831,500
Delivery Pipeline - Seg. 1	\$ -	\$ -	\$ -	\$ 1,900,000	\$ 1,900,000
Delivery Pipeline - Seg. 5	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,100,000
Delivery Pipeline - Seg. 8	\$ -	\$ -	\$ -	\$ 3,700,000	\$ 3,700,000
Delivery Pipeline - Seg. 11	\$ -	\$ -	\$ -	\$ 2,400,000	\$ 2,400,000
WTP Booster Pumps	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
Intermediate Booster Pumps	\$ -	\$ -	\$ -	\$ 2,150,000	\$ 2,150,000
Totals	\$ 3,000,000	\$ 1,500,000	\$ 2,407,000	\$ 24,081,500	\$ 24,081,500

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The Town of Oro Valley map below identifies the location of the major projects scheduled for completion in FY 2010:



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Project Descriptions

The following are detailed descriptions of all of the projects identified for Fiscal Year 2009 above. They include the operating impact to the Town as well as indicating any additional funding the Town will receive to complete the project.

PROJECT TITLE: Virtual Data Center
 DEPARTMENT: Information Technology
 PROJECT COST: \$110,000
 PRIMARY FUNDING: General Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: New virtual data center that will provide redundancy in the event of a catastrophe
 PROJECT JUSTIFICATION: Project accomplishes goals outlined in the disaster recovery plan

OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	5,100	12,500	12,500	14,700	15,800
Operating Savings	-	2,100	2,100	2,100	2,100

PROJECT TITLE: Police Substation at Vestar - Rollover Project
 DEPARTMENT: Police
 PROJECT COST: \$350,000
 PRIMARY FUNDING: General Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Tenant improvements made to leased space located in the OV Marketplace
 PROJECT JUSTIFICATION: Project will house Motor & Bicycle Units and provide needed additional space

OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	18,456	18,917	19,390	19,875	20,372
Operating Savings	83,550	83,550	83,550	83,550	83,550

PROJECT TITLE: Big Wash Multi Use Path
 DEPARTMENT: Public Works
 PROJECT COST: \$82,241
 PRIMARY FUNDING: None
 ADDITIONAL FUNDING: In-lieu Fees (Developer contribution)
 PROJECT DESCRIPTION: Construction of a new multi use path along Big Wash
 PROJECT JUSTIFICATION: Enhances recreational opportunities within Town

OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Oro Valley Surface Treatments
DEPARTMENT: Public Works, Street Division
PROJECT COST: \$4,200,000
PRIMARY FUNDING: Highway Fund (\$1,200,000)
ADDITIONAL FUNDING: Federal Stimulus Funds (\$3,000,000)
PROJECT DESCRIPTION: Pavement preservation and surface treatments of Oro Valley streets and roads
PROJECT JUSTIFICATION: Preserves the existing Town infrastructure and extends street/road lifespan
OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	820,000	820,000	820,000	820,000	820,000

PROJECT TITLE: Purchase new 10-ton Dump Truck
DEPARTMENT: Public Works, Operations Division
PROJECT COST: \$45,000
PRIMARY FUNDING: Stormwater Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Purchase of additional dump truck
PROJECT JUSTIFICATION: Additional dump truck will enable Town to operate in a more efficient manner
OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	4,000	4,160	4,326	5,000	5,200
Operating Savings	-	-	-	-	-

PROJECT TITLE: Oro Valley Country Club Drainage - Rollover Project
DEPARTMENT: Public Works, Street Division
PROJECT COST: \$300,000
PRIMARY FUNDING: Pima County Flood Control District
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Drainage improvements at the Oro Valley Country Club
PROJECT JUSTIFICATION: Improvements will provide increased safety to country club residents
OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	500	1,000	1,000	2,000	4,000



Project Descriptions

PROJECT TITLE: Lomas de Oro Construction - Rollover Project
 DEPARTMENT: Public Works, Street Division
 PROJECT COST: \$1,701,600
 PRIMARY FUNDING: FEMA
 ADDITIONAL FUNDING: Pima County Flood Control District
 PROJECT DESCRIPTION: Repair wash to meet flood control standards
 PROJECT JUSTIFICATION: Needed repair due to damage from 2006 Summer Monsoons
 OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	2,500	5,000	2,500	5,000	75,000

PROJECT TITLE: Oro Valley Transit Services
 DEPARTMENT: Public Works, Transit Division
 PROJECT COST: \$600,000
 PRIMARY FUNDING: Regional Transportation Authority (RTA)
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Installation of additional bus pullouts along routes in Oro Valley
 PROJECT JUSTIFICATION: Project identified in RTA's regional transportation plan
 OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: La Canada Widening (Landscaping Establishment) - Rollover Project
 DEPARTMENT: Public Works
 PROJECT COST: \$50,000
 PRIMARY FUNDING: Highway Expansion and Extension Loan Program (\$50,000)
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Establish landscaping along newly constructed arterial roadway
 PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG
 OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE:	Lambert Lane Widening (La Canada to 1st Avenue) - Rollover Project				
DEPARTMENT:	Public Works				
PROJECT COST:	\$2,500,000				
PRIMARY FUNDING:	Pima Association of Governments Regional Funds (\$2,416,487)				
ADDITIONAL FUNDING:	Roadway Impact Fees (\$83,513)				
PROJECT DESCRIPTION:	Widen Lambert Lane between La Canada and 1st Avenue to 4 lanes				
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG				
OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE:	Magee Road (Oracle to N. 1st Avenue) - Rollover Project				
DEPARTMENT:	Public Works				
PROJECT COST:	\$1,075,000				
PRIMARY FUNDING:	Pima Association of Government Regional Funds (\$975,000)				
ADDITIONAL FUNDING:	Roadway Impact Fees (\$100,000)				
PROJECT DESCRIPTION:	Reconstruction of Magee between Oracle and 1st Avenue				
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG				
OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE:	Tangerine (Shannon to La Canada) - Rollover Project				
DEPARTMENT:	Public Works				
PROJECT COST:	\$675,000				
PRIMARY FUNDING:	Pima Association of Government Regional Funds (\$675,000)				
ADDITIONAL FUNDING:	None				
PROJECT DESCRIPTION:	Widen Tangerine from Shannon to La Canada to 4 lanes				
PROJECT JUSTIFICATION:	Per Transportation Improvement Program as set by PAG				
OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Pedestrian Bridge over CDO Wash - Rollover Project
DEPARTMENT: Public Works
PROJECT COST: \$134,486
PRIMARY FUNDING: Impact Fee Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Construction of pedestrian bridge of CDO wash
PROJECT JUSTIFICATION: Increases public safety; provides users access to both sides of wash

OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Hardy Road @ Northern Intersection - Rollover Project
DEPARTMENT: Public Works
PROJECT COST: \$710,000
PRIMARY FUNDING: Pima Association of Government Regional Funds (\$710,000)
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Install modern round-about at the intersection
PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG

OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Naranja (Shannon to La Canada) - Rollover Project
DEPARTMENT: Public Works
PROJECT COST: \$127,000
PRIMARY FUNDING: Pima Association of Government Regional Funds (\$127,000)
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Road reconstruction with sidewalks and shoulders installed
PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG

OPERATING IMPACT:	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: La Cholla Overlay - Rollover Project
 DEPARTMENT: Public Works
 PROJECT COST: \$400,000
 PRIMARY FUNDING: Pima Association of Government Regional Funds (\$400,000)
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Overlay and construction of new bike/pedestrian lanes along La Cholla Blvd.
 PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG
 OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Pusch View Well - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$800,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: New well in the vicinity of Oracle and Pusch View Lane
 PROJECT JUSTIFICATION: Require additional well capacity to maintain current level of service
 OPERATING IMPACT:

	Fiscal Years				
	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>
Operating Revenue	-	-	-	-	-
Operating Costs	30,000	30,000	30,000	30,000	30,000
Operating Savings	-	-	-	-	-

PROJECT TITLE: Well Drill - Steam Pump Ranch
 DEPARTMENT: Water
 PROJECT COST: \$400,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Well spacing analysis to acquire well drilling permit to drill well at Steam Pump
 PROJECT JUSTIFICATION: Project is being complete in anticipation of further development at the site
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Well Equipping - Steam Pump Ranch
DEPARTMENT: Water
PROJECT COST: \$750,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Design and construct well at the site
PROJECT JUSTIFICATION: Project is being complete in anticipation of further development at the site
OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	30,000	30,000	30,000	30,000
Operating Savings	-	-	-	-	-

PROJECT TITLE: West Lambert Lane 12 inch Main
DEPARTMENT: Water
PROJECT COST: \$900,000
PRIMARY FUNDING: Potable Water Impact Fees (\$500,000)
ADDITIONAL FUNDING: Water Utility Fund (\$400,000)
PROJECT DESCRIPTION: Design and construct new 12 inch main on Lambert Lane
PROJECT JUSTIFICATION: Due to widening of Lambert Lane existing main needs to be extended
OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Highlands Main Replacement - Rollover Project
DEPARTMENT: Water
PROJECT COST: \$1,368,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Construction to replace undersized mains
PROJECT JUSTIFICATION: Existing system is deficient and does not meet Water Utility standards
OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Innovation Way 16 inch Main Replacment
DEPARTMENT: Water
PROJECT COST: \$400,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Install new 16 inch ductile iron pipe to replace original main
PROJECT JUSTIFICATION: Existing pipe material not reliable; new pipe will improve existing facilities
OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: RTA Utility Relocation
DEPARTMENT: Water
PROJECT COST: \$50,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Allowance in budget to relocate existing water infrastructure if needed
PROJECT JUSTIFICATION: Allowance will accommodate unknown road improvements
OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Access Road High Mesa
DEPARTMENT: Water
PROJECT COST: \$30,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Grade, compact & place hardened surface on access road to High Mesa Res.
PROJECT JUSTIFICATION: Existing access has poor drainage & erosion; not safe as an access route
OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: La Canada Reservoir Design - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$50,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Design from Moore Road/La Canada to future reservoir at N. La Canada
 PROJECT JUSTIFICATION: Improve existing facilities and help Utility keep pace with Town growth
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: El Con Booster Drainage - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$81,326
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Install drainage structure under access road designed by consultant
 PROJECT JUSTIFICATION: Improve existing facilities and help Utility keep pace with Town growth
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Moore Road Main Over-sizing - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$70,000
 PRIMARY FUNDING: Oro Valley Water Connection Fees Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Upsizing of a developer driven installation of an "F" zone main
 PROJECT JUSTIFICATION: Improve existing facilities and help Utility keep pace with Town growth
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: La Canada Drive Reclaimed Water Pipe Line - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$707,000
 PRIMARY FUNDING: Alternative Water Resource Development Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Irrigation of golf courses to be converted from potable to reclaimed water
 PROJECT JUSTIFICATION: Construction of project expected to be complete in October 2008
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Well D-8 Electrical Upgrades - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$30,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Replace existing starter and miscellaneous electrical components
 PROJECT JUSTIFICATION: Preservation of well
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Sheraton D-Zone Booster - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$10,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Re-design existing booster station; upgrade facility with new electrical
 PROJECT JUSTIFICATION: Existing pumps are undersized and in need of replacement
 OPERATING IMPACT:

	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	10,000	10,000	10,000	10,000	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Painted Sky Booster - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$30,000
 PRIMARY FUNDING: Alternative Water Resource Development Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Convert school playground from potable to reclaimed water
 PROJECT JUSTIFICATION: Improve existing facilities and help Utility keep pace with Town growth

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	2,400	2,400	2,400	2,400	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Pusch View Well
 DEPARTMENT: Water
 PROJECT COST: \$1,000,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: New well in the vicinity of Oracle and Pusch View Lane
 PROJECT JUSTIFICATION: Require additional well capacity to maintain current level of service

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	30,000	30,000	30,000	30,000	30,000
Operating Savings	-	-	-	-	-

PROJECT TITLE: Well Drill - Steam Pump Ranch
 DEPARTMENT: Water
 PROJECT COST: \$400,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Well spacing analysis to acquire well drilling permit to drill well at Steam Pump
 PROJECT JUSTIFICATION: Project is being complete in anticipation of further development at the site

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Well Equipping - Steam Pump Ranch
 DEPARTMENT: Water
 PROJECT COST: \$750,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Design and construct well at the site
 PROJECT JUSTIFICATION: Project is being complete in anticipation of further development at the site

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	30,000	30,000	30,000	30,000
Operating Savings	-	-	-	-	-

PROJECT TITLE: Oracle Road Main Relocation (ADOT)
 DEPARTMENT: Water
 PROJECT COST: \$100,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Main lowerings to facilitate construction work along Oracle Road
 PROJECT JUSTIFICATION: Improve existing facilities and help Utility keep pace with Town growth

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: West Lambert Lane 12 inch Main
 DEPARTMENT: Water
 PROJECT COST: \$900,000
 PRIMARY FUNDING: Potable Water Impact Fees (\$500,000)
 ADDITIONAL FUNDING: Water Utility Fund (\$400,000)
 PROJECT DESCRIPTION: Design and construct new 12 inch main on Lambert Lane
 PROJECT JUSTIFICATION: Due to widening of Lambert Lane existing main needs to be extended

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Highlands Main Replacement - Rollover Project
DEPARTMENT: Water
PROJECT COST: \$1,000,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Construction to replace undersized mains
PROJECT JUSTIFICATION: Existing system is deficient and does not meet Water Utility standards

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Innovation Way 16 inch Main Replacment
DEPARTMENT: Water
PROJECT COST: \$400,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Install new 16 inch ductile iron pipe to replace original main
PROJECT JUSTIFICATION: Existing pipe material not reliable; new pipe will improve existing facilities

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: RTA Utility Relocation
DEPARTMENT: Water
PROJECT COST: \$50,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Allowance in budget to relocate existing water infrastructure if needed
PROJECT JUSTIFICATION: Allowance will accommodate unknown road improvements

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Access Road High Mesa
DEPARTMENT: Water
PROJECT COST: \$30,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Grade, compact & place hardened surface on access road to High Mesa Res.
PROJECT JUSTIFICATION: Existing access has poor drainage & erosion; not safe as an access route

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Big Wash Security Wall
DEPARTMENT: Water
PROJECT COST: \$50,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Repair/replace existing wall due to poor drainage on site
PROJECT JUSTIFICATION: Existing gate will not close properly, wall is cracked; repairs are necessary

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Moore Road Main Over-sizing - Rollover Project
DEPARTMENT: Water
PROJECT COST: \$70,000
PRIMARY FUNDING: Oro Valley Water Connection Fees Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Upsizing of a developer driven installation of an "F" zone main
PROJECT JUSTIFICATION: Improve existing facilities and help Utility keep pace with Town growth

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: La Canada Drive Reclaimed Water Pipe Line - Rollover Project
 DEPARTMENT: Water
 PROJECT COST: \$623,000
 PRIMARY FUNDING: Alternative Water Resource Development Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Irrigation of golf courses to be converted from potable to reclaimed water
 PROJECT JUSTIFICATION: Construction of project expected to be complete in October 2008

OPERATING IMPACT:	Fiscal Years				
	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

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Community Profile

Oro Valley is in Northwestern Pima County, six miles north of the Tucson city limits. The valley, formed by the Santa Cruz River joining Gold Creek in the Catalina Mountains, covers nearly 32 square miles.

Source: Arizona Dept of Commerce

Basic Information

Founded: 1881
 Incorporated: 1974
 County: Pima
 Form of Government: Council – Manager
 Legislative District: 26
 Congressional District: 8

Distance to Major Cities:
 Phoenix: 109 miles
 Tucson: 6 miles



Population

	1990	2000	2008
Oro Valley	6,670	29,700	43,223
Pima County	666,880	843,746	1,014,023
Arizona	3,665,228	5,130,632	6,500,180

Source: Pima Association of Governments and US Census Bureau

Age & Gender Composition

Male	48.5%
Female	51.5%
Median Age	45.3

Under 5 years	5.0%
5 to 9 years	5.9%
10 to 14 years	6.9%
15 to 19 years	5.4%
20 to 34 years	11.1%
35 to 44 years	15.3%
45 to 54 years	14.8%
55 to 64 years	12.9%
65 + years	22.7%

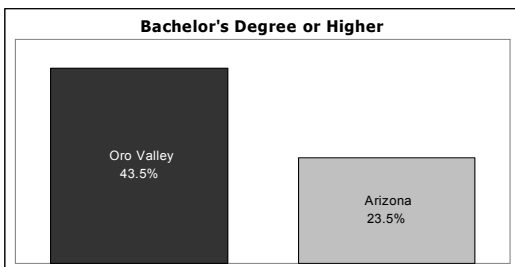
Source: US Census Bureau, 2000

Marital Status

Single	14.6%
Married	72.2%
Separated	0.5%
Widowed	5.2%
Divorced	7.5%

Source: US Census Bureau, 2000

Education Attainment

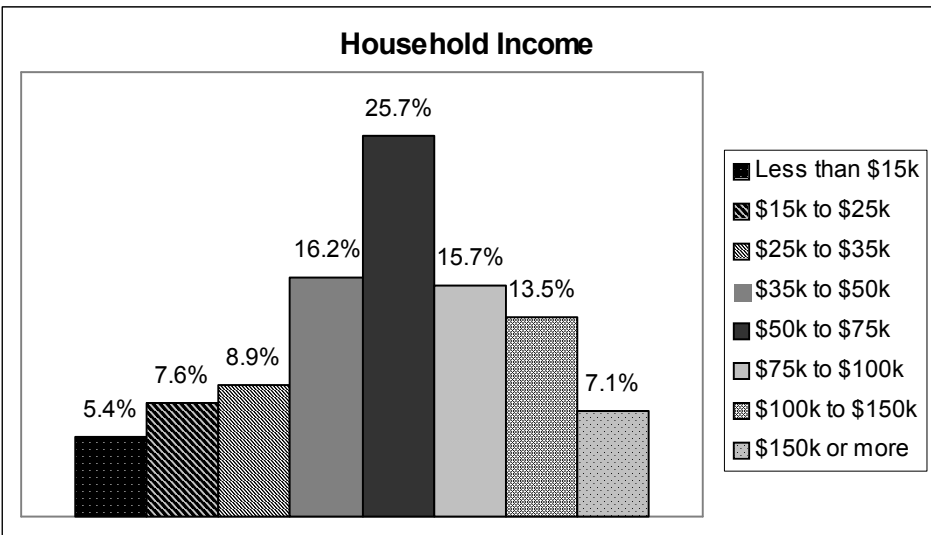


Source: US Census Bureau, 2000

Labor Force

	1990	2000	2007
Civilian Labor Force	3,201	13,741	15,362
Unemployed	102	353	389
Unemployment Rate	3.2%	2.6%	2.5%

Source: Arizona Dept of Commerce



Source: US Census Bureau, 2000

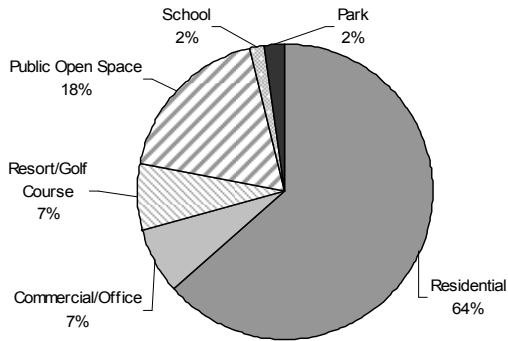
Principal Employers

Honeywell	Home Depot
Ventana Medical Systems	Target
Hilton El Conquistador Golf & Tennis Resort	Long Realty
Northwest Medical	Stone Canyon
Fry's Food & Drug Store	sanofi-aventis

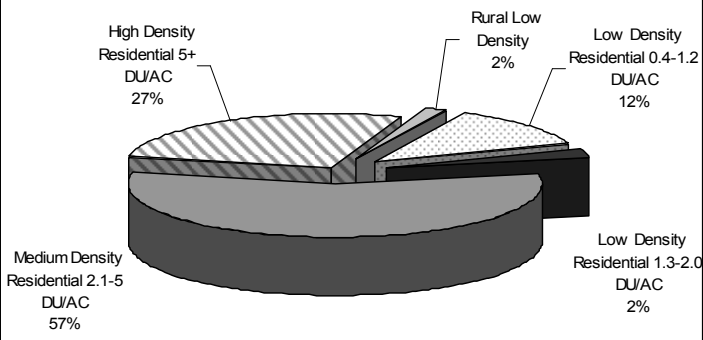


Community Profile

Land Use (Net Acres)



Dwelling Units per Acre



Source: Town of Oro Valley Economic Vitality Model

Home Values

Less than \$50k	0.2%
\$50k to \$99k	2.8%
\$100k to \$199k	60.5%
\$200k to \$299k	27.5%
\$300k to \$499k	8.1%
\$500k to \$999k	0.8%
\$1M or more	0.1%

Source: US Census Bureau, 2000

Community Facilities

Oro Valley offers a broad range of community and cultural facilities including a park with an Olympic-sized swimming pool, racquetball courts and Little League fields. Oro Valley has two country clubs, four 18-hole golf courses and one 9-hole course. Tennis and swimming as well as other recreation activities are available at the country clubs.

Educational Institutions

	Public	Private
Elementary	Y	Y
High School	Y	Y

Financial

Number of banks: 9

Government

Fire Department: Golder Ranch Fire District & Rural/Metro

Law Enforcement: Town of Oro Valley

Medical

Northwest Medical Center

Northwest Urgent Care

Hotel & Lodging

Number of Rooms: 430

Source: Arizona Dept of Commerce and Oro Valley Business Navigator

Taxes

Property Tax Rate (per \$100 assessed valuation)

Elementary/High Schools	\$4.91
Countywide	\$5.90
City/Fire District	\$0.00
Town of Oro Valley	\$0.00
Total	\$10.81

Source: Arizona Dept of Commerce, 2008

Sales Tax

City/Town	2.0%
County	0.5%
State	5.6%

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

Service Statistics

Police:

Sworn Personnel:	101.38
Non-Sworn Personnel:	30.50
Total Police Personnel	131.88
Officers per 1,000 residents:	2.34
Ave. Emergency Response Time:	
Priority 1 calls < 1 minutes	78% of the time
Priority 2 calls < 2 minutes	84% of the time
Priority 3 calls < 5 minutes	96% of the time
Priority 4 calls < 10 minutes	98% of the time

Transit:

Registered riders:	1,200
Ave. Daily Ridership:	69

Parks and Recreation:

# of Parks:	4
Park Acres Maintained:	374
Miles of Trails & Paths:	169
Recreation Programs Offered:	30

Public Works:

Total Town Lane Miles:	680
2009 Lane Miles resurfaced:	93

Water:

Customer Base:	18,330
Conservation Audits:	145
Meter Reads:	212k
Billing Collection Rate:	99.9%



Town of Oro Valley
Community of Excellence

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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.

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.



History of Oro Valley

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.



Town of Oro Valley
Community of Excellence

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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 2009-2010.

WHEREAS, on June 3, 2009 and 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, also 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 17, 2009 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 2009-2010; 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).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, Arizona, that the said estimates of revenues and expenditures/expenses shown on the accompanying schedules, as now increased, reduced or changed, are hereby adopted as the budget of the Town of Oro Valley for the Fiscal Year 2009-2010 in the amount of \$121,549,343.

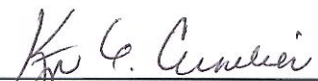
PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona this 17th day of June, 2009.

TOWN OF ORO VALLEY, ARIZONA



Paul H. Loomis, Mayor

ATTEST:



Kathryn E. Cuvelier, Town Clerk

APPROVED AS TO FORM:



Tobin Rosen, Town Attorney

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Town of Oro Valley
Community of Excellence

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CITY/TOWN OF ORO VALLEY
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2010

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2009	ACTUAL EXPENDITURES/EXPENSES ** 2009	FUND BALANCE/ NET ASSETS*** July 1, 2009**	PROPERTY TAX REVENUES 2010	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2010	OTHER FINANCING 2010		INTERFUND TRANSFERS 2010		TOTAL FINANCIAL RESOURCES AVAILABLE 2010	BUDGETED EXPENDITURES/EXPENSES 2010
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 42,805,968	\$ 27,612,566	\$ 14,657,852	Primary: \$ Secondary:	\$ 27,938,656	\$	\$	\$ 2,030,637	\$	\$ 40,565,871	\$ 40,565,871
2. Special Revenue Funds	12,962,139	7,176,005	5,908,926		9,132,541			302,000	532,278	14,811,189	14,811,189
3. Debt Service Funds Available	3,218,673	1,596,728	256,035		369,203			1,034,297		1,659,535	1,659,535
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	3,218,673	1,596,728	256,035		369,203			1,034,297		1,659,535	1,659,535
6. Capital Projects Funds	119,462,581	13,199,074	19,773,048		11,493,972	2,500,000		470,000		34,237,020	34,237,020
7. Permanent Funds											
8. Enterprise Funds Available	24,672,313	16,432,753	9,856,228		14,812,882	4,850,000			139,296	29,379,814	29,379,814
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	24,672,313	16,432,753	9,856,228		14,812,882	4,850,000			139,296	29,379,814	29,379,814
11. Internal Service Funds								895,914		895,914	895,914
12. TOTAL ALL FUNDS	\$ 203,121,674	\$ 66,017,146	\$ 50,452,089		\$ 63,747,254	\$ 7,350,000	\$	\$ 2,702,211	\$ 2,702,211	\$ 121,549,343	\$ 121,549,343

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC or voter-approved alternative expenditure limitation

	2009	2010
	\$ 203,121,674	\$ 121,549,343
	203,121,674	121,549,343
	\$ 203,121,674	\$ 121,549,343
	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts invested in capital assets, net of related debt, and reserved/restricted amounts established as offsets to assets presented for informational purposes (i.e., prepaids, inventory, etc.).

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2010

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 13,637,072	\$ 12,642,610	\$ 13,418,740
Cable Franchise Tax	475,000	475,000	475,000
Licenses and permits			
Licenses	178,520	178,520	184,920
Permits	1,614,730	1,201,366	1,108,409
Fees	49,000	20,561	20,561
Intergovernmental			
State/County Shared	10,991,773	10,754,437	9,687,608
State Grants	285,744	161,442	106,000
Federal Grants	717,503	237,936	627,165
Other	650,083	621,783	626,783
Charges for services			
Reimbursements	207,500	242,015	257,535
Fees	575,820	487,010	559,211
Other	276,641	280,203	222,391
Fines and forfeits			
Fines	250,000	277,090	286,603
Interest on investments			
Interest Income	600,000	232,730	232,730
Miscellaneous			
Miscellaneous	125,000	124,886	125,000
Total General Fund	\$ 30,634,386	\$ 27,937,589	\$ 27,938,656

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2010

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Local Sales Tax	\$ 2,231,463	\$ 2,507,234	\$ 1,899,884
Highway User Fuel Tax	3,160,116	2,631,021	2,656,128
Other	217,000	189,300	112,392
Total Highway User Revenue Fund	\$ 5,608,579	\$ 5,327,555	\$ 4,668,404
Public Transportation Fund			
Local Transportation Assistance	\$ 189,403	\$ 176,453	\$ 188,544
Grants	106,500	60,000	
Other	832,248	847,998	194,900
Total Public Transportation Fund	\$ 1,128,151	\$ 1,084,451	\$ 383,444
Bed Tax Fund			
Local Sales Tax	\$ 1,639,071	\$ 1,228,254	\$ 550,181
Other	20,000	13,512	13,512
	\$ 1,659,071	\$ 1,241,766	\$ 563,693
Seizure & Forfeitures - State Fund			
	\$ 4,000	\$ 71,635	\$ 178,000
	\$ 4,000	\$ 71,635	\$ 178,000
Seizures & Forfeitures - Justice Fund			
	\$ 7,000	\$ 25,936	\$ 279,000
	\$ 7,000	\$ 25,936	\$ 279,000
Economic Stimulus Fund			
	\$	\$	\$ 3,000,000
	\$	\$	\$ 3,000,000
Impound Fee Fund			
Fees	\$	\$	\$ 60,000
	\$	\$	\$ 60,000
Total Special Revenue Funds	\$ 8,406,801	\$ 7,751,343	\$ 9,132,541

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2010

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
DEBT SERVICE FUNDS			
Municipal Debt Service	\$ 5,000	\$ 1,859	\$ 2,000
	\$ 5,000	\$ 1,859	\$ 2,000
Oracle Road Improvement District	\$ 372,828	\$ 375,126	\$ 367,203
	\$ 372,828	\$ 375,126	\$ 367,203
Total Debt Service Funds	\$ 377,828	\$ 376,985	\$ 369,203
CAPITAL PROJECTS FUNDS			
Alternative Water Resources Development Impact Fees			
Development Impact Fees	\$ 632,580	\$ 755,000	\$ 557,984
Miscellaneous	1,672,360	1,350,300	1,774,000
	\$ 2,304,940	\$ 2,105,300	\$ 2,331,984
Total Alternative Water Resources Fees	\$ 2,304,940	\$ 2,105,300	\$ 2,331,984
Potable Water System Development Impact Fees			
Charges for Services	\$ 800,900	\$ 1,659,360	\$ 287,504
Other	315,200	136,000	136,000
	\$ 1,116,100	\$ 1,795,360	\$ 423,504
Total Potable Water System Fees	\$ 1,116,100	\$ 1,795,360	\$ 423,504
Townwide Roadway Development Impact Fees			
State Grants	\$ 11,811,500	\$ 1,218,513	\$ 5,919,487
Federal Grants	500,000	34,000	
State/County Shared	1,050,000	1,023,470	
Development Impact Fees	843,750	412,703	1,051,549
Other	227,000	137,462	74,679
	\$ 14,432,250	\$ 2,826,148	\$ 7,045,715
Total Roadway Impact Fees	\$ 14,432,250	\$ 2,826,148	\$ 7,045,715
Regional Transportation Authority			
Local Sales Tax	\$ 894,750	\$	\$ 600,000
	\$ 894,750	\$	\$ 600,000
Total Regional Transportation Authority	\$ 894,750	\$	\$ 600,000
Steam Pump Acquisition			
State/County Shared	\$ 200,000	\$ 88,196	\$ 283,515
Federal Grants	450,000		250,000
	\$ 650,000	\$ 88,196	\$ 533,515
Total Steam Pump Ranch Acquisition	\$ 650,000	\$ 88,196	\$ 533,515
Naranja Town Site			
Other	\$ 370,000	\$	\$
	\$ 370,000	\$	\$
Total Naranja Town Site	\$ 370,000	\$	\$
Honey Bee Village Acquisition			
Other	\$ 216,186	\$	\$ 100,000
	\$ 216,186	\$	\$ 100,000
Total Honey Bee Village	\$ 216,186	\$	\$ 100,000
Municipal Operations Center			
Other	\$ 20,000	\$ 15,295	\$ 15,295
	\$ 20,000	\$ 15,295	\$ 15,295
Total Municipal Operations Center	\$ 20,000	\$ 15,295	\$ 15,295

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2010

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
Parks & Recreation Impact Fee Fund			
Development Impact Fees	\$	140,348	\$ 202,425
Total Parks & Rec Impact Fee Fund	\$	140,348	\$ 202,425
Library Impact Fee Fund			
Development Impact Fees	\$	36,088	\$ 52,050
Total Library Impact Fee Fund	\$	36,088	\$ 52,050
Police Impact Fee Fund			
Development Impact Fees	\$	26,676	\$ 69,833
Total Police Impact Fee Fund	\$	26,676	\$ 69,833
General Government Impact Fee Fund			
Development Impact Fees	\$	32,634	\$ 119,651
General Government Impact Fee Fund	\$	32,634	\$ 119,651
Total Capital Projects Funds	\$ 20,004,226	\$ 7,066,045	\$ 11,493,972

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2010

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
ENTERPRISE FUNDS			
Oro Valley Water Utility			
Water Sales	\$ 11,547,900	\$ 11,502,100	\$ 11,502,100
Charges for Services	553,000	554,200	447,200
Other	275,000	436,831	120,000
Total Oro Valley Water Utility	\$ 12,375,900	\$ 12,493,131	\$ 12,069,300
Stormwater Utility			
Federal Grants	\$ 900,000	\$ 105,718	\$ 1,275,500
State Grants	300,000		726,100
Charges for Services	735,000	730,885	740,000
Other		2,096	1,982
Total Stormwater Utility	\$ 1,935,000	\$ 838,699	\$ 2,743,582
Total Enterprise Funds	\$ 14,310,900	\$ 13,331,830	\$ 14,812,882

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2010

SOURCE OF REVENUES	ESTIMATED REVENUES 2009	ACTUAL REVENUES* 2009	ESTIMATED REVENUES 2010
INTERNAL SERVICE FUNDS			
Fleet Maintenance			
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total Fleet Maintenance	\$ _____	\$ _____	\$ _____
Total Internal Service Funds	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS	\$ <u>73,734,141</u>	\$ <u>56,463,792</u>	\$ <u>63,747,254</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.

CITY/TOWN OF __ORO VALLEY__
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2010

FUND	OTHER FINANCING 2010		INTERFUND TRANSFERS 2010	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Transfer to Public Transportation Fund	\$	\$	\$	\$ 302,000
Transfer to Municipal Debt Service Fund				806,025
Transfer to Capital Project Fund				470,000
Transfer to Internal Service Fund				452,612
Total General Fund	\$	\$	\$	\$ 2,030,637
SPECIAL REVENUE FUNDS				
Highway Fund	\$	\$	\$	\$ 431,305
Public Transportation Fund			302,000	100,973
Total Special Revenue Funds	\$	\$	\$ 302,000	\$ 532,278
DEBT SERVICE FUNDS				
Municipal Debt Service Fund	\$	\$	\$ 1,034,297	\$
Total Debt Service Funds	\$	\$	\$ 1,034,297	\$
CAPITAL PROJECTS FUNDS				
Alternative Water Resources Dev	\$ 2,500,000	\$	\$	\$
Steam Pump Ranch			470,000	
Total Capital Projects Funds	\$ 2,500,000	\$	\$ 470,000	\$
ENTERPRISE FUNDS				
Stormwater Utility	\$	\$	\$	\$ 43,973
Oro Valley Water Utility	4,850,000			95,323
Total Enterprise Funds	\$ 4,850,000	\$	\$	\$ 139,296
INTERNAL SERVICE FUNDS				
Fleet Maintenance	\$	\$	\$ 895,914	\$
Total Internal Service Funds	\$	\$	\$ 895,914	\$
TOTAL ALL FUNDS	\$ 7,350,000	\$	\$ 2,702,211	\$ 2,702,211

CITY/TOWN OF __ORO VALLEY__
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2010

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	BUDGETED EXPENDITURES/ EXPENSES
	2009	2009	2009	2010
GENERAL FUND				
Town Council	\$ 242,051	\$	\$ 238,459	\$ 237,012
Town Clerk	463,791		412,216	524,020
Town Manager	962,962		940,523	910,736
Human Resources	392,659		360,496	488,000
Economic Development	188,747		75,895	75,649
Finance	864,411		849,540	841,141
Information Technology	1,074,651		1,073,056	1,097,298
General Administration	2,629,696		1,717,558	2,165,064
Legal	994,667		936,732	920,971
Planning & Zoning	1,614,458		1,346,879	1,794,040
Building Safety	1,604,616		1,454,809	1,411,625
Library	1,309,983		1,260,385	1,237,433
Parks & Recreation	2,192,280		2,066,543	1,925,447
Police	13,674,100		13,318,723	12,228,109
Magistrate Court	815,079		749,937	769,183
Development Review	523,225		513,215	522,613
Facilities Maintenance	303,279		297,620	326,948
Contingency Reserve	12,955,313			13,090,582
Total General Fund	\$ 42,805,968	\$	\$ 27,612,586	\$ 40,565,871
SPECIAL REVENUE FUNDS				
Highway Fund	\$ 8,951,158	\$	\$ 4,982,743	\$ 8,306,725
Public Transportation	1,444,302		1,382,667	656,374
Seizures and Forfeitures	449,218		153,471	755,562
Bed Tax	2,117,461		657,124	1,992,528
Economic Stimulus				3,000,000
Impound Fee				100,000
Total Special Revenue Funds	\$ 12,962,139	\$	\$ 7,176,005	\$ 14,811,189
DEBT SERVICE FUNDS				
Municipal Debt Service	\$ 2,745,732	\$	\$ 1,222,300	\$ 1,194,675
Oracle Rd Improvement District	472,941		374,428	464,860
Total Debt Service Funds	\$ 3,218,673	\$	\$ 1,596,728	\$ 1,659,535
CAPITAL PROJECTS FUNDS				
Regional Transportation Authority	\$ 894,750	\$	\$	\$ 600,000
Townwide Development Impact Fees	22,622,777		8,953,621	9,507,471
Capital Asset Replacement	1,000,000		500,000	
Steam Pump Ranch	915,811		155,450	1,077,773
Honey Bee Village	216,186		8,229	100,000
Naranja Town Site	49,239,171			258,821
Municipal Operations Center	32,093,830		60,361	5,868,462
Alternative Water Resources	3,156,352		2,748,554	5,376,118
Potable Water System	9,323,704		772,859	10,768,670
Parks & Rec Impact Fee				342,773
Library Impact Fee				88,138
Police Impact Fee				96,509
General Government Impact Fee				152,285
Total Capital Projects Funds	\$ 119,462,581	\$	\$ 13,199,074	\$ 34,237,020
ENTERPRISE FUNDS				
Oro Valley Water Utility	\$ 22,708,931	\$	\$ 15,652,712	\$ 26,516,254
Stormwater Utility	1,963,382		780,041	2,863,560
Total Enterprise Funds	\$ 24,672,313	\$	\$ 16,432,753	\$ 29,379,814
INTERNAL SERVICE FUNDS				
Fleet Maintenance	\$	\$	\$	\$ 895,914
Total Internal Service Funds	\$	\$	\$	\$ 895,914
TOTAL ALL FUNDS	\$ 203,121,674	\$	\$ 66,017,146	\$ 121,549,343

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY/TOWN OF __ORO VALLEY__
Summary by Department of Expenditures/Expenses
Fiscal Year 2010

DEPARTMENT/FUND	ADOPTED	EXPENDITURE/	ACTUAL	BUDGETED
	BUDGETED	EXPENSE	EXPENDITURES/	EXPENDITURES/
	EXPENDITURES/	ADJUSTMENTS	EXPENSES *	EXPENSES
	EXPENSES	APPROVED		
	2009	2009	2009	2010
Public Works				
General Fund	\$ 826,504	\$	\$ 810,835	\$ 849,561
Highway Fund	8,951,158		4,982,743	8,306,725
Townwide Development Impact Fee	22,622,777		8,953,621	9,507,471
Stormwater Utility Fund	1,963,382		780,041	2,863,560
Regional Transportation	894,750			600,000
Fleet Maintenance				895,914
Economic Stimulus Fund				3,000,000
Department Total	\$ 35,258,571	\$	\$ 15,527,240	\$ 26,023,231
Water Utility				
Oro Valley Water Utility Fund	\$ 22,708,931	\$	\$ 15,652,712	\$ 26,516,254
Alternative Water Resources	3,156,352		2,748,554	5,376,118
Potable Water System	9,323,704		772,859	10,768,670
Department Total	\$ 35,188,987	\$	\$ 19,174,125	\$ 42,661,042
General Administration				
General Fund	\$ 2,629,696	\$	\$ 1,717,558	\$ 2,165,064
Municipal Operations Center	32,093,830		60,361	
Capital Asset Replacement	1,000,000		500,000	
Steam Pump Ranch	915,811		155,450	1,077,773
Honey Bee Village	216,186		8,229	100,000
Naranja Town Site	49,239,171			
Bed Tax Fund	1,432,892			
Municipal Debt Service	2,745,733		1,222,300	1,194,675
Oracle Rd Improvement District	472,941		374,428	464,860
General Government Impact Fee Fund				152,285
Department Total	\$ 90,746,260	\$	\$ 4,038,326	\$ 5,154,657
Economic Development				
General Fund	\$ 188,747	\$	\$ 75,895	\$ 75,649
Bed Tax Fund	646,587		589,872	500,254
Department Total	\$ 835,334	\$	\$ 665,767	\$ 575,903
Parks & Recreation				
General Fund	\$ 2,192,280	\$	\$ 2,066,543	\$ 1,925,447
Bed Tax Fund	37,983		67,252	
Parks & Recreation Impact Fee Fund				
Department Total	\$ 2,230,263	\$	\$ 2,133,795	\$ 1,925,447
Police				
General Fund	\$ 13,674,100	\$	\$ 13,318,723	\$ 12,228,109
Seizures & Forfeitures	449,218		153,471	755,562
Police Impact Fee Fund				96,509
Impound Fee Fund				100,000
Department Total	\$ 14,123,318	\$	\$ 13,472,194	\$ 13,180,180
Library				
General Fund	\$	\$	\$	\$ 1,237,433
Library Impact Fee Fund				88,138
Department Total	\$	\$	\$	\$ 1,325,571

* 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
Community of Excellence

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Authorized Personnel Schedule

	FY 2007	FY 2008	FY 2009		FY 2010	+/- to Budget
	Actual		Budget	Projected	Budget	
Town Council						
Mayor	1.00	1.00	1.00	1.00	1.00	-
Council Member	6.00	6.00	6.00	6.00	6.00	-
Town Council Department	7.00	7.00	7.00	7.00	7.00	-
Town Clerk						
Town Clerk	1.00	1.00	1.00	1.00	1.00	-
Deputy Town Clerk	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	-	-	1.00	1.00	1.00	-
Office Specialist	1.00	1.00	-	-	-	-
Senior Office Assistant	1.00	1.60	1.60	1.27	1.63	0.03
Office Assistant	0.60	-	-	-	-	-
Town Clerk Department	4.60	4.60	4.60	4.27	4.63	0.03
Town Manager						
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	-
Community Relations Administrator	1.00	1.00	1.00	1.00	1.00	-
Special Projects Coordinator	1.00	-	-	-	-	-
Management Assistant	-	1.00	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	-
Constituent Services Coordinator	-	1.00	1.00	1.00	1.00	-
Public Information Officer	-	-	-	-	1.00	1.00
Communications Specialist	-	1.00	1.00	1.00	1.00	-
Senior Office Specialist	-	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	-	-	-	-	-
Communications Intern	-	0.10	0.10	0.10	0.10	-
Town Manager Department	6.00	8.10	8.10	8.10	9.10	1.00
Human Resources						
Human Resource Director	1.00	1.00	1.00	1.00	1.00	-
Safety & Risk Manager	-	-	-	-	1.00	1.00
Human Resource Analyst	1.00	1.00	1.00	1.00	1.00	-
Human Resource Technician	1.00	1.00	2.00	1.00	1.00	(1.00)
Human Resource Assistant	1.00	1.00	-	1.00	1.00	1.00
Human Resources Department	4.00	4.00	4.00	4.00	5.00	1.00
Economic Development						
Economic Development Administrator	1.00	1.00	1.00	-	-	(1.00)
Economic Development Specialist	1.00	1.00	1.00	1.00	1.00	-
Economic Development Intern	0.25	0.25	0.25	0.80	0.80	0.55
Economic Development Department	2.25	2.25	2.25	1.80	1.80	(0.45)
Finance						
Finance Director	1.00	1.00	1.00	1.00	1.00	-
Procurement Administrator	-	1.00	1.00	1.00	1.00	-
Accounting Supervisor	1.00	1.00	1.00	1.00	1.00	-
Management & Budget Analyst	1.00	1.00	1.00	1.00	1.00	-
Senior Accountant	1.00	1.00	1.00	1.00	1.00	-
Financial Analyst	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Payroll Specialist	1.00	1.00	1.00	1.00	1.00	-
Senior Accounting Clerk	-	-	-	-	-	-
Accounting Clerk	1.00	1.00	1.00	1.00	1.00	-
Finance Department	8.00	9.00	9.00	9.00	9.00	-
Information Technology						
IT Director	1.00	1.00	1.00	1.00	1.00	-
Network Administrator	-	1.00	1.00	1.00	1.00	-
Network Manager	-	-	-	-	1.00	1.00
Systems Analyst	-	-	1.00	1.00	1.00	-
Webmaster	1.00	1.00	-	-	-	-
Data Base Analyst	1.00	1.00	1.00	1.00	1.00	-
Senior GIS Analyst	-	1.00	1.00	-	-	(1.00)



Authorized Personnel Schedule

	FY 2007	FY 2008	FY 2009		FY 2010	+/- to Budget
	Actual		Budget	Projected	Budget	
GIS Analyst	1.00	1.00	1.00	2.00	2.00	1.00
IT Technician	1.00	1.00	1.00	1.00	1.00	-
GIS Technician	-	1.00	1.00	-	-	(1.00)
Information Technology Department	5.00	8.00	8.00	7.00	8.00	-
Police						
Chief of Police	1.00	1.00	1.00	1.00	1.00	-
Deputy Chief of Police	-	1.00	1.00	1.00	1.00	-
Commander	2.00	2.00	2.00	2.00	2.00	-
Lieutenant	3.00	5.00	5.00	5.00	5.00	-
Sergeant	13.00	13.00	13.00	13.00	13.00	-
Detective	5.00	5.00	5.00	5.00	5.00	-
Patrol Officer	57.00	57.00	57.00	57.00	53.00	(4.00)
Motorcycle Officer	6.00	6.00	6.00	6.00	7.00	1.00
School Resource Officer	4.00	7.00	7.00	7.00	7.00	-
K-9 Officer	4.00	4.00	4.00	4.00	4.00	-
D.A.R.E. Officer	3.00	-	-	-	-	-
Training Officer	1.00	1.00	1.00	1.00	1.00	-
Reserve Officer	2.85	2.85	2.85	2.85	2.38	(0.47)
Communications Supervisor	1.00	1.00	1.00	1.00	1.00	-
Lead Dispatcher	3.00	3.00	3.00	3.00	3.00	-
Dispatcher	10.00	10.00	10.00	10.00	10.00	-
Records Supervisor	1.00	1.00	1.00	1.00	1.00	-
Records Clerk	6.50	6.50	6.50	6.50	6.00	(0.50)
Lead IT Forensics Technician	1.00	1.00	1.00	1.00	1.00	-
Property Forensics Technician	2.00	2.00	2.00	2.00	2.00	-
Professional Dev. & Training Administrator	1.00	1.00	1.00	1.00	-	(1.00)
Public Information Officer	1.00	1.00	1.00	1.00	-	(1.00)
Administrative Services Manager	1.00	1.00	1.00	1.00	1.00	-
Crime Analyst	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Office Specialist	2.00	2.00	2.00	2.00	2.00	-
Maintenance Technician	1.00	1.00	1.00	1.00	-	(1.00)
Office Assistant	1.50	1.50	1.50	1.50	1.50	-
Police Department	135.85	138.85	138.85	138.85	131.88	(6.97)
Magistrate Court						
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	4.00	4.00	4.00	3.00	3.00	(1.00)
Court Clerk	0.50	0.50	1.50	2.00	2.00	0.50
Baliff	1.00	1.00	1.00	1.00	1.00	-
Magistrate Court Department	8.50	8.50	9.50	9.00	9.00	(0.50)
Legal						
Town Attorney	1.00	1.00	1.00	1.00	1.00	-
Prosecutor	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	-
Assistant Civil Attorney	1.00	1.00	1.00	1.00	-	(1.00)
Senior Paralegal	-	1.00	1.00	1.00	1.00	-
Paralegal II	1.00	1.00	1.00	1.00	1.00	-
Paralegal I	2.00	1.00	1.00	1.00	1.00	-
Legal Assistant	-	-	-	-	-	-
Legal Secretary	1.00	1.00	1.00	1.00	1.00	-
Law Clerk	0.25	0.25	0.25	0.25	0.25	-
Office Assistant	1.00	1.00	1.00	1.00	1.00	-
Legal Department	10.25	10.25	10.25	10.25	9.25	(1.00)
Planning & Zoning						
Planning & Zoning Director	1.00	1.00	1.00	1.00	1.00	-
Assistant Planning & Zoning Director	-	-	1.00	1.00	1.00	-
Planning & Zoning Administrator	-	-	-	-	-	-



Authorized Personnel Schedule

	FY 2007	FY 2008	FY 2009		FY 2010	+/- to Budget
	Actual		Budget	Projected	Budget	
Principal Planner	1.00	1.00	1.00	1.00	1.00	-
Senior Planner	2.00	3.00	3.00	3.00	3.00	-
Special Projects Coordinator	-	1.00	1.00	1.00	1.00	-
Planner	2.00	1.00	1.00	1.00	1.00	-
Zoning Program Supervisor	-	1.00	1.00	1.00	1.00	-
Senior Zoning Inspector	1.00	-	-	-	-	-
Zoning Inspector	1.00	1.00	1.00	1.00	1.00	-
Planning Tech	1.00	1.00	1.00	1.00	1.00	-
Development Coordinator	2.00	2.00	2.00	2.00	2.00	-
Zoning Inspector Tech	1.00	1.00	1.00	0.88	1.00	-
Senior Office Specialist	-	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	-	-	-	-	-
Senior Office Assistant	-	1.00	1.00	1.00	1.00	-
Office Assistant	0.50	0.50	1.00	1.00	1.00	-
Intern	0.50	0.50	-	-	-	-
Planning & Zoning Department	14.00	16.00	17.00	16.88	17.00	-
Building Safety						
Building Safety Director	1.00	1.00	1.00	1.00	1.00	-
Building Safety Administrator	-	-	-	-	-	-
Assistant Building Official	1.00	1.00	1.00	1.00	1.00	-
Chief Building Inspector	1.00	1.00	1.00	1.00	1.00	-
Plans Examiner II	2.00	3.00	4.00	4.00	4.00	-
Plans Examiner I	2.00	1.00	-	-	-	-
Building Inspector II	4.00	4.00	6.00	6.00	6.00	-
Building Inspector I	2.00	2.00	-	-	-	-
Senior Building Permit Technician	1.00	1.00	1.00	-	-	(1.00)
Building Permit Manager	-	-	-	-	-	-
Building Permit Technician	2.00	2.00	2.00	2.00	2.00	-
Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Senior Office Assistant	-	1.00	1.00	1.00	1.00	-
Building Safety Department	17.00	18.00	18.00	17.00	17.00	(1.00)
Library Services						
Library Administrator	1.00	1.00	1.00	1.00	1.00	-
Senior Librarian	1.00	1.00	1.00	-	-	(1.00)
Librarian	3.00	3.00	3.00	4.00	4.00	1.00
Office Specialist	-	1.00	1.00	1.00	1.00	-
Library Associate	5.20	5.40	5.40	5.42	5.42	0.02
Customer Service Representative	3.60	3.45	3.45	2.96	2.96	(0.49)
Office Assistant	1.00	-	-	-	-	-
Library Page	4.50	4.50	4.50	4.55	4.15	(0.35)
Library Services Department	19.30	19.35	19.35	18.93	18.53	(0.82)
Parks & Recreation						
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00	-
Parks Maintenance Manager	1.00	1.00	1.00	1.00	1.00	-
Recreation Manager	1.00	1.00	1.00	1.00	1.00	-
Multimodal Planner	1.00	1.00	1.00	1.00	1.00	-
Aquatics Manager	1.00	1.00	1.00	1.00	1.00	-
Parks Maintenance Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Senior Park Maintenance Worker	2.00	2.00	2.00	2.00	2.00	-
Senior Office Specialist	-	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	-	-	-	-	-
Senior Office Assistant	1.00	1.00	1.00	1.00	1.00	-
Assistant Recreation Manager	1.00	1.00	1.00	1.00	1.00	-
Recreation Leader	0.50	0.40	0.40	0.40	0.40	-
Assistant Pool Manager	0.50	0.50	0.50	0.75	0.75	0.25
Park Maintenance Worker	3.00	3.00	3.00	3.00	3.00	-
Park Monitor	1.40	1.40	1.40	1.40	1.40	-
Recreation Aide	2.50	3.70	3.70	3.70	3.70	-
Water Safety Instructor	8.10	8.10	8.10	8.45	6.80	(1.30)
Parks & Recreation Department	27.00	28.10	28.10	28.70	27.05	(1.05)



Authorized Personnel Schedule

	FY 2007	FY 2008	FY 2009		FY 2010	+/- to Budget
	Actual		Budget	Projected	Budget	
Development Review						
Development Review Division Manager	1.00	1.00	1.00	1.00	1.00	-
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00	-
Civil Engineer	1.00	1.00	1.00	1.00	1.00	-
Engineering Design Reviewer	1.00	1.00	1.00	1.00	1.00	-
Civil Engineering Tech	2.00	2.00	2.00	2.00	2.00	-
Development Review Department	6.00	6.00	6.00	6.00	6.00	-
Facilities						
Facilities Maintenance Crew Leader	-	-	1.00	1.00	1.00	-
Facilities Maintenance Tech	1.00	1.00	-	-	1.00	1.00
Facilities Department	1.00	1.00	1.00	1.00	2.00	1.00
Public Works						
Town Engineer	1.00	1.00	1.00	1.00	1.00	-
Engineering Division Manager	1.00	1.00	1.00	1.00	1.00	-
Operations Division Manager	1.00	1.00	1.00	1.00	1.00	-
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00	-
Civil Engineer	2.00	2.00	2.00	2.00	2.00	-
Construction Manager	1.00	1.00	1.00	1.00	1.00	-
Streets Superintendent	1.00	1.00	-	-	-	-
Civil Engineer Designer	2.00	2.00	2.00	2.00	2.00	-
Sr. Traffic Signal/Signage Technician	-	1.00	1.00	1.00	1.00	-
Senior Civil Engineer Tech	2.00	2.00	1.00	1.00	1.00	-
Streets & Drainage Field Supervisor	1.00	-	-	-	-	-
Streets & Drainage Senior Crew Leader	-	-	1.00	1.00	1.00	-
Construction Inspector	1.00	1.00	1.00	1.00	1.00	-
Administrative Coordinator	-	1.00	1.00	1.00	1.00	-
Traffic Sign/Signal Technician	1.00	1.00	1.00	1.00	1.00	-
Heavy Equipment Mechanic	1.00	1.00	1.00	1.00	-	(1.00)
Civil Engineer Tech	2.00	2.00	-	-	1.00	1.00
Contracts Coordinator	1.00	-	-	-	-	-
Pavement Management Specialist	-	1.00	1.00	1.00	1.00	-
Streets & Drainage Crew Leader	1.00	2.00	3.00	2.00	3.00	-
Traffic S/M Crew Leader	1.00	1.00	1.00	1.00	-	(1.00)
Senior Heavy Equipment Crew Lead	1.00	1.00	1.00	-	-	(1.00)
Senior Heavy Equipment Operator	-	-	-	1.00	1.00	1.00
Senior Traffic S/M Worker	2.00	2.00	1.00	1.00	1.00	-
Office Specialist	-	-	1.00	1.00	1.00	-
Facilities Maintenance Technician	-	-	1.00	1.00	-	(1.00)
Heavy Equipment Operator	2.00	1.00	2.00	5.00	5.00	3.00
Traffic S/M Worker	2.00	2.00	2.00	1.00	1.00	(1.00)
Senior Maintenance Worker	1.00	1.00	-	-	-	-
Construction Clerk	1.00	1.00	1.00	1.00	1.00	-
Senior Office Assistant	2.00	2.00	1.50	1.63	1.63	0.13
Office Assistant	0.50	0.50	-	-	-	-
Maintenance Worker	2.00	2.00	4.00	2.00	2.00	(2.00)
Public Works Department	34.50	35.50	35.50	34.63	33.63	(1.87)
Transit						
Transit Services Administrator	1.00	1.00	1.00	1.00	1.00	-
Transit Coordinator	-	-	1.00	-	-	(1.00)
Dispatcher	1.50	1.50	2.00	1.00	1.00	(1.00)
Lead Transit Driver	1.00	1.00	1.00	1.00	1.00	-
Driver	7.10	7.12	14.20 (1)	7.10	7.10	(7.10)
Transit Department	10.60	10.62	19.20	10.10	10.10	(9.10)
Fleet Maintenance						
Maintenance Technician	-	-	-	-	1.00	1.00
Heavy Equipment Mechanic	-	-	-	-	1.00	1.00
Senior Office Assistant	-	-	-	-	0.37	0.37
Fleet Maintenance Department	-	-	-	-	2.37	2.37



Authorized Personnel Schedule

	FY 2007	FY 2008	FY 2009		FY 2010	+/- to Budget
	Actual		Budget	Projected	Budget	
Stormwater Utility						
Stormwater Engineer	-	1.00	1.00	1.00	1.00	-
Civil Engineer Tech	1.00	1.00	1.00	1.00	1.00	-
Intern	-	-	-	0.30	0.30	0.30
Stormwater Utility Department	1.00	2.00	2.00	2.30	2.30	0.30
Water Utility						
Water Utility Director	1.00	1.00	1.00	1.00	1.00	-
Engineering Division Manager	1.00	1.00	1.00	1.00	1.00	-
Water Utility Administrator	1.00	1.00	1.00	1.00	1.00	-
Water Production Superintendent	1.00	1.00	1.00	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	-
Meter Reader Supervisor	-	-	1.00	1.00	1.00	-
Engineering Design Reviewer	-	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	3.00	4.00	4.00	4.00	4.00	-
Senior Civil Engineer Tech	1.00	-	-	-	-	-
GIS Analyst	1.00	-	-	-	-	-
Construction Inspector	2.00	2.00	2.00	2.00	2.00	-
Civil Engineer Tech	1.00	1.00	1.00	1.00	1.00	-
Water Utility Operator II	9.00	8.00	8.00	8.00	8.00	-
Senior Office Specialist	-	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	6.00	6.00	6.00	6.00	-
Office Specialist	1.00	-	-	-	-	-
Customer Service Representative	4.00	4.00	4.00	4.00	4.00	-
Water Conservation Intern	0.50	0.50	0.50	0.50	0.50	-
Water Utility Department	35.50	35.50	36.50	36.50	36.50	-
Total Authorized Personnel	357.35	372.62	384.20	371.31	367.14	(17.06)

(1) Positions contingent on Regional Transportation Authority (RTA) funding for new Circulator Service

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Town of Oro Valley
Community of Excellence

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Debt Service Schedules

\$2,580,000 Excise Tax Revenue Obligations, Series 2000

Date: November 1, 2000

Interest: Payable semiannually commencing on January 1, 2001, and semiannually thereafter on July 1 and January 1 of each year.

Purpose: The bonds were issued to purchase 3 parcels of land for park and recreational facilities.

Security: Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	110,000	14,570	124,570
2011	115,000	9,058	124,058
2012	120,000	3,120	123,120
Total	\$345,000	\$26,748	\$371,748

\$9,010,000 Excise Tax Revenue Bonds, Series 2001

Date: April 1, 2001

Interest: Payable semiannually commencing on July 1, 2001, and semiannually thereafter on January 1 and July 1 of each year.

Purpose: The bonds were issued for the purpose of providing funding to make improvements to the existing water system, and costs for constructing and equipping a Library building.

Security: Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	400,000	86,106	486,106
2011	400,000	68,756	468,756
2012	425,000	50,656	475,656
2013	440,000	31,406	471,406
2014	465,000	10,753	475,753
Total	\$2,130,000	\$247,678	\$2,377,678



Debt Service Schedules

\$15,750,000

Excise Tax Revenue Refunding Bonds, Series 2003

- Date:** December 1, 2003
- Interest:** Payable semiannually commencing on January 1, 2004, and semiannually thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued for the purpose of providing 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>
2010	400,000	591,960	991,960
2011	410,000	579,554	989,554
2012	1,200,000	552,148	1,752,148
2013	1,375,000	496,773	1,871,773
2014	1,450,000	426,148	1,876,148
2015-2019	8,270,000	1,091,034	9,361,034
2020	1,380,000	29,670	1,409,670
Total	\$14,485,000	\$3,767,285	\$18,252,285

\$29,205,000

Senior Lien Water Project Revenue Bonds, Series 2003

- Date:** December 18, 2003
- Interest:** Payable semiannually commencing on July 1, 2004, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued to provide funding to refinance certain outstanding excise tax secured obligations, to construct Phase I of the reclaimed water system, and provide funds for the expansion and improvements to the potable water system.
- Security:** Water Revenues

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	1,315,000	1,209,698	2,524,698
2011	1,355,000	1,167,954	2,522,954
2012	1,400,000	1,123,185	2,523,185
2013	1,445,000	1,067,923	2,512,923
2014-2018	5,315,000	4,628,355	9,943,355
2019-2023	6,745,000	3,151,125	9,896,125
2024-2028	7,440,000	1,355,750	8,795,750
2029	1,665,000	41,625	1,706,625
Total	\$26,680,000	\$13,745,614	\$40,425,614



Debt Service Schedules

\$6,215,000 Excise Tax Revenue Obligations, Series 2005

Date: September 29, 2005

Interest: Payable semiannually commencing on July 1, 2006, and semiannually thereafter on January 1 and July 1 of each year.

Purpose: The bonds were issued 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>
2010	240,000	216,544	456,544
2011	250,000	208,738	458,738
2012	255,000	200,369	455,369
2013	265,000	189,613	454,613
2014-2018	1,495,000	780,544	2,275,544
2019-2023	1,810,000	454,731	2,264,731
2024-2026	1,275,000	81,503	1,356,503
Total	\$5,590,000	\$2,132,041	\$7,722,041

\$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>
2010	215,000	157,578	372,578
2011	225,000	146,828	371,828
2012	235,000	135,578	370,578
2013	250,000	123,828	373,828
2014-2018	1,415,000	438,738	1,853,738
2019-2021	1,020,000	97,158	1,117,158
Total	\$3,360,000	\$1,099,705	\$4,459,705



Debt Service Schedules

\$17,810,000 Excise Tax Revenue Refunding Bonds, Series 2007

- Date:** April 19, 2007
- Interest:** Payable semiannually commencing on July 1, 2007, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued for the purpose of providing 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>
2010	435,000	788,488	1,223,488
2011	865,000	761,406	1,626,406
2012	115,000	740,581	855,581
2013	120,000	735,588	855,588
2014-2018	2,265,000	3,493,731	5,758,731
2019-2023	6,880,000	2,435,700	9,315,700
2024-2027	7,130,000	626,663	7,756,663
Total	\$17,810,000	\$9,582,156	\$27,392,156

\$8,000,000 Highway Expansion and Extension Loan (H.E.L.P.)

- Date:** October 7, 2007
- Interest:** Payable annually commencing on August 8, 2008, and payable August 1 of each year.
- Purpose:** Proceeds from the loan are used to finance the improvements of La Canada Drive from Tangerine Road to Naranja Drive.
- Security:** Impact fees and funding secured from the Pima Association of Governments (PAG).

Debt Service:

<u>Fiscal Year</u>	<u>Principal*</u>	<u>Interest</u>	<u>Total</u>
2010	-	255,760	255,760
2011	6,000,000	255,760	6,255,760
2012	2,000,000	63,940	2,063,940
Total	\$8,000,000	\$575,460	\$8,575,460

* The Town will receive \$3M in 12.6% funding and \$3M in STPX funding in FY 2011, and \$2.5M in 12.6% funding in FY 2012 for the principal payments.



Debt Service Schedules

\$6,000,000 Water Infrastructure Finance Authority Bonds

- Date:** August 17, 2007
- Interest:** Payable semiannually commencing on January 1, 2008, and semiannually thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued 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>
2010	218,857	200,816	419,673
2011	226,596	192,940	419,537
2012	234,609	184,786	419,395
2013	242,904	176,344	419,248
2014-2018	1,349,596	744,258	2,093,853
2019-2023	1,605,686	483,640	2,089,326
2024-2028	1,910,370	173,569	2,083,939
Total	\$5,788,617	\$2,156,353	\$7,944,971

\$2,362,128 Central AZ Water Conservation District (CAWCD)

- Date:** December 1, 2007
- Interest:** Payable annually commencing on December 1, 2008, and payable December 1 of each year.
- Purpose:** The loan was used to finance the repayment of capital costs associated with the reallocation of 3,557 acre feet of CAP water.
- Security:** Water Revenues

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	447,922	73,572	521,494
2011	471,214	50,280	521,494
2012	495,717	25,777	521,494
Total	\$1,414,853	\$149,629	\$1,564,482

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Town of Oro Valley
Community of Excellence

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Glossary of Terms

ADOPTED BUDGET: Formal action made by Town Council that sets the 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.

ANNUALIZED COSTS: Operating costs incurred at annual rates for a portion of the prior fiscal year and which must be incurred at similar rates for the entire 12 months of the succeeding fiscal year.

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 5 years.

CAPITAL IMPROVEMENT PLAN (CIP): A comprehensive five-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 expenses.

CENTRAL ARIZONA WATER CONSERVATION DISTRICT (CAWCD): a state agency with the primary responsibility of managing the Central Arizona Project (CAP).

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.

DIVISION: A functional unit of a department.

ENTERPRISE FUND: Accounts for expenses of programs or services, which are intended to be self-sustaining and primarily user fees cover the cost of services.

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 proposing an alternative expenditure limitation to its voters. Oro Valley citizens approved the Home Rule Option in 2006.

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.



Glossary of Terms

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: A balance or carry over that occurs when actual revenues exceed budgeted revenues and/or when actual expenditures are less than budgeted expenditures.

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 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.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

GRANT: A contribution by the state or federal government or other agency to support a particular function.

HIGHWAY EXPANSION AND EXTENSION FUND LOANS (HELP): The HELP program is a financing option where Arizona's State Infrastructure Bank Loan bridges the gap between roadway improvement needs and available funds.

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.

IMPROVEMENT DISTRICT BONDS: 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.

INFRASTRUCTURE: Facilities that support the continuance and growth of a community.

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.

MUNICIPAL PROPERTY CORPORATION BONDS: Bonds that are issued by a non-profit corporation formed by the Town for the purpose of financing the construction or acquisition of capital improvement projects. These bonds may be issued without voter approval.

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.

PER CAPITA: A unit of measure that indicates the amount of some quantity per person.



PERFORMANCE METRICS: Indication of levels of activity with a department.

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.

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.

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.

TRANSFER: Movement of resources between two funds.

USER FEES: Fees charged for the direct receipt of a public service to the party or parties who benefits 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 has statutory charges 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.

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