

Town of Oro Valley



Annual Budget

FY 2011-2012



Caring for our heritage, our community, our future.

www.orovalleyaz.gov



Town of Oro Valley

Arizona

2011 – 2012 Annual Budget



Community Vision

Oro Valley is a community defined by the highest standards of environmental integrity, education, infrastructure, services and public safety. It is a community of people working together to create a shared future with a government that is responsive to residents, businesses and changing conditions to ensure the long-term financial stability of the Town.

Mission

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

Organizational Values

We are strongly committed to:

- Honesty 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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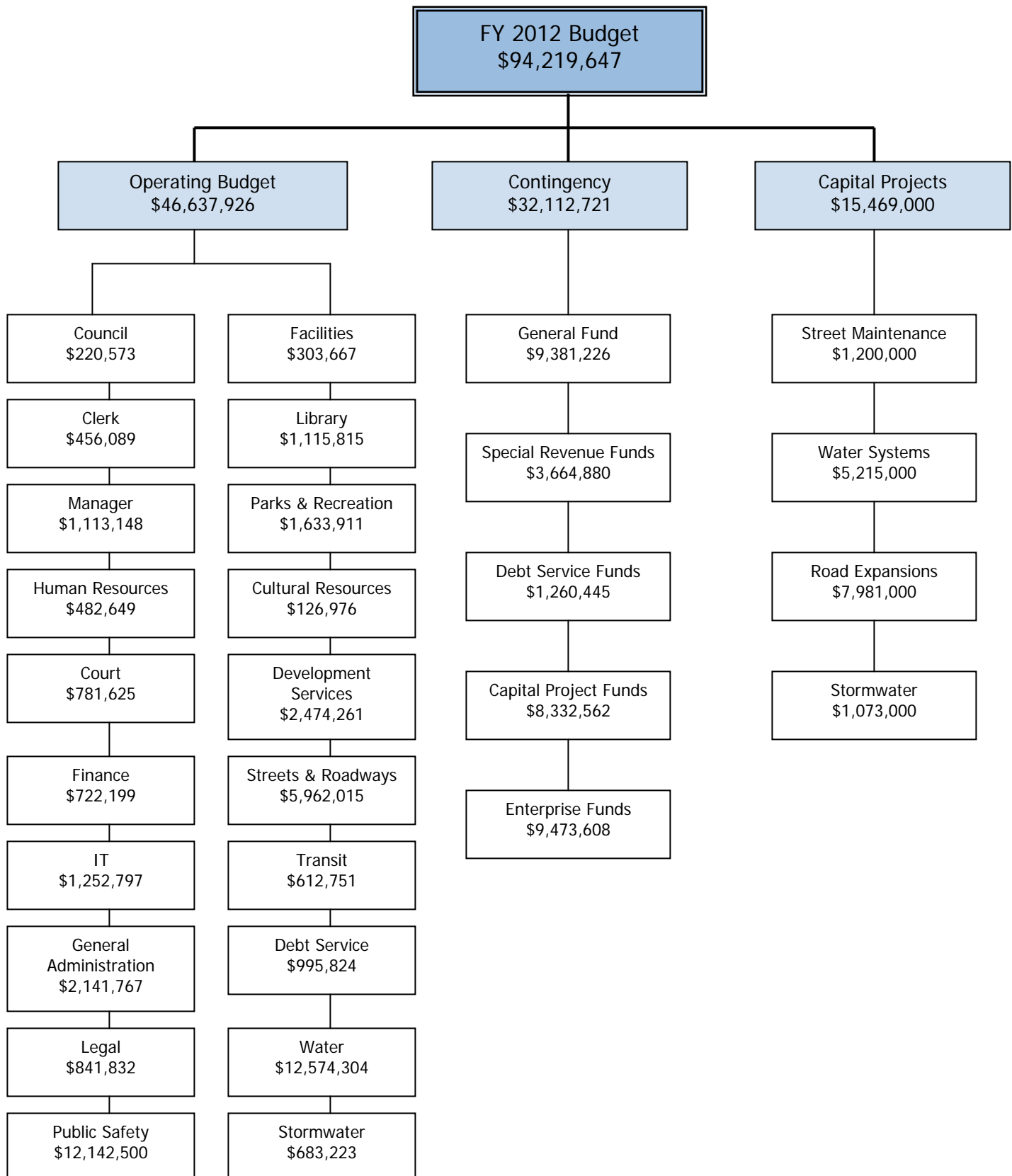
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Financial Organizational Chart



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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, 2010



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, 2010.

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

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

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INTRODUCTION

Budget Message
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Budget Calendar



Town of Oro Valley

Caring for our heritage, our community, our future.



Budget Message

Jerene Watson, Town Manager



To All Oro Valley Residents and the Honorable Mayor and Town Councilmembers:

It is my privilege to present the Town of Oro Valley balanced budget for fiscal year 2011/2012. The FY 2011/12 adopted budget totals \$94.2 million, which represents a \$22 million, or 19%, spending decrease from the prior year adopted budget of \$116.2 million. This budget is the culmination of a major effort by numerous members of Town staff, Town Council and the citizens of Oro Valley whose input has been used to develop policy and

spending priorities.

As has been the case over the past several years as we've managed through the "Great Recession," this budget year is a year filled with challenges and opportunities. Hints of an economic silver lining have emerged. It appears that we have hit bottom with revenue losses in FY 2011 as we see the State of Arizona and the Town of Oro Valley slowly emerge from the worst economic downturn since the Great Depression. However, there continues to be one point of agreement among economists looking forward to the future: economic recovery will be slow. Cities and towns around the country are continuing to adjust to new, lower levels of revenues that, in many cases, have reverted back to levels not seen since 2005. This is certainly the situation facing the Town of Oro Valley. However, the bridging strategies used to balance the budget the last several years, focusing on strategic reductions in service levels, paying off bond debt and the cautious use of reserves, have positioned the Town of Oro Valley better than most cities and towns in Arizona.

CHALLENGES WE FACE

In Arizona, cities and towns are reliant upon the state for a major portion of their revenue in state shared revenues. For Oro Valley, state shared revenues comprise about 1/3, or just over \$8.1 million, of the Town's General Fund budget. Therefore, the state's financial condition plays a significant role in the economic health of its local governments. For fiscal year 2009/10, the State of Arizona operated almost entirely without an adopted balanced budget. The State continued into FY 2010/11 with a budget severely out of balance with an operating deficit approximating \$750 million. On April 1, 2011, the Legislature passed a series of bills to partially close the FY 2010/11 deficit and provide a balanced budget for FY 2011/12. These budget bills cut State expenditures by more than \$1.25 billion, without raising revenue at the State level. While these cuts allowed state legislators to balance their budget without raising taxes, significant costs for the provision of State services were shifted to the local level of counties and cities. Below are several impacts we saw from this action:

IMPACT: The Town's share of Highway User Revenue Funds (HURF) was reduced by \$316,681, a 12% decrease from FY 10/11 HURF receipts, in order to partially fund the state's Department of Public Safety and the Department of Transportation.

IMPACT: The Town will also be required to pay fees totaling \$57,156 from our Water Utility to partially fund the state's Department of Water Resources.

IMPACT: As a result of the State passing cost increases to counties, Pima County Superior Court has notified our Magistrate Court that they will now charge a fee to reimburse the Pima County Justice Court for their service of providing video court on initial appearances causing a \$5,000 increase to our Court's budget.

Locally, we found ourselves in the midst of 27 straight months of collective sales tax decline as we prepared the budget for FY 2011/12. The Town continued to see declines in residential building permits during FY 2010/11 as local construction activity seems to have bottomed out in the area. The Town issued only 47 new single family residential (SFR) building permits for FY 2010/11, down from 65 SFR permits issued in FY 2009/10. This declining construction environment has resulted in local construction sales tax collections reaching historic lows during FY 2010/11, bringing in only \$1.8 million, down significantly from FY 2007/08 when collections peaked at \$7.6 million. During this same timeframe, other sales tax categories, such as retail, utilities and restaurant/bar, have slowly and steadily increased, but nowhere near the levels necessary to offset the losses seen from construction taxes.

BUDGET BALANCING MEASURES – ACTIONS TAKEN

Given the above challenges and continued revenue shortfalls, we were faced with the need to close a \$2.6 million deficit in the Town's main operating fund, the General Fund, for FY 2011/12. This was the third year in a row that the Town has had to reduce expenditures to meet declining revenues. The General Fund budget has dropped 21%, or \$6.7 million, since its peak level in FY 2008/09. Town-wide staffing levels have decreased by 60 positions, or by 15% overall during that same timeframe. Prior years' efforts to close deficits have centered around preserving those services with the widest visibility to the public while making efforts to reduce recurring expenditures and fill the revenue shortfall gap through the following:

- eliminating positions when vacancies occurred;
- using available cash reserves to pay off outstanding bonds to reduce debt service costs;
- modifying the Town's liability insurance deductibles to reduce premium costs;
- increasing the use of bed tax revenues to fund General Fund operations
- reducing long-term utility costs through energy efficiency upgrades and the installation of solar photovoltaic panels at the Town Hall campus
- merging of Building Safety, Planning and Zoning and Public Works departments into consolidated department called Development and Infrastructure Services
- merging of Parks and Recreation and Library with cultural resources components to form a consolidated department called Parks, Recreation, Library & Cultural Resources

Heading into FY 2011/12, the Town had already exhausted many of the available deficit closing options that carried the least impact to the services and programs provided to the public. This created the need to make more difficult decisions to address the Town's structural budget gap. Therefore, under the Council's leadership and guidance, a four-pronged approach was developed to tackle not only the near term budget deficit projected for FY 2011/12, but also the longer term structural imbalance projected between revenues and expenditures. This four-pronged plan focused on the following areas: Council Policies, Operational Efficiencies, Increased Revenues and Decreased Expenditures. The following describes the actions taken in each focus area to improve the Town's short-term and long-term financial stability:

Council Policies

- Pursue efforts to partner with adjacent town of Marana to jointly market and brand our communities in order to increase tourism and expand economic development opportunities
- Continue funding regional economic development and tourism partner agencies, the Metropolitan Tucson Convention and Visitors Bureau (MTCVB) and Tucson Regional Economic Opportunities (TREO), for attraction and tourism benefits to the Town
- Conducted economic summits with local business partners to seek input on how the Town can stimulate local economic development and support local business efforts
- Increased efforts directed at annexation of surrounding areas to expand the Town's economic, tourism and sales tax base

Operational Efficiencies

- Streamlined commercial development review processes by integrating plan review and permitting processes to provide customers a one-stop shop for new construction permitting to get new businesses open sooner
- Created new Conceptual Design Review Board (CDRB) by consolidating several Town development review boards/commissions into one for quicker approval of commercial design plans
- Continued cross-training, realignment and reduction efforts in the consolidated department of Development and Infrastructure Services to reduce the General Fund budget by an additional \$235,000 and 3 less positions

Increased Revenues and Planned Use of Cash Reserves

- Council-adopted increase to the local utility sales tax from 2% to 4% is expected to generate an additional \$1.3 - \$1.4 million annually for the General Fund
- Increased cost recovery from the Water and Stormwater Utility Funds for administrative services provided by the General Fund for an additional \$320,000 in revenues
- Bed tax revenues of \$675,000 have been incorporated to bring the General Fund into balance from the revenue shortfall created by the drop in construction sales taxes
- Planned use of \$700,000 in Highway Fund cash reserves to sustain pavement management program during FY 2011/12 due to reductions of state shared Highway User Revenue Funds
- Planned use of \$451,000 in Bed Tax Fund cash reserves to sustain Coyote Run transit service operations during FY 2011/12 while more efficient regional-based solutions are explored for providing this service into the future
- Enacted Parks and Recreation user fee and liquor license application review fee increases to improve cost recovery associated with providing those services
- Diversified Town invested funds with an investment management firm resulting in increased interest earnings

Decreased Expenditures and Hold the Line Efforts

- Created one-time savings of \$566,000 by deferring capital projects and vehicle replacements
- Reduced parks and recreation program spending by an additional 6%, or \$96,000, through reduced pool hours and elimination of all 3 summer recreation camps

- Reduced Town facility janitorial services contract for a savings of \$41,000
- Competitively bid health insurance coverage, resulting in no increases to employee health insurance premiums for FY 2011/12
- No employee pay raises or step increases for 3rd year in a row
- Continue to leave positions unfilled when vacated
- Expanded use of volunteers and non-paid interns
- Installed energy efficiency upgrades and solar photovoltaic panels on Town Hall campus to significantly reduce Town energy costs

The goal of the multi-faceted approach outlined above was to address the shorter term goal of closing the projected FY 2011/12 General Fund deficit of \$2.6 million through the immediate revenue increases and expenditure reductions, while seeking to grow our local economy longer term through the Council policies and operational efficiencies put into place. As the Town of Oro Valley continues to operate without a property tax and many other taxes and fees that are commonplace in other Arizona cities/towns, such as commercial and residential lease tax, food tax, and utility franchise fees, the Town will only prosper through longer term efforts to grow its business attraction and retention efforts. Enhanced economic development efforts will focus primarily on attracting and retaining businesses in the retail, tourism and biotechnology sectors that are so prevalent in our local economy.

STRATEGIC PLANNING AND KEY INITIATIVES FOR FY 2011/12

The budget balancing efforts described above tie directly to the key objectives identified in the Town's 2011 Adopted Strategic Plan. The recently updated 2011 Strategic Plan identifies three (3) main focus areas: Leadership and Communication; Finance and Economic Development; and Community Infrastructure.

The adopted FY 2011/12 budget aims to achieve progress in each of the above areas. In the area of **Leadership and Communication**, the Town will continue to communicate with residents through its monthly Town newsletter, *The Oro Valley Vista*, which is produced electronically and posted on the Town's website. Also, an important goal in this area is to maintain strong intergovernmental relationships at all levels. This is being fulfilled by efforts to partner with the town of Marana on joint marketing and branding efforts and efforts underway to partner with the Regional Transportation Authority (RTA) to provide a cost-effective solution to continue providing local transit services to our residents.

In the area of **Finance and Economic Development**, the Town is committed to facilitating the expansion of the local economy. Commercial business growth, along with strategic annexations and the Town's continued success in attracting high-tech and bio-science industry, point the way toward a sustainable model for economic development. In addition, we will be taking a comprehensive look at all fees, charges and other revenues collected by the Town to determine the level of service cost recovery provided by these revenues and evaluate the existing levels of fees and charges for relative competitiveness to other surrounding jurisdictions. Council and management are also working together to roll out additional programs around the holidays to enhance the Town's Shop Oro Valley campaign by promoting local business through various coupon and promotional activities. Finally, the Town will maintain active participation and funding for its tourism and economic development partner

agencies, the Metropolitan Tucson Convention and Visitors Bureau (MTCVB) and Tucson Regional Economic Opportunities (TREO).

In the area of **Community Infrastructure**, the FY 2011/12 Highway Fund budget includes \$1.2 million towards the Town's pavement preservation program dedicated to preserving the overall condition of Town roadways. To address current and future transportation demands, the widening of Lambert Lane will commence in early FY 2011/12, funded entirely with regional gas tax revenues provided by the Pima Association of Governments (PAG). In addition, the Town Council recently approved an Intergovernmental Agreement (IGA) with the City of Tucson for interim delivery of Oro Valley's allocation of Central Arizona Project (CAP) water. To implement the IGA, the Oro Valley Water Utility is taking steps to deliver our CAP water through the Tucson Water system by mid-fiscal year. The delivery of renewable CAP water will reduce the use of groundwater, which will help protect and preserve our aquifer. Finally, the FY 2011/12 budget preserves Police Department services and staffing levels at a rate of 2.4 officers/1,000 residents to ensure a safe community where residents and visitors continue to feel secure.

FUTURE SUSTAINABILITY

As we balance the adopted budget for FY 2011/12, we cannot avoid the looming deferred needs facing the Town in the very near future. The Town is experiencing increased budget pressures due to aging infrastructure replacement needs, deferred replacement of the very tools needed to do our jobs (i.e. vehicles and computers), the inability to provide employee pay increases during the past three years and projected increases in employee pension and other benefit costs. These demands must be balanced with the expectations of slow economic recovery, limited growth potential for state shared revenues and increased demand for Town services in many areas.

These factors will ultimately lead the Town to further evaluate its core services and identify whether to continue in the business of providing certain programs and services. Some of these preliminary discussions occurred during the most recent budget process concerning the operations of the Oro Valley Library and the Coyote Run Transit Service. FY 2011/12 is the last year of a five-year agreement with the Pima County Library District (PCLD) that provides for the Town to operate its library as an affiliate of the PCLD, where the Town provides half of the funding for the library budget from Town General Funds (approximately \$550,000), and the PCLD provides the other half of the funding for the library budget from its Pima County Library District Tax revenues. Library agreement negotiations will soon commence with the PCLD with the goal of seeking a greater financial benefit for the Town in the future.

In addition, as mentioned earlier, the Town continues to work with the Regional Transportation Authority (RTA) to deliver local transit services in a more cost efficient manner, reducing the drain on local funds in the future. By finding ways to reduce or eliminate structural budget deficits caused by an excess of recurring expenditures over incoming revenues, the Town will be poised to address its looming deferred needs sooner rather than later.

In the meantime, we continue to maintain strong investment grade ratings on our outstanding bonds, rated "AA-" by both Standard and Poor's and Fitch Ratings. This is largely achieved by the Council's goal of continuing to diversify the Town's revenue base and maintaining strong

fund balance reserves in the General Fund, currently at \$9.4 million, or 36% of FY 2011/12 adopted expenditures. This is well above the Council-adopted policy threshold of 25% of adopted expenditures.

CONCLUSION

The Town of Oro Valley has long prided itself on being a lean organization, making the most of the resources entrusted to us. The prolonged recession has forced us to make hard choices about which services we will provide to the community, and how we will provide them. Fiscal discipline and wise stewardship over many years have made it possible for us to take a balanced approach as we strategically reset our service levels. I would like to thank both the Town Council and the Town staff for the strong partnership that has enabled us to effectively meet the challenges we face. Also, a special thanks goes to our citizens who closely followed the budget deliberations and offered their valuable suggestions and ideas.

Sincerely,



Jerene Watson
Town Manager



Town of Oro Valley

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Budget Document Guide

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

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

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

Introduction

The introduction section includes the Manager's budget message 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 changes in 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, as well as types of debt issued and their uses.



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

The fund balance provides a look, by major fund levels, at 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 personnel summary provides an overview of personnel and employee compensation, staffing levels by function, employee benefit matching rates, and FTEs per capita.

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

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.
- **Measures and Indicators:** Performance measures and workload indicators provide an assessment of department outcomes and outputs.
- **Organizational Chart:** Outlines the separate programs within the department. Organizational charts are provided for departments that have more than one program area.
- **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 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 personnel listing, complete debt payment schedules, and a glossary of frequently used terms.



Town of Oro Valley

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Mayor and Council



Dr. Satish I. Hiremath, DDS
Mayor
Term Expires: June 2014

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.



Mary Snider
Vice-Mayor
Term Expires: June 2014



Barry Gillaspie
Councilmember
Term Expires: June 2012



William Garner
Councilmember
Term Expires: June 2012



Lou Waters
Councilmember
Term Expires: June 2014



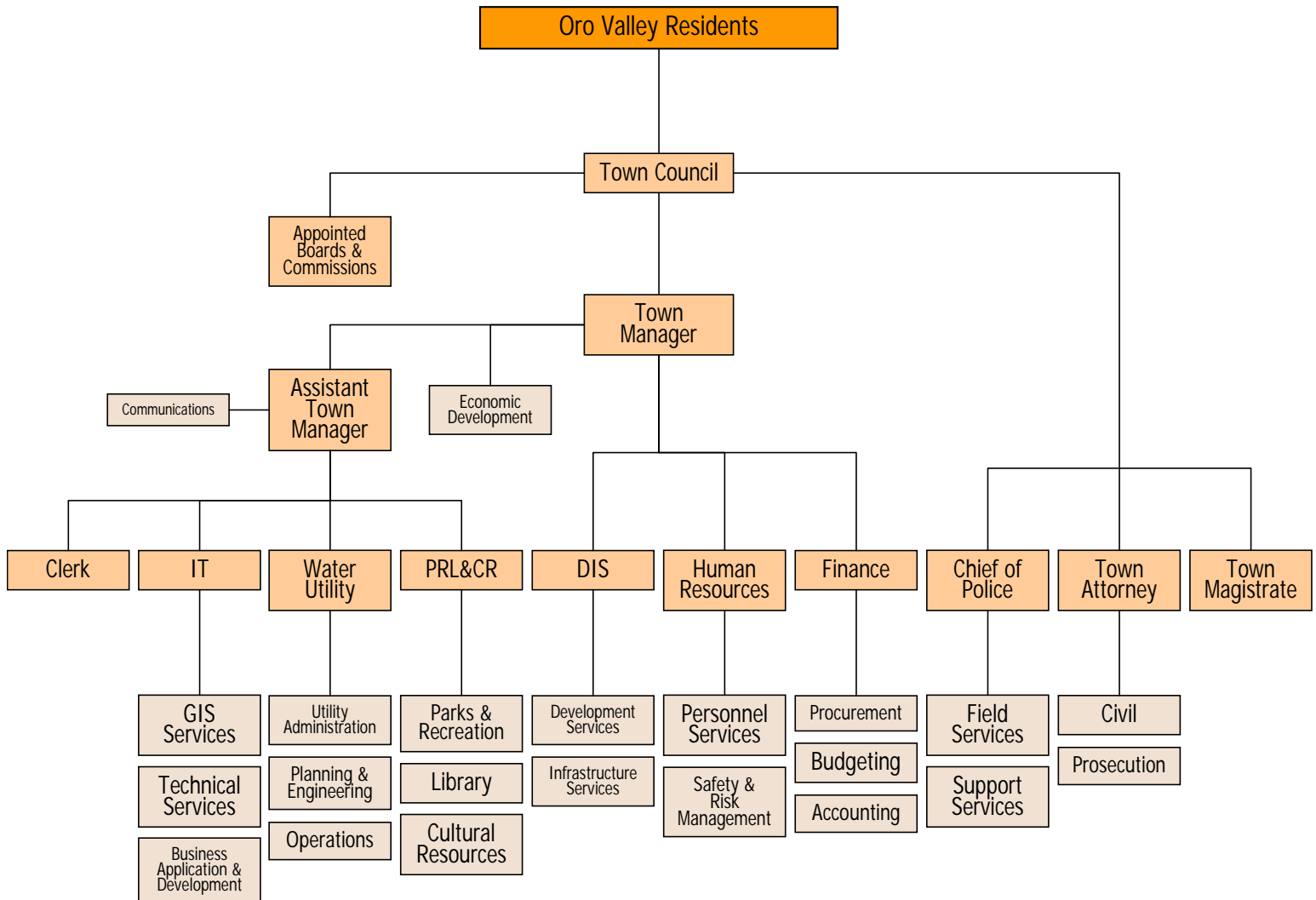
Joe Hornat
Councilmember
Term Expires: June 2014



Steve Solomon
Councilmember
Term Expires: June 2012



Organizational Chart





Town of Oro Valley

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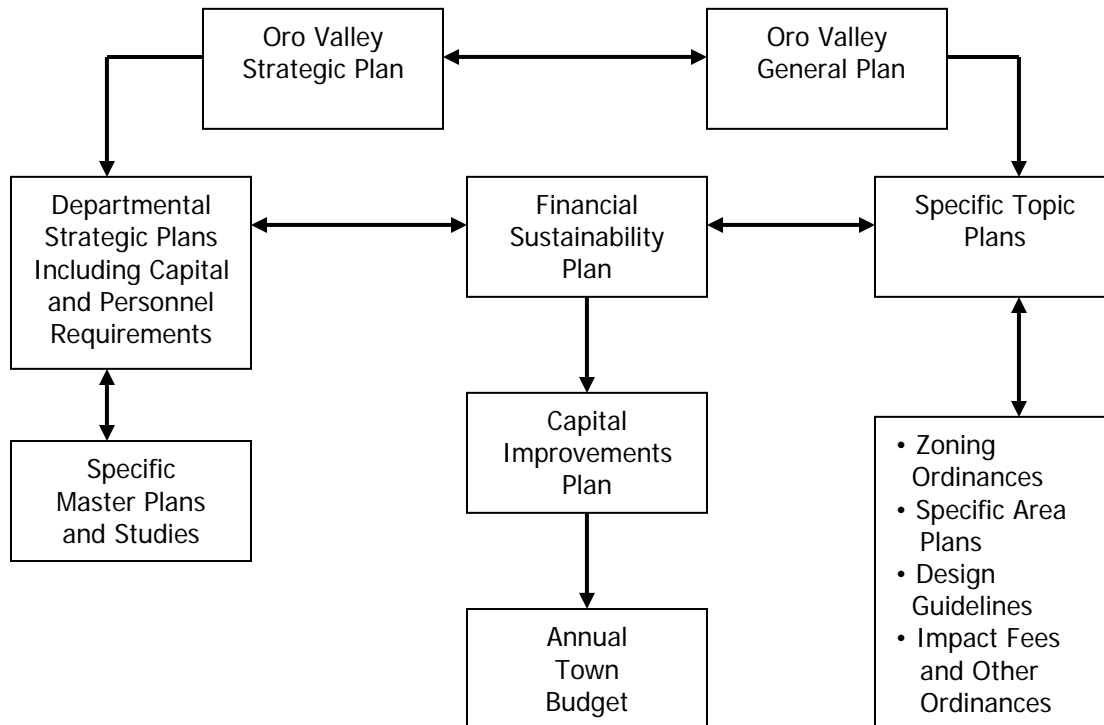


Strategic Plan

Overview

The Town of Oro Valley's Strategic Plan is a dynamic document that guides Town decision-making and resource management in pursuit of organizational goals. It is purposely "strategic" in terms of its timeframe (2 to 5 years) because a successful organization must be flexible enough to respond to changes at the local, regional and national levels. The Strategic Plan will be reviewed and updated periodically by the Town Council and management to ensure that the goals, strategies and actions outlined herein remain 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 between the Oro Valley Strategic Plan, the General Plan, and other Town documents.





Focus Areas

The Oro Valley Strategic Plan outlines the goals, strategies and actions required for the municipal government to successfully attain the community vision. Three focus areas provide the framework for the Strategic Plan. These focus areas indicate where the Town must direct its attention in order to address community needs and desires. The focus areas are:

- Leadership & Communication
- Finance & Economic Development
- Community Infrastructure

Within each focus area are goals, strategies and actions designed to produce desired outcomes.

Goals describe a fundamental direction or broad course of action.

Strategies describe the manner in which the resources of the organization will be employed to accomplish each goal.

Actions are specific tasks that will be accomplished to assist in implementing each goal.

Implementing these goals, strategies and actions will require leadership, financial commitment, effective management and continual evaluation.

A. Leadership & Communication

Leadership and communication are interrelated principles; you cannot have one without the other. Leadership is the ability to communicate a vision, motivating people to transform great ideas into action. Leadership and communication from the Town Council and the Town Manager enable the organization to achieve its goals in service to the community. The overarching goal of the organization is to uphold the highest standards of trust, respect and accountability in municipal government.

GOAL 1 Build trust through effective public outreach and communication

STRATEGY 1.1 Communicate information to residents and help promote community pride and a feeling of accessibility to local government information and activities

- ACTION 1.1.1 Respond to community issues and concerns through the Constituent Services Office
- ACTION 1.1.2 Use non-traditional media sources such as social media Twitter and Facebook to provide public education and outreach
- ACTION 1.1.3 Publish the Oro Valley VISTA, our monthly community magazine

STRATEGY 1.2 Provide opportunities for residents to become involved in, engaged in and knowledgeable about the role of local government

- ACTION 1.2.1 Continue to foster relationships with volunteers and appointed Advisory Board Members
- ACTION 1.2.2 Conduct Council on Your Corner and Speakers Bureau events for officials and staff monthly throughout the year, as well as an annual Homeowners Association (HOA) forum each October
- ACTION 1.2.3 Use the "Peek Behind the Curtain" program to provide citizen-friendly presentations on programs and departmental service delivery



GOAL 2 *Create an environment conducive to effective dialogue among the Council and staff*

STRATEGY 2.1 Implement a comprehensive internal communications program

- ACTION 2.1.1 Provide appropriate tools and guidelines to ensure adherence to organizational standards regarding brand management and communication
- ACTION 2.1.2 Use the Council Report and Council Foreword to communicate important issues to the Town Council and management
- ACTION 2.1.3 Use the internal Communications Roundtable to engage representatives from each department in communications planning for internal news, events and opportunities
- ACTION 2.1.4 Use the employee Brown Bag forums with the Manager and the "Talk of the Town" monthly newsletters to promote internal communication

STRATEGY 2.2 Encourage and develop leadership skills and opportunities

- ACTION 2.2.1 Attract, develop and retain talented employees
- ACTION 2.2.2 Maintain consistency in personnel codes and policy implementation
- ACTION 2.2.3 Empower employees to develop innovative solutions to operational and service challenges

GOAL 3 *Maintain strong intergovernmental relationships*

STRATEGY 3.1 Implement an aggressive annual legislative program that strengthens intergovernmental relations at the federal, state and county levels, and includes neighboring municipalities and governing districts

- ACTION 3.1.1 Adopt a state and federal legislative agenda for the Town in January of each year
- ACTION 3.1.2 Empower the intergovernmental liaison to seek legislative solutions that benefit the Town and the region
- ACTION 3.1.3 Promote regionalism and partnerships to facilitate Council policy direction

B. Finance & Economic Development

The Town will continue to implement sound financial management policies and uphold our fiduciary duty to the residents of Oro Valley. Beyond fiscal responsibility, the Town is also committed to facilitating the expansion of the local economy. Commercial business growth, and the Town's continued success in attracting high-tech and bio-science industry, point the way toward a sustainable model for economic development.

GOAL 1 *Maintain a balanced budget*

STRATEGY 1.1 Analyze programmatic, service delivery and personnel strategies across the organization for cost-savings and reductions



- ACTION 1.1.1 Manage and operate departments within approved funding limits with contingency plans drafted in the event state shared revenues are swept from our budget
- ACTION 1.1.2 Use the 5-year financial forecast model to continuously monitor the Town's short-term and long-term financial forecast
- ACTION 1.1.3 Develop monthly reports to Council on the status of revenues and expenditures with analysis of trends and projections for end of year budget picture; communicate this data to internal and external customers
- ACTION 1.1.4 Maintain contingency reserves in accordance with adopted policies
- ACTION 1.1.5 Maintain intent of the hiring freeze assumption and delay hiring into positions where feasible
- ACTION 1.1.6 Capitalize on potential funding resulting from 2010 decennial census population figures
- ACTION 1.1.7 Use program-based budgeting to communicate the cost of projects and services
- ACTION 1.1.8 Develop benchmark performance measures for each department that allow for analysis of the effectiveness of programs and services; use these performance measures to link the budget and organizational strategic plan documents

GOAL 2 *DEVELOP DIVERSE SOURCES OF REVENUE*

STRATEGY 2.1 Present additional revenue source options for Council consideration during the annual budget process

- ACTION 2.1.1 Conduct continuous evaluation of Town user fee policies
- ACTION 2.1.2 Use the cost allocation study to determine appropriate levels of General Fund support from Town enterprise funds
- ACTION 2.1.3 Continue to work with federal, state and regional agencies to secure funding for Town projects
- ACTION 2.1.4 Implement systems that will enhance the ability of the organization to pursue and manage grant funding
- ACTION 2.1.5 Pursue public-private partnerships involving the lease of Town-owned property

STRATEGY 2.1 Expand the constituency of the Town through annexation

- ACTION 2.2.1 Pursue annexation opportunities that provide a long-term benefit to the Town
- ACTION 2.2.2 Perform fiscal impact analysis of potential annexation scenarios; initiate annexation of Council-directed areas

GOAL 3 *CULTIVATE RELATIONSHIPS WITH THE BUSINESS COMMUNITY AND CREATE A BUSINESS-FRIENDLY ENVIRONMENT*

STRATEGY 3.1 Encourage the attraction, expansion and retention of diverse employment, retail and tourism opportunities



- ACTION 3.1.1 Expand marketing efforts to attract primary employers in the high-tech and bio-science fields
- ACTION 3.1.2 Promote local businesses through programs such as Shop Oro Valley, Business Navigator, Buy Local, coupon or promotional activities
- ACTION 3.1.3 Adhere to procurement practices that provide Oro Valley businesses all opportunities to compete for Town business and that promote the ideals of the Shop Oro Valley campaign
- ACTION 3.1.4 Continue business retention and expansion site visits; expand site visits to include a Councilmember as part of the team

STRATEGY 3.2 Seek out collaborative projects with the business community and regional economic development partners

- ACTION 3.2.1 Facilitate the development of a Town Center, focused on retail services and hospitality, that serves as a “downtown” for Oro Valley
- ACTION 3.2.2 Maintain membership and active participation in Tucson Regional Economic Opportunities (TREO), Metropolitan Tucson Convention & Visitors Bureau (MTCVB), Metropolitan Pima Alliance (MPA), Northern Pima County Chamber of Commerce (NPCCC) and Arizona Association of Economic Developers (AAED) to keep abreast of developing needs and trends in economic development and marketing of the Town
- ACTION 3.2.3 Collaborate with regional managers to reach out to large employers to ensure the corporate needs are understood and acted upon for the economic benefit of the region
- ACTION 3.2.4 Use Town Council speaking engagements and presentations to reach out to business and civic leaders
- ACTION 3.2.5 Use Economic Summits feedback to update the Community and Economic Development Strategy (CEDS)

C. Community Infrastructure

Community infrastructure encompasses both the social and physical factors that determine a community's strength. The Town's investment in both social and physical infrastructure creates the complex network of facilities, programs and services that we refer to as quality of life. The Town of Oro Valley strives for excellence in the provision of community services, the development of social relations, and the construction and maintenance of the built environment.

GOAL 1 PLAN FOR AND PROVIDE THE NECESSARY INFRASTRUCTURE TO SUPPORT COMMUNITY GROWTH AND PRESERVATION

STRATEGY 1.1 Develop and implement comprehensive strategic and operational plans for municipal facilities and physical infrastructure

- ACTION 1.1.1 Update the 5-year Capital Improvement Plan (CIP) to include all facility and infrastructure projects and available funding sources
- ACTION 1.1.2 Assess future needs by tracking maintenance history and Town growth
- ACTION 1.1.3 Use existing/new technology, develop innovative processes and procedures for continuous improvement of Development and Infrastructure Services (DIS) department service provision



STRATEGY 1.2 Preserve open space and protect environmentally sensitive lands

- ACTION 1.2.1 Adopt and enforce development regulations that preserve open space and protect environmentally sensitive lands
- ACTION 1.2.2 Communicate the importance of preserving open space and environmentally sensitive lands to residents, business, and interest groups through public outreach campaigns
- ACTION 1.2.3 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

STRATEGY 1.3 Partner with regional jurisdictions to develop and maintain physical infrastructure

- ACTION 1.3.1 Participate in the Pima Association of Governments (PAG) / Regional Transportation Authority (RTA) Transportation Improvement Program (TIP) process
- ACTION 1.3.2 Continue to work with federal, state and regional agencies to secure funding for Town projects
- ACTION 1.3.3 Actively represent the Town's interests in the development of future county bond packages, reporting on and tracking expenditures of existing county bond funds

GOAL 2 PROVIDE DIVERSE RECREATIONAL, EDUCATIONAL AND CULTURAL OPPORTUNITIES

STRATEGY 2.1 Develop and maintain parks, recreation, library and cultural resource assets

- ACTION 2.1.1 Initiate development of a parks and recreation Master Plan
- ACTION 2.1.2 Continue implementation of the Steam Pump Ranch Master Plan
- ACTION 2.1.3 Utilize volunteers as applicable to provide educational, informational and recreational opportunities

STRATEGY 2.2 Coordinate and secure funding, either solely or in concert with other public or private entities

- ACTION 2.2.1 Renegotiate the Library Intergovernmental Agreement (IGA) with the Pima County Library District to the benefit of the Town
- ACTION 2.2.2 Seek public and private sources of funding for the acquisition and management of cultural resources

STRATEGY 2.3 Support cultural opportunities and events

- ACTION 2.3.1 Facilitate the development of a Community Center, focused on arts, culture and recreation
- ACTION 2.3.2 Collaborate with local and regional performing and visual arts groups
- ACTION 2.3.3 Explore event opportunities with local and national special event coordinators and the Metropolitan Tucson Convention and Visitors Bureau (MTCVB)



GOAL 3 MAINTAIN A SAFE COMMUNITY WHERE RESIDENTS AND VISITORS FEEL SECURE

STRATEGY 3.1 Maintain public-safety citizen and community-involvement and educational programs

- ACTION 3.1.1 Provide an annual report on the effectiveness of the Citizen Volunteer Assistance Patrol (CVAP) program
- ACTION 3.1.2 Conduct at least one Citizen Police Academy annually to promote understanding and confidence in the Police Department
- ACTION 3.1.3 Hold community awareness events such as National Night Out and Investigate OVPD
- ACTION 3.1.4 Use the Adopt-a-Business Program to promote safety and develop positive business relationships

STRATEGY 3.2 Maintain emergency response and business continuity plans

- ACTION 3.2.1 Integrate the multi-department business continuity plans into a master emergency response plan for the organization in FY 2010/11
- ACTION 3.2.2 Partner with regional emergency managers to plan and train for large scale emergencies
- ACTION 3.2.3 Develop a proposal for implementation of a Town Office of Emergency Management/Homeland Security initiative
- ACTION 3.2.4 Conduct multiple, annual training opportunities for employees in the discipline of emergency management and incident command systems per federal mandates; orient elected officials to their roles through training sessions and exercises

STRATEGY 3.3 Maintain an efficient and effective local criminal justice system

- ACTION 3.3.1 Ensure that prosecutions are undertaken based upon the underlying merits of the case
- ACTION 3.3.2 Revisit plea standards annually to ensure that cases may be disposed of within acceptable guidelines
- ACTION 3.3.3 Maintain the professional integrity and continuing education of prosecutors and staff
- ACTION 3.3.4 Coordinate with the Magistrate Court and Police Department on code changes and matters that inter-relate with the Prosecutor's office



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.



Town of Oro Valley

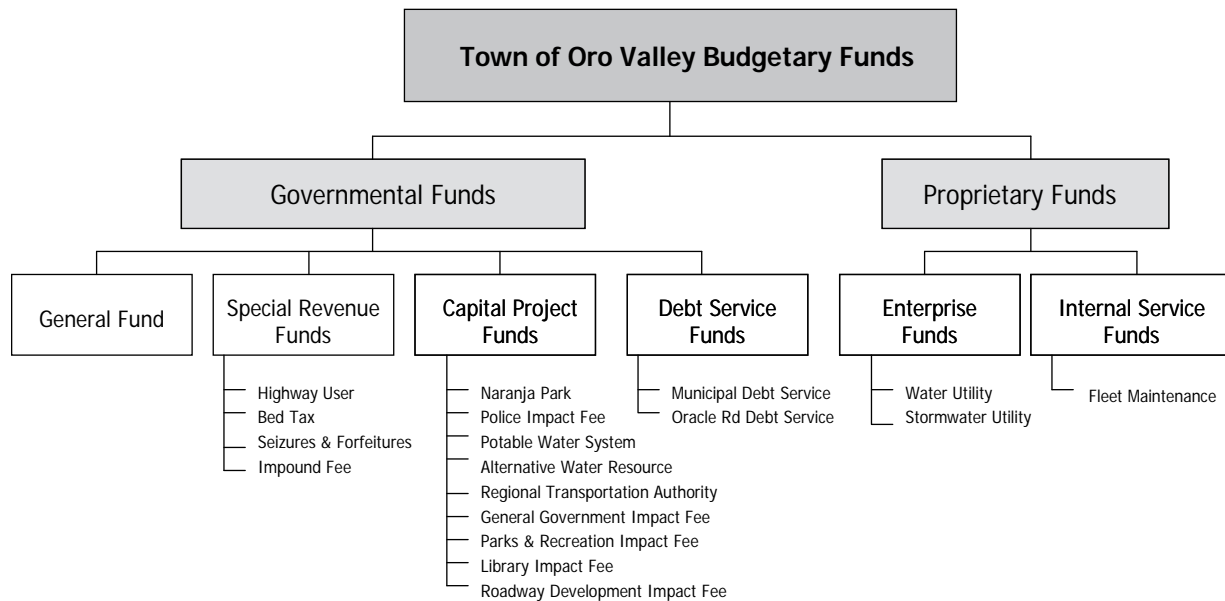
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Fund Structure

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 expenditures related to infrastructure improvements such as streets, water, buildings and park facilities. 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. The Town's major enterprise fund is the Water Utility Fund, which is used to account for the costs to operate, construct and finance the Town's water system.

Internal Service Funds are funds that account for services provided to other divisions and departments within the Town government.



BUDGET BASIS VERSUS ACCOUNTING BASIS

Budget Basis

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

Accounting Basis

The basis of accounting refers to when revenues and expenditures or expenses are to be recognized and reported in the Town's financial statements.

Full Accrual Basis is the method under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenses are recorded when goods and services are received (whether cash disbursements are made at the time or not).

In accordance with generally accepted accounting principles (GAAP), the Town's proprietary fund financial statements are prepared using the full accrual basis of accounting, while the Town's governmental fund financial statements are prepared using the modified accrual basis of accounting.

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

- Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (budget basis)
- Principal payments on long-term debt within the enterprise funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a budget basis
- Capital outlays within the proprietary funds are recorded as assets on a GAAP basis and expended on a budget basis



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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 plan for the adequate funding of services desired by the public. Sound financial policies help to ensure the Town's capability to adequately fund and provide the government services desired by the community. The policies contained herein are designed to foster and support the continued financial strength and stability of the Town of Oro Valley. Following these policies enhances the Town's financial health as well as its image and reputation with residents, the general public, bond and credit rating agencies and investors. The policies serve as guidelines for the Town's overall fiscal planning and management. In addition, 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. The policies were adopted by Mayor and Council on May 18, 2011 per Resolution (R)11-30.

A. Financial Planning Policies

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

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

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

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

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

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

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

All budgetary appropriations that have not been expended or lawfully encumbered shall lapse at the end of the fiscal year, June 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).



Financial and Budgetary Policies

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

A.2 Long Range Planning

As part of the annual Town budget preparation cycle, the Finance Department shall prepare a minimum 5-year financial forecast of projected revenues and expenditures to measure the financial sustainability of the Town's operations and service levels.

A.3 Cash Management & Investment Policy

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

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

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

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

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

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

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

A.4 Asset Inventory

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

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

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

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

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

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

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

B. Revenue Policies

B.1 Revenue Diversification

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



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 approved by Town Council or as otherwise specified in Town code.

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

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

B.3 Use of One-Time Revenues

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

B.4 Use of Unpredictable Revenues

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

C. Expenditure Policies

C.1 Debt Capacity, Issuance & 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 determine if the cost savings of refunding will be greater than the cost to refund. Considerations will be made with regard to the existing bond covenants when refunding any bonded debt.



Financial and Budgetary Policies

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

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

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

C.2 Capital Improvement 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 are defined as infrastructure, equipment purchases or construction which results in or makes improvements to a capitalized asset costing more than \$50,000 and having a useful life of five or more years.

The Capital Improvement 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 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 to monitor each project's progress and identify any significant issues.

C.3 Fund Balance Reserve Policies

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

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

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



Financial and Budgetary Policies

than nonspendable items) that are either (a) externally imposed by creditors, such as debt covenants, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. This category was traditionally reported as a "reserved" fund balance under the old standard.

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

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

Fund balance reserves may only be appropriated by authorization of the Town Council. A plan will be developed to adequately

replenish reserves when appropriations are projected to reduce reserves below the required minimum levels.

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

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 long-term financial forecast.

C.4 Operating Expenditure Accountability

Expenditures will be controlled as outlined in the approved budget.

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

The Arizona Constitution sets a limit on the expenditures of local jurisdictions. The Town will comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements, and audited reconciliation report as defined by the Uniform Expenditure Reporting System to the State Auditor General within prescribed timelines.

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

To provide flexibility in the management of departmental budgets for major expenditures (personnel, operations and maintenance,



Financial and Budgetary Policies

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

D. Financial Reporting Policies

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

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

The Town's CAFR will be submitted to the GFOA 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 annually to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends and resource choices.

Financial systems will maintain internal controls to monitor revenues, expenditures and program performance on an ongoing basis.



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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 2011/2012 budget development process:

- Precipitous declines in local development activity over the past three years
- Further decreases in state shared revenues due to the economic downturn
- Town's heavy reliance on volatile revenue sources and revenue diversification

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.

Sluggish economic activity continues to place enormous pressure on the need to control costs and obtain greater operating efficiencies. In preparing their budgets, departments were instructed to "hold the line" wherever possible while attempting to minimize service impacts to Town residents. In addition, meeting for the second year in a row was the Employee Budget Focus Team - a multi-faceted, cross-functional team of approximately 15 employees who voluntarily met several times to brainstorm on cost savings and new revenue generation. A comprehensive list of ideas was compiled and presented to Town management and Council during the budget process.

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 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 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 May 18, 2011. 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 15, 2011.



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 2010. 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 FY 2011/2012 expenditure limit for Oro Valley is \$94,219,647.

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

January						
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February						
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June						
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26	27	28	29	30		

2011 Budget Calendar

January

29 Council Budget Retreat
Update Council on mid-year financial status

February

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

23 Council Budget Work Session

24 Employee Budget Focus Team recommendations presented to Town management/directors

March

9 Council Budget Work Session

18 Departments submit operations & maintenance and capital expenditure requests to Finance

21-25 Finance reviews and analyzes department budget requests

23 Council Budget Work Session

28-31 Town Manager meets with department directors and Finance to review the proposed budget

April

4 Finance begins preparing Town Manager recommended budget

20 Town Manager Recommended Budget delivered to Council

May

11 Council Budget Work Session

18 Adoption of Tentative Budget and CIP

June

15 Adoption of Final Budget and CIP

July						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August						
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28	29	30	31			

September						
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October						
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23	24	25	26	27	28	29
30	31					

November						
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27	28	29	30			

December						
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17	18	19	20	21	22	23
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FINANCIAL OVERVIEW

- Budget Overview
 - Fund Balances
 - Budget Summary
 - Revenue Summary
 - Revenue Schedule by Fund
 - Revenue Sources
 - Expenditure Summary
 - Expenditure Schedule by Fund
 - Expenditures by Program
 - Personnel Summary
 - Debt Service

FINANCIAL OVERVIEW



Town of Oro Valley

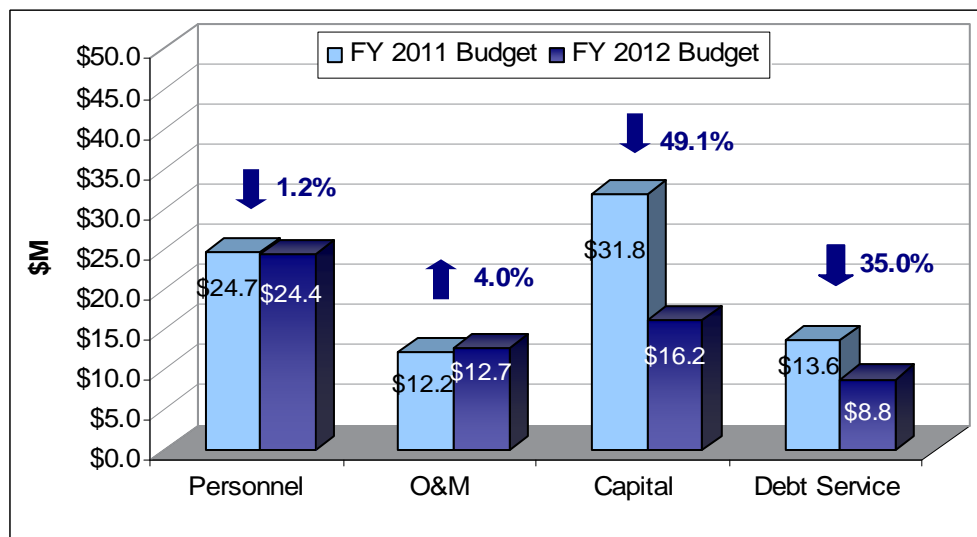
Caring for our heritage, our community, our future.



Budget Overview

The budget for FY 2011/2012 totals \$94.2 million, which includes a \$46.6 million operating budget and \$15.5 million for capital projects, and represents a 19% decrease over the previous fiscal year budget of \$116.2 million. As with the FY 2010/11 budget, the state of the economy was a dominating factor during the budget process. Several steps have been taken over the last few years to reduce operating costs, including department consolidations and early payoff of debt. A hiring freeze was adopted by Council in November 2008. A voluntary severance plan was also offered to employees in the spring of 2009. Positions continue to be left unfilled or have been eliminated as vacancies occur. The capital budget for the Town decreased nearly 50% from FY 2010/11; this is attributable to numerous project completions, as well as a revision in capacity for the widening of Lambert Lane. A more detailed discussion on the changes to each category of the Town's budget can be found in the Expenditure Summary section of this document.

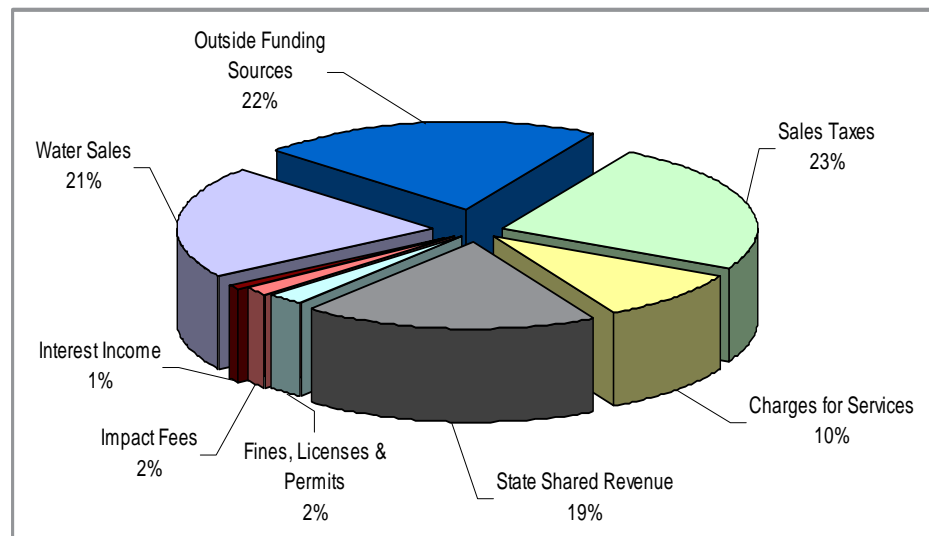
Comprehensive Budget Overview



Revenues

Budgeted revenue for FY 2011-12 totals \$56.5 million and represents a 23.6% decrease from FY 10/11. 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 2012, the Town has budgeted revenue from Sales Taxes, which is a major funding source (23% of the total), State Shared Revenues (19% of total), and Water Sales (21% of total). Revenue from Outside Funding Sources (22% of total) includes \$10.6 million in state and federal grant proceeds.





Budget Overview

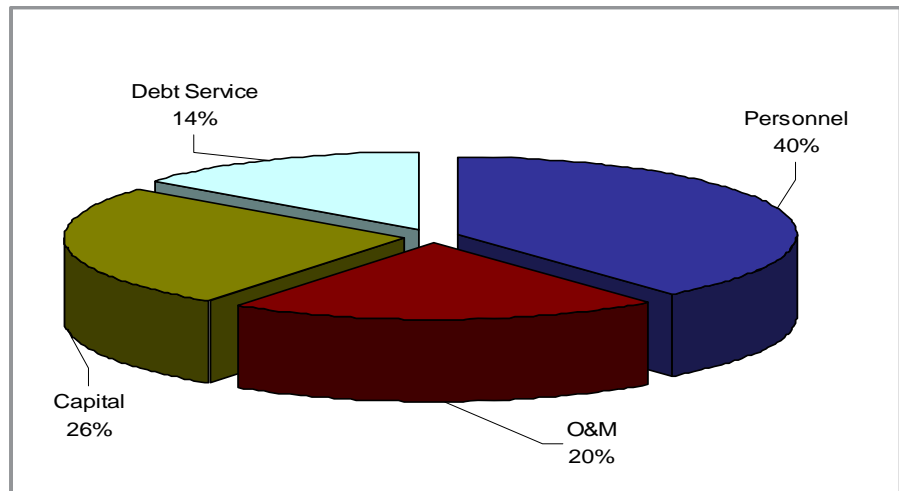
Revenue Sources

	FY 2010	FY 2010/11		FY 2011/12	Variance	
	Actual	Budget	Projected	Budget	to Budget	%
Sales Taxes	13,480,152	13,956,007	12,416,834	13,668,342	(287,665)	-2.1%
Charges for Services	4,077,977	4,634,745	4,235,369	5,376,822	742,077	16.0%
State Shared Revenue	12,234,634	11,030,182	11,030,182	10,563,728	(466,454)	-4.2%
Fines, Licenses & Permits	1,310,555	1,521,702	1,103,342	1,358,894	(162,808)	-10.7%
Miscellaneous	371,926	176,186	242,991	167,500	(6,686)	-4.9%
Impact Fees	1,353,693	1,478,687	868,214	1,008,966	(469,721)	-31.8%
Interest Income	539,185	689,982	441,326	439,810	(250,172)	-36.3%
Water Sales	12,071,031	11,689,300	11,682,799	11,682,799	(6,501)	-0.1%
Outside Funding Sources	3,379,270	28,819,925	14,515,060	12,255,970	(16,563,955)	-57.5%
Total Revenue	\$ 48,818,423	\$ 73,996,716	\$ 56,536,117	\$ 56,522,831	\$ (17,473,885)	-23.6%

Does not include interfund transfers or carry-forward fund balances

Expenditures

Budgeted expenditures for FY 2011-12 total \$62.1 million and represents a 24.5% decrease over FY 10/11. The budget includes \$46.6 million to support daily operations and services and \$15.5 million in capital projects to fund roadway expansions and improvements, as well as stormwater 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 2010	FY 2010/11		FY 2011/12	Variance	
	Actual	Budget	Projected	Budget	to Budget	%
Personnel	24,674,902	24,658,051	24,051,381	24,359,433	(298,618)	-1.2%
O&M	12,059,322	12,237,176	10,892,225	12,724,940	487,764	4.0%
Capital	5,309,640	31,822,612	13,971,841	16,187,247	(15,635,365)	-49.1%
Debt Service	10,500,681	13,589,992	13,059,607	8,835,306	(4,754,686)	-35.0%
Total Expenditures	\$ 52,544,545	\$ 82,307,831	\$ 61,975,054	\$ 62,106,926	\$ (20,200,905)	-24.5%

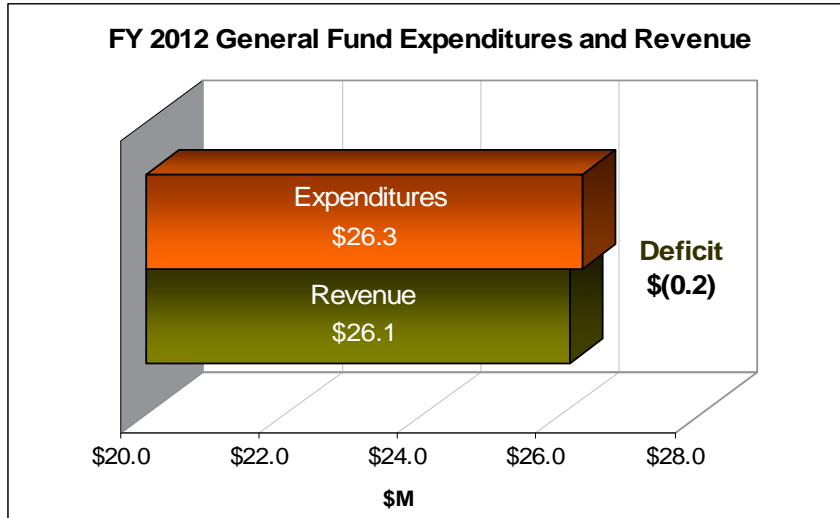
Does not include depreciation, amortization, interfund transfers or contingency amounts



Budget Overview

Budget Policy

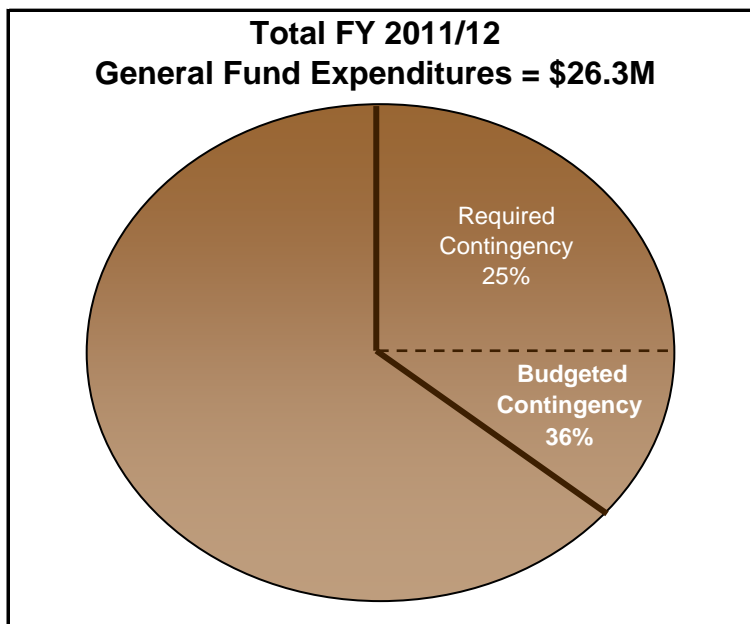
In accordance with the Town's adopted Financial and Budgetary Policies, A.1 – Balanced Budgeting and Fiscal Planning Policies, "The Town shall develop an annual budget whereby recurring revenues shall be sufficient to support recurring operating expenditures with no use of General Fund contingency to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



Revenues	\$ 26,133,944
Expenditures	<u>26,313,944</u>
(Deficit)/Surplus	\$ (180,000)

The negative difference of \$0.2 million between revenues and total expenditures in the General Fund for FY 2011/12 is attributed to one-time expenditures. A detailed listing of one-time expenditures and their uses can be found in the Expenditure Summary section of the budget 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	\$26,313,944
Contingency Requirement	<u>25%</u>
Required Contingency	\$ 6,578,486

The budgeted contingency reserve for FY 2011/12 is \$9,381,226 in the General Fund and is equal to 36% of expenditures.

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Fund Balances

	General Fund	(1) Special Revenue Funds	(2) Enterprise Funds	(3) Capital Projects Funds	(4) Internal Service Fund	(5) Debt Service Funds	2011-2012 Total
Revenues and Other Sources							
Taxes	\$ 12,401,316	\$ 1,267,026	\$ -	\$ -	\$ -	\$ -	\$ 13,668,342
Licenses and Permits	1,126,894	42,000	-	-	-	-	1,168,894
Fines	190,000	-	-	-	-	-	190,000
Water Sales	-	-	11,682,799	-	-	-	11,682,799
Charges for Services	1,237,851	65,000	1,196,200	2,441,500	436,271	-	5,376,822
State Shared Revenue	8,187,264	2,376,464	-	-	-	-	10,563,728
Intergovernmental	591,160	-	-	-	-	-	591,160
Grants	1,094,033	487,000	955,000	7,993,000	-	85,777	10,614,810
Seizures & Forfeitures	-	350,000	-	-	-	-	350,000
Impact Fees	-	-	-	1,008,966	-	-	1,008,966
Interest Income	22,000	16,300	16,800	20,007	-	364,703	439,810
Miscellaneous	157,500	10,000	-	-	-	-	167,500
Other Financing Sources	1,125,926	-	800,000	400,000	-	228,647	2,554,573
Total	\$ 26,133,944	\$ 4,613,790	\$ 14,650,799	\$ 11,863,473	\$ 436,271	\$ 679,127	\$ 58,377,404
Expenditures and Other Uses							
General Government							
<i>Clerk</i>	\$ 456,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 456,089
<i>Council</i>	220,573	-	-	-	-	-	220,573
<i>Finance</i>	722,199	-	-	-	-	-	722,199
<i>General Administration</i>	2,141,767	-	-	-	-	-	2,141,767
<i>Human Resources</i>	482,649	-	-	-	-	-	482,649
<i>Information Technology</i>	1,252,797	-	-	-	-	-	1,252,797
<i>Legal</i>	841,832	-	-	-	-	-	841,832
<i>Magistrate Court</i>	781,625	-	-	-	-	-	781,625
<i>Manager</i>	877,167	235,981	-	-	-	-	1,113,148
<i>Debt Service</i>	-	-	-	-	-	995,824	995,824
Police	12,096,513	45,987	-	-	-	-	12,142,500
Dev. & Infrastructure Svcs.	3,340,679	4,093,277	1,756,223	50,000	436,271	-	9,676,450
Parks and Recreation	1,633,911	-	-	-	-	-	1,633,911
Library Services	1,115,815	-	-	-	-	-	1,115,815
Cultural Resources	126,976	-	-	-	-	-	126,976
Water Utility	-	-	11,083,914	3,899,673	-	-	14,983,587
<i>Water Utility Fund Debt Service</i>							
<i>Principal</i>	-	-	1,310,654	-	-	-	1,310,654
<i>Interest</i>	-	-	1,495,063	-	-	-	1,495,063
Roadway Improvements	-	-	-	10,613,467	-	-	10,613,467
Other Financing Uses	223,352	1,525,926	5,295	100,000	-	-	1,854,573
Total	\$ 26,313,944	\$ 5,901,171	\$ 15,651,149	\$ 14,663,140	\$ 436,271	\$ 995,824	\$ 63,961,499
Increase/(Decrease)	(180,000)	(1,287,381)	(1,000,350)	(2,799,667)	-	(316,697)	(5,584,095)
Beginning Fund Balance *	\$ 9,561,226	\$ 4,952,261	\$ 10,473,958	\$ 11,132,229	\$ -	\$ 1,577,142	\$ 37,696,816
Ending Fund Balance *	\$ 9,381,226	\$ 3,664,880	\$ 9,473,608	\$ 8,332,562	\$ -	\$ 1,260,445	\$ 32,112,721

This table depicts the estimated beginning fund balance at July 1, 2011, the budgeted revenues and expenditures for FY 2011/12 and the projected ending fund balance at June 30, 2012.

- (1) The General Fund is being brought down by \$180,000 which will be used to fund replacement of technology-related equipment. This is due to the closing of the Capital Asset Replacement Fund and the transfer of fund balance into the General Fund.
- (2) Special Revenue Funds are being brought down by \$1,287,381 which will be used to fund roadway surface treatments as well as subsidize transit operations in the General Fund.
- (3) Enterprise Funds are being brought down by \$1,000,350 which will be used to fund capital projects.
- (4) Capital Projects Funds are being brought down by \$2,799,667 which will be used to fund water infrastructure improvement projects, roadway improvement projects, and Water Utility debt service.
- (5) Debt Service Funds are being brought down by \$316,697 which will be used to fund debt service payments.

* Does not include amounts set aside for compensated absences and unemployment compensation claims
2011-2012 Annual Budget



Budget Summary

	FY 2009	FY 2010	FY 2011		FY 2012
	Actual		Budget	Projected	Budget
Personnel					
General Fund	281.74	262.05	261.47	252.12	266.22
Special Revenue Funds	44.02	38.78	36.94	39.31	29.30
Capital Project Funds	-	-	-	-	-
Enterprise Funds	38.80	38.00	39.50	37.50	39.50
Internal Service Fund	-	2.37	2.35	2.35	1.35
TOTAL PERSONNEL	364.56	341.20	340.26	331.28	336.37
Expenditures by Fund ¹⁾					
General Fund	27,088,216	25,096,341	25,571,287	24,313,167	26,090,592
Special Revenue Funds	6,810,351	4,399,131	4,717,591	4,766,823	4,375,245
Debt Service Funds	1,685,701	7,838,118	837,562	871,438	995,824
Capital Project Funds	10,598,765	3,750,483	32,655,947	17,707,976	14,563,140
Enterprise Funds	13,624,680	10,588,804	17,650,476	13,440,682	15,645,854
Internal Service Fund	-	871,668	874,968	874,968	436,271
TOTAL EXPENDITURES	59,807,713	52,544,545	82,307,831	61,975,054	62,106,926
Expenditures by Category ¹⁾					
Personnel	26,143,561	24,674,902	24,658,051	24,051,381	24,359,433
Operations & Maintenance	13,739,155	12,059,322	12,237,176	10,892,225	12,724,940
Capital Outlay	15,181,405	5,309,640	31,822,612	13,971,841	16,187,247
Debt Service	4,743,592	10,500,681	13,589,992	13,059,607	8,835,306
TOTAL EXPENDITURES	59,807,713	52,544,545	82,307,831	61,975,054	62,106,926
Operating Results					
Total Revenues ²⁾	55,058,913	48,818,423	73,996,716	56,536,117	56,522,831
Total Expenditures ¹⁾	59,807,713	52,544,545	82,307,831	61,975,054	62,106,926
NET OPERATING RESULTS ³⁾	(4,748,800)	(3,726,122)	(8,311,115)	(5,438,937)	(5,584,095)

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

2) Excludes carry-forward balances and interfund transfers

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



Town of Oro Valley

Caring for our heritage, our community, our future.

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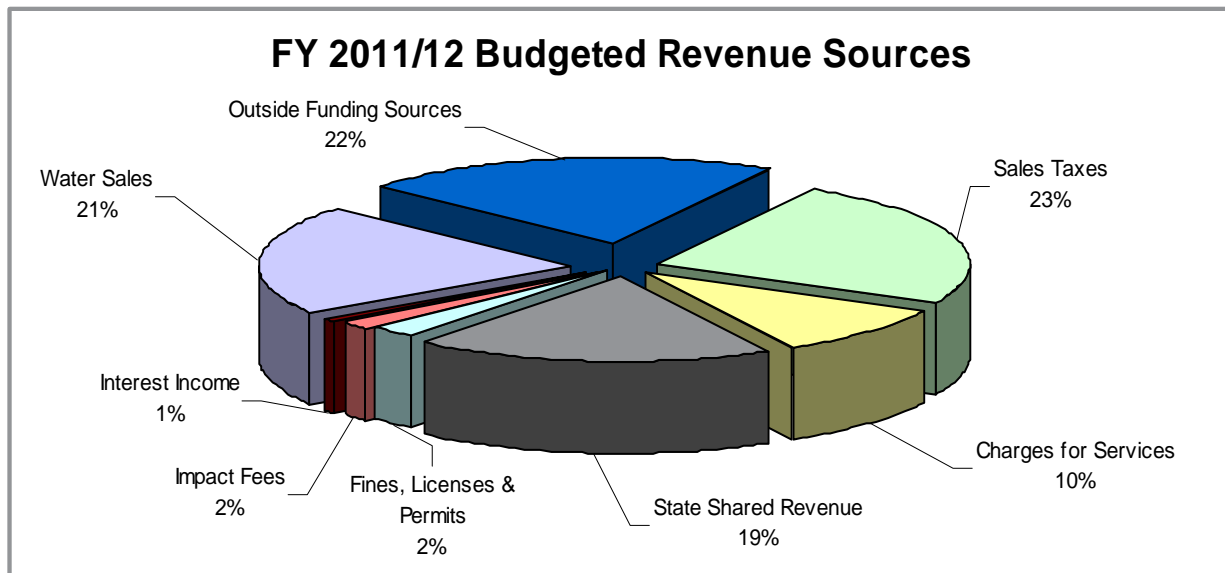


Revenue Summary

Revenue for FY 2011-12 is estimated to total \$56,522,831. In comparison to the FY 2010-11 budget, revenue is projected to decrease 23.6%. Compiling revenue estimates in an uncertain fiscal climate is a difficult task. The prolonged economic challenges at the local, state and national level have ruled out the use of conventional methods of revenue forecasting. Prior to the economic downturn, 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 current fiscal conditions, these methods are not acceptable. Estimates compiled by the Finance Department involve an analysis of each major revenue source, including its susceptibility to economic factors, its performance during the current downturn, and the drivers behind the source.

Local sales tax represents a significant source of the Town's budgeted revenue at 23% of total revenue. In this category, taxes related to retail trade are now the biggest contributor. In previous years, taxes related to construction activity were the greatest component. Prior to the economic downturn, the Town relied on the expertise of a forecaster in the homebuilder industry to project revenue related to residential construction activity. For FY 2011-12, revenue was projected assuming limited development and activity patterns similar to what is currently being observed. Commercial and residential activity is down significantly from previous years, with many projects having been put on hold, delayed, or canceled. In collaboration with Economic Development and Development Services, the Finance department compiled a list of all projects in the pipeline and their likelihood of completion in the next budget year. The FY 2012 budget is forecasted to see an addition of 183K+ square feet of commercial building in the form of office space, retail, restaurants and a retirement center.

The Town receives a variety of other funding sources to finance operations. Refer to the Revenue Schedule by Fund for detailed changes in revenue from budget year to budget year.





Revenue Summary

Revenue Sources

	FY 2010	FY 2010/11		FY 2011/12	Variance	
	Actual	Budget	Projected	Budget	to Budget	%
Sales Taxes	13,480,152	13,956,007	12,416,834	13,668,342	(287,665)	-2.1%
Charges for Services	4,077,977	4,634,745	4,235,369	5,376,822	742,077	16.0%
State Shared Revenue	12,234,634	11,030,182	11,030,182	10,563,728	(466,454)	-4.2%
Fines, Licenses & Permits	1,310,555	1,521,702	1,103,342	1,358,894	(162,808)	-10.7%
Miscellaneous	371,926	176,186	242,991	167,500	(8,686)	-4.9%
Impact Fees	1,353,693	1,478,687	868,214	1,008,966	(469,721)	-31.8%
Interest Income	539,185	689,982	441,326	439,810	(250,172)	-36.3%
Water Sales	12,071,031	11,689,300	11,682,799	11,682,799	(6,501)	-0.1%
Outside Funding Sources	3,379,270	28,819,925	14,515,060	12,255,970	(16,563,955)	-57.5%
Total Revenue	\$ 48,818,423	\$ 73,996,716	\$ 56,536,117	\$ 56,522,831	\$ (17,473,885)	-23.6%

Does not include interfund 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 \$(288K)	<ul style="list-style-type: none"> \$1.6M decrease (42%) in construction taxes due to reduced commercial and residential building activity \$1.3M increase (95%) in utility sales taxes due to Council-adopted rate increase from 2% to 4%
Charges for Services \$742K	<ul style="list-style-type: none"> \$436K for fleet maintenance charges (previously budgeted as transfers) \$320K for administrative charges to Enterprise Funds for General Fund support
State Shared Revenue \$(466K)	<ul style="list-style-type: none"> \$373K decrease (10%) in State Income Tax \$293K decrease (11%) in Highway User (Gasoline Tax) revenues \$147K increase (5%) in State Sales Tax \$53K increase (3%) in Vehicle License Tax
Fines, Licenses & Permits \$(163K)	<ul style="list-style-type: none"> \$105K decrease in residential building permit revenues \$41K decrease in commercial building permit revenues
Impact Fees \$(470K)	<ul style="list-style-type: none"> \$470K decrease due to reduction in budgeted single family residential building permits for FY 2011/12 (from 75 to 35)
Interest Income \$(250K)	<ul style="list-style-type: none"> \$250K decrease due to the decline of the interest rate in the Local Government Investment Pool
Outside Funding Sources \$(16.6M)	<ul style="list-style-type: none"> \$10M decrease in bond proceeds for the widening of Lambert Lane \$2.5M decrease in bond proceeds for Clean Renewable Energy Bonds (project complete) \$1.1M decrease in Water Infrastructure Finance Authority loan proceeds \$1.1M decrease in federal grant proceeds for Stormwater Utility projects and Steam Pump Ranch \$1.1M decrease in budgeted reimbursements from Pima Association of Governments for roadway projects \$470K decrease in reimbursements from the Regional Transportation Authority for roadway projects \$275K decrease in county bond proceeds for Steam Pump Ranch (project phase complete)



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009		FY 2010		FY 2011		FY 2012	%
	Actual		Budget	Projected	Budget	to Budget		
General Fund								
Local Sales Tax:								
Local Sales Tax	12,284,727	11,255,150	12,364,250	11,166,458	11,801,316			-4.6%
Sales Tax Audit Recoveries	178,014	788,434	200,000	100,000	100,000			-50.0%
Cable Franchise Fees	506,685	509,285	500,000	500,000	500,000			0.0%
Total Local Sales Tax	12,969,426	12,552,870	13,064,250	11,766,458	12,401,316			-5.1%
License & Permit Fees:								
Business Licenses & Permits	171,335	170,260	165,310	165,310	170,698			3.3%
Residential Building Permits	566,583	505,226	457,500	354,095	352,697			-22.9%
Commercial Building Permits	684,269	331,510	601,772	278,853	560,499			-6.9%
Sign Permits	45,450	36,630	40,658	34,389	33,000			-18.8%
Special Inspection Fees	5,280	3,940	4,080	3,313	3,000			-26.5%
Grading Permit Fees	9,817	7,704	7,190	7,190	7,000			-2.6%
Total License & Permit Fees	1,482,734	1,055,270	1,276,510	843,150	1,126,894			-11.7%
Federal Grants:								
CNA	112,133	106,572	117,591	117,591	122,500			4.2%
DEA OT Reimbursement	23,066	36,568	33,807	33,807	33,807			0.0%
Miscellaneous Federal Grants	9,849	11,824	174,200	174,200	155,000			-11.0%
HIDTA	98,881	106,721	116,333	116,333	116,333			0.0%
HIDTA-DEA	86,023	80,197	90,276	90,276	90,276			0.0%
GOHS	27,444	78,351	150,216	150,216	143,917			-4.2%
Homeland Security	-	1,900	185,566	116,283	134,700			-27.4%
Joint Terrorism Task Force	11,342	12,657	13,250	13,250	9,000			-32.1%
Total Federal Grants	368,738	434,789	881,239	811,956	805,533			-8.6%
State Grants:								
Safe Schools Grant	52,723	60,000	60,000	60,000	60,000			0.0%
Misc State Grants	99,458	133,868	75,700	160,543	223,500			195.2%
The 100 Club of Arizona	4,790	1,295	10,000	10,000	5,000			-50.0%
Total State Grants	156,971	195,163	145,700	230,543	288,500			98.0%
State/County Shared:								
State Income	5,886,132	5,086,954	3,834,336	3,834,336	3,461,502			-9.7%
State Sales	3,134,789	2,891,386	2,955,878	2,955,878	3,102,745			5.0%
Vehicle License Tax	1,655,875	1,484,125	1,570,201	1,570,201	1,623,017			3.4%
Total State/County Shared	10,676,796	9,462,464	8,360,415	8,360,415	8,187,264			-2.1%
Other Intergovernmental:								
JDK Park Contributions	30,000	30,000	30,000	30,000	30,000			0.0%
PCLD Reimbursements	626,262	603,450	577,781	570,281	561,160			-2.9%
Total Other Intergovernmental	656,262	633,450	607,781	600,281	591,160			-2.7%
Charges for Services:								
Court Costs	233,961	165,537	235,000	222,000	230,000			-2.1%
Public Defender Fees	7,446	7,260	6,300	4,000	4,000			-36.5%
Recording Fees	415	128	300	300	-			-100.0%
Zoning & Subdivision Fees	132,945	87,629	105,700	67,571	50,000			-52.7%
User Fees - Swimming Pool	77,757	119,273	113,000	113,000	113,000			0.0%
User Fees - Electricity	20,673	41,485	59,000	59,000	-			-100.0%
User Fees - Miscellaneous	221,390	185,642	150,000	142,000	209,750			39.8%
Recreation In Lieu Fees	33,100	-	30,000	-	-			-100.0%
Copy Services	5,233	3,698	3,500	4,990	4,000			14.3%
Town Hall Usage Fees	3,309	4,036	4,526	2,796	2,000			-55.8%
General Government Other	821	1,028	1,210	1,835	1,210			0.0%
Police Report Copying	20,512	20,354	18,150	27,884	20,000			10.2%
Police Other	6,957	8,431	8,000	8,000	8,000			0.0%
Building Inspection Copying	-	59	94	94	-			-100.0%
Engineer Plan Review Fees	39,053	72,620	68,720	33,270	33,000			-52.0%
Grading Review Fees	1,674	740	507	531	500			-1.4%
Grading Inspection Fees	1,280	560	600	1,075	700			16.7%
Fare Box	-	-	-	-	39,500			0.0%
Administrative Services	-	-	-	-	321,000			0.0%
Financial Services	122,771	113,591	135,538	135,538	135,591			0.0%
Real Property Rental Income	81,200	81,200	81,200	69,500	65,600			-19.2%
Maps	313	237	175	175	-			-100.0%
Code Book Sales	372	131	195	195	-			-100.0%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009	FY 2010	FY 2011		FY 2012	% to Budget
	Actual		Budget	Projected	Budget	
Impound Processing	55,810	-	-	-	-	0.0%
Total Charges for Services	1,066,992	913,638	1,021,715	893,754	1,237,851	21.2%
Fines:						
Fines	285,628	202,144	195,000	210,000	190,000	-2.6%
Total Fines	285,628	202,144	195,000	210,000	190,000	-2.6%
Interest Income:						
Interest - Investments	226,271	61,501	151,374	21,333	22,000	-85.5%
Total Interest Income	226,271	61,501	151,374	21,333	22,000	-85.5%
Miscellaneous:						
Donations	1,000	59	-	-	-	0.0%
Miscellaneous	15,016	10,749	25,000	11,565	15,000	-40.0%
Insurance Recoveries	19,674	20,584	20,000	65,000	20,000	0.0%
In-Lieu Income	119,975	110,695	100,000	100,000	100,000	0.0%
Sale of Assets	17,142	1,009	-	15,060	22,500	0.0%
Capital Lease Proceeds	21,859	40,516	-	-	-	0.0%
Total Miscellaneous	194,666	183,611	145,000	191,625	157,500	8.6%
TOTAL GENERAL FUND	28,084,484	25,694,900	25,848,984	23,929,515	25,008,018	-3.3%
Highway Fund						
Local Sales Tax:						
Construction Sales Tax	1,928,546	801,570	630,188	398,807	367,400	-41.7%
Total Local Sales Tax	1,928,546	801,570	630,188	398,807	367,400	-41.7%
License & Permit Fees:						
Road Permits	24,810	52,756	49,192	49,192	42,000	-14.6%
Floodplain Use Permits	385	385	1,000	1,000	-	-100.0%
Total License & Permit Fees	25,195	53,141	50,192	50,192	42,000	-16.3%
Charges for Services:						
Administrative Services	-	-	-	-	15,000	0.0%
Total Charges for Services	-	-	-	-	15,000	0.0%
State Grants:						
PAG Reimbursements	77,274	159,618	317,000	145,689	487,000	53.6%
RTA Reimbursements	37,555	59,038	-	-	-	0.0%
Total State Grants	114,829	218,657	317,000	145,689	487,000	100.0%
State/County Shared:						
Highway User	2,855,668	2,667,797	2,669,767	2,669,767	2,376,464	-11.0%
Total State/County Shared	2,855,668	2,667,797	2,669,767	2,669,767	2,376,464	-11.0%
Interest Income:						
Interest - Investments	65,479	15,681	53,205	10,679	10,700	-79.9%
Total Interest Income	65,479	15,681	53,205	10,679	10,700	-79.9%
Miscellaneous:						
Miscellaneous	9,520	9,326	10,193	12,499	10,000	-1.9%
Insurance Recoveries	2,084	5,152	2,493	2,493	-	-100.0%
Total Miscellaneous	11,604	14,478	12,686	14,992	10,000	-21.2%
TOTAL HIGHWAY FUND	5,001,321	3,771,324	3,733,038	3,290,126	3,308,564	-11.4%
Seizures & Forfeitures Funds						
Interest Income:						
Interest - Investments	7,276	5,900	6,400	3,800	3,800	-40.6%
Total Interest Income	7,276	5,900	6,400	3,800	3,800	-40.6%
Miscellaneous:						
Forfeitures	72,282	354,677	350,000	350,000	350,000	0.0%
Total Miscellaneous	72,282	354,677	350,000	350,000	350,000	0.0%
TOTAL SEIZURES & FORFEITURES FUNDS	79,558	360,578	356,400	353,800	353,800	-0.7%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009	FY 2010	FY 2011		FY 2012	% to Budget
	Actual		Budget	Projected	Budget	
Bed Tax Fund						
Local Sales Tax:						
Local Sales Tax	985,122	125,711	261,569	251,569	899,626	243.9%
Total Local Sales Tax	985,122	125,711	261,569	251,569	899,626	243.9%
Interest Income:						
Interest - Investments	14,561	5,777	9,000	1,808	1,800	-80.0%
Total Interest Income	14,561	5,777	9,000	1,808	1,800	-80.0%
TOTAL BED TAX FUND	999,683	131,489	270,569	253,377	901,426	233.2%
Regional Transportation Authority (RTA) Fund						
State Grants:						
RTA Reimbursements	-	-	50,000	1,725	50,000	0.0%
Total State Grants	-	-	50,000	1,725	50,000	0.0%
TOTAL RTA FUND	-	-	50,000	1,725	50,000	0.0%
Public Transportation Fund						
Federal Grants:						
Miscellaneous Grants	60,000	-	-	-	-	0.0%
Total Federal Grants	60,000	-	-	-	-	0.0%
State Grants:						
PAG Reimbursements	76,590	59,983	-	34,944	-	0.0%
RTA Reimbursements	851,396	59,162	-	74,762	-	0.0%
Total State Grants	927,986	119,145	-	109,706	-	0.0%
State/County Shared:						
LTAF	179,933	104,373	-	-	-	0.0%
Total State/County Shared	179,933	104,373	-	-	-	0.0%
Charges for Services:						
Fare Box	55,194	51,817	34,545	50,400	-	-100.0%
Total Charges for Services	55,194	51,817	34,545	50,400	-	-100.0%
Interest Income:						
Interest - Investments	1,716	1,208	1,800	164	-	-100.0%
Total Interest Income	1,716	1,208	1,800	164	-	-100.0%
Miscellaneous:						
Miscellaneous	450	1	-	634	-	0.0%
Sale of Assets	9,405	-	18,500	-	-	-100.0%
Total Miscellaneous	9,855	1	18,500	634	-	-100.0%
TOTAL PUBLIC TRANSPORTATION FUND	1,234,684	276,544	54,845	160,904	-	-100.0%
Fleet Maintenance Fund						
Miscellaneous:						
Insurance Recoveries	-	6,219	-	-	-	0.0%
Sale of Assets	-	1,290	-	-	-	0.0%
Total Miscellaneous	-	7,509	-	-	-	0.0%
Charges for Services:						
Fleet Maintenance	-	-	-	-	436,271	0.0%
Total Charges for Services	-	-	-	-	436,271	0.0%
TOTAL FLEET MAINTENANCE FUND	-	7,509	-	-	436,271	0.0%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009	FY 2010	FY 2011		FY 2012	% to Budget
	Actual		Budget	Projected	Budget	
Impound Fee Fund						
Charges for Services:						
Impound Fees	-	55,210	60,000	50,000	50,000	-16.7%
Total Charges for Services	-	55,210	60,000	50,000	50,000	-16.7%
TOTAL IMPOUND FEE FUND	-	55,210	60,000	50,000	50,000	-16.7%
Municipal Debt Service Fund						
Interest Income:						
Interest	1,200	106	-	383	-	0.0%
Total Interest Income	1,200	106	-	383	-	0.0%
Federal Grants:						
Miscellaneous Grants	-	-	15,605	15,605	85,777	449.7%
Total Federal Grants	-	-	15,605	15,605	85,777	449.7%
TOTAL MUNICIPAL DEBT SERVICE FUND	1,200	106	15,605	15,988	85,777	449.7%
Oracle Road Debt Service Fund						
Interest Income:						
Special Assessments	162,320	152,483	141,203	141,203	129,703	-8.1%
Penalties	2,298	2,340	-	-	-	0.0%
Total Interest Income	164,618	154,823	141,203	141,203	129,703	-8.1%
Principal Repayments:						
Principal Repayments	202,921	213,327	225,000	225,000	235,000	4.4%
Total Principal Repayments	202,921	213,327	225,000	225,000	235,000	4.4%
TOTAL ORACLE RD DEBT SERVICE FUND	367,539	368,151	366,203	366,203	364,703	-0.4%
Townwide Roadway Development Impact Fee Fund						
Federal Grants:						
Miscellaneous Grants	-	-	500,000	-	500,000	0.0%
Total Federal Grants	-	-	500,000	-	500,000	0.0%
State Grants:						
PAG Reimbursements/HELP Loans	742,547	1,178,458	7,260,000	7,260,000	6,200,000	-14.6%
RTA Reimbursements	855,459	17,626	1,714,000	441,000	1,243,000	0.0%
Total State Grants	1,598,006	1,196,084	8,974,000	7,701,000	7,443,000	-17.1%
Other Intergovernmental:						
Pima County Bond Proceeds	56,315	-	-	-	-	0.0%
Total Other Intergovernmental	56,315	-	-	-	-	0.0%
Other Financing Sources						
Bond Proceeds	-	-	10,000,000	-	-	-100.0%
Total Other Intergovernmental	-	-	10,000,000	-	-	-100.0%
Impact Fees:						
Residential Development Impact Fees	316,954	160,054	143,100	67,655	94,714	-33.8%
Commercial Development Impact Fee	-	180,980	241,739	24,961	318,364	31.7%
Total Impact Fees	316,954	341,034	384,839	92,616	413,078	7.3%
Interest Income:						
Interest - Investments	69,566	9,322	15,000	4,068	4,000	-73.3%
Total Interest Income	69,566	9,322	15,000	4,068	4,000	-73.3%
Miscellaneous:						
Miscellaneous	(131,001)	163,817	-	34,740	-	0.0%
Real Property Rental Income	18,000	18,000	18,000	18,000	18,000	0.0%
Total Miscellaneous	(113,001)	181,817	18,000	52,740	18,000	0.0%
TOTAL DEVELOPMENT IMPACT FEE FUND	1,927,840	1,728,256	19,891,839	7,850,424	8,378,078	-57.9%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009	FY 2010	FY 2011		FY 2012	%
	Actual		Budget	Projected	Budget	
Parks & Recreation Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	43,186	162,756	202,425	91,544	127,640	-36.9%
Total Impact Fees	43,186	162,756	202,425	91,544	127,640	-36.9%
TOTAL PARKS DEV. IMPACT FEE FUND	43,186	162,756	202,425	91,544	127,640	-36.9%
Library Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	11,109	41,869	52,050	23,545	32,831	-36.9%
Total Impact Fees	11,109	41,869	52,050	23,545	32,831	-36.9%
TOTAL LIBRARY DEV. IMPACT FEE FUND	11,109	41,869	52,050	23,545	32,831	-36.9%
Police Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	8,206	30,925	38,475	17,405	24,254	-37.0%
Commercial Development Impact Fee	-	6,120	8,008	853	10,223	27.7%
Total Impact Fees	8,206	37,044	46,483	18,258	34,477	-25.8%
TOTAL POLICE DEV. IMPACT FEE FUND	8,206	37,044	46,483	18,258	34,477	-25.8%
General Government Development Impact Fee Fund						
Impact Fees:						
Residential Development Impact Fees	61,565	(12,766)	29,175	13,266	18,419	-36.9%
Commercial Development Impact Fee	-	14,176	45,705	1,264	49,066	7.4%
Total Impact Fees	61,565	1,410	74,880	14,530	67,485	-9.9%
TOTAL GENERAL GOVT. IMPACT FEE FUND	61,565	1,410	74,880	14,530	67,485	-9.9%
Steam Pump Ranch Acquisition Fund						
Federal Grants:						
Miscellaneous Federal Grants	-	-	250,000	-	-	-100.0%
Total Federal Grants	-	-	250,000	-	-	-100.0%
Other Intergovernmental:						
Pima County Bond Proceeds	95,712	45,012	275,000	243,100	-	-100.0%
Total Other Intergovernmental	95,712	45,012	275,000	243,100	-	-100.0%
TOTAL STEAM PUMP RANCH FUND	95,712	45,012	525,000	243,100	-	-100.0%
Municipal Operations Center Fund						
Interest Income:						
Interest - Investments	9,511	-	-	-	-	0.0%
Total Interest Income	9,511	-	-	-	-	0.0%
TOTAL MUNICIPAL OPERATIONS CENTER	9,511	-	-	-	-	0.0%
Water Utility Fund						
Water Sales:						
Residential Water Sales	7,573,960	8,040,762	7,558,000	7,902,858	7,902,858	4.6%
Commercial Water Sales	749,019	902,432	861,400	890,149	890,149	3.3%
Irrigation Water Sales	1,102,860	1,166,769	1,190,200	1,090,065	1,090,065	-8.4%
Turf Related Water Sales	1,655,197	1,737,900	1,839,700	1,653,808	1,653,808	-10.1%
Construction Water Sales	349,994	222,447	238,800	134,919	134,919	-43.5%
Other	3,757	720	1,200	11,000	11,000	816.7%
Total Water Sales	11,434,787	12,071,031	11,689,300	11,682,799	11,682,799	-0.1%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009	FY 2010	FY 2011		FY 2012	% to Budget
	Actual		Budget	Projected	Budget	
Charges for Services:						
Engineer Plan Review Fees	8,983	3,476	5,000	3,200	3,000	-40.0%
Construction Inspection Fees	31,050	13,290	15,000	2,600	2,500	-83.3%
Misc Service Revenue	33,871	14,803	20,000	10,000	10,000	-50.0%
Backflow-Install Permit Fee	5,350	1,195	600	2,600	2,600	333.3%
Served by Tucson	11,139	12,406	11,000	11,000	11,000	0.0%
Served by Metro	9,114	9,928	8,000	8,000	8,000	0.0%
Sewer Fees	164,622	168,680	160,000	169,600	170,000	6.3%
Late Fees	98,264	87,776	65,000	65,000	65,000	0.0%
NSF Fees	7,346	6,222	5,000	5,000	5,000	0.0%
Rain Sensors	220	38	100	75	100	0.0%
Meter Income	60,503	20,295	20,000	17,000	13,000	-35.0%
New Service Establish Fees	48,757	62,417	35,000	40,000	35,000	0.0%
Reconnect Fees	42,443	42,861	30,000	45,000	30,000	0.0%
Other	96,195	81,841	84,000	84,000	90,000	7.1%
Total Charges for Services	617,857	525,227	458,700	463,075	445,200	-2.9%
State Grants						
Misc State Grants	-	-	35,000	-	-	-100.0%
Total State Grants	-	-	35,000	-	-	-100.0%
Interest Income:						
Interest - Investments	138,333	27,275	44,000	13,600	16,300	-63.0%
Total Interest Income	138,333	27,275	44,000	13,600	16,300	-63.0%
Miscellaneous:						
Miscellaneous	12,086	1,804	-	-	-	0.0%
Insurance Recoveries	304,231	-	-	-	-	0.0%
Sale of Assets	4,752	-	-	-	-	0.0%
Total Miscellaneous	321,069	1,804	-	-	-	0.0%
Other Financing Sources:						
WIFA Loan Proceeds	-	-	1,800,000	570,000	700,000	-61.1%
Total Other Financing Sources	-	-	1,800,000	570,000	700,000	-61.1%
TOTAL WATER UTILITY FUND	12,512,046	12,625,337	14,027,000	12,729,474	12,844,299	-8.4%
Alternative Water Resources Development Impact Fee Fund						
Charges for Services:						
Groundwater Preservation Fee	1,323,549	1,769,142	2,298,285	2,016,440	2,423,500	5.4%
Total Charges for Services	1,323,549	1,769,142	2,298,285	2,016,440	2,423,500	5.4%
Impact Fees:						
Development Impact Fees	812,740	475,973	468,308	413,000	219,200	-53.2%
Total Impact Fees	812,740	475,973	468,308	413,000	219,200	-53.2%
Interest Income:						
Interest - Investments	24,422	6,388	8,000	2,754	2,684	-66.5%
Total Interest Income	24,422	6,388	8,000	2,754	2,684	-66.5%
TOTAL AWRDIF FUND	2,160,711	2,251,503	2,774,593	2,432,194	2,645,384	-4.7%
Potable Water System Development Impact Fee Fund						
Impact Fees:						
Single Family Connections	366,166	196,227	169,422	126,431	89,845	-47.0%
Multi-Family Connections	-	-	-	-	-	0.0%
Commercial Connections	785,020	63,710	41,120	67,820	10,280	-75.0%
Irrigation Connections	311,920	23,980	32,700	10,780	10,900	-66.7%
TURF Connections	-	-	-	-	-	0.0%
Fire-Flow Connections	124,978	9,690	6,460	9,690	3,230	-50.0%
Total Impact Fees	1,588,084	293,607	249,702	214,721	114,255	-54.2%
Interest Income:						
Interest - Investments	122,903	36,666	33,500	16,034	13,323	-60.2%
Total Interest Income	122,903	36,666	33,500	16,034	13,323	-60.2%



Revenue Schedule by Fund

Major Revenue Accounts	FY 2009	FY 2010	FY 2011		FY 2012	%
	Actual	Actual	Budget	Projected	Budget	
TOTAL PWSDF FUND	1,710,987	330,273	283,202	230,755	127,578	-55.0%
Stormwater Utility Fund						
Federal Grants:						
Miscellaneous Federal Grants	10,985	40,676	1,188,500	876,500	380,000	-68.0%
Total Federal Grants	10,985	40,676	1,188,500	876,500	380,000	-68.0%
State Grants:						
Miscellaneous State Grants	1,071	141,618	930,100	413,840	575,000	-38.2%
Total State Grants	1,071	141,618	930,100	413,840	575,000	-38.2%
Charges for Services:						
Late Fees	1,090	1,574	1,000	1,200	1,000	0.0%
Stormwater Utility Fee	733,509	743,369	742,500	742,500	750,000	1.0%
Total Charges for Services	734,599	744,944	743,500	743,700	751,000	1.0%
Interest Income:						
Interest - Investments	2,624	1,210	1,500	500	500	-66.7%
Total Interest Income	2,624	1,210	1,500	500	500	-66.7%
Miscellaneous:						
Miscellaneous	294	705	-	1,000	-	0.0%
Total Miscellaneous	294	705	-	1,000	-	0.0%
TOTAL STORMWATER UTILITY FUND	749,573	929,153	2,863,600	2,035,540	1,706,500	-40.4%
Solar Photovoltaic Fund						
Other Financing Sources:						
Bond Proceeds	-	-	2,500,000	2,445,115	-	-100.0%
Total Other Financing Sources	-	-	2,500,000	2,445,115	-	-100.0%
TOTAL SOLAR PHOTOVOLTAIC FUND	-	-	2,500,000	2,445,115	-	-100.0%
TOTAL REVENUE - ALL FUNDS	\$ 55,058,913	\$ 48,818,423	\$ 73,996,716	\$ 56,536,117	\$ 56,522,831	-23.6%

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

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Revenue Sources

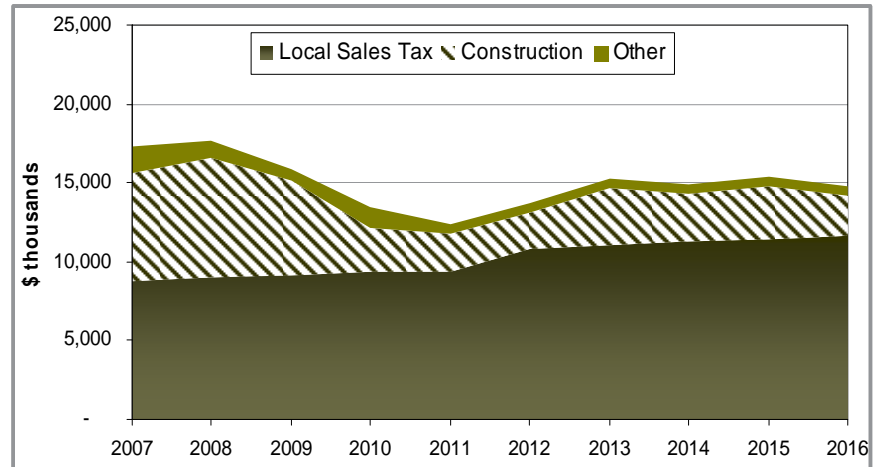
Local Sales Tax

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% tax on sales collected within the town boundaries, with the exception of sales on utilities and construction activity, which are a 4% tax. The Town also levies an additional 6% tax on lodging. The sales tax is collected by the state and remitted to the Town on a weekly basis.

Uses

The 2% local sales tax and 4% utility sales tax are used for various general governmental purposes. A portion of the 6% tax on lodging is used for economic development marketing efforts, and 1.5% of the 4% 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 construction sales tax has decreased significantly, due to the economic downturn as well as completion of several major commercial centers, and as the town approaches build-out. Minimal commercial activity is expected for the near future. With the opening of several new commercial centers a couple of years ago, as well as a number of new restaurants, the Town's retail and restaurant tax revenues have grown. In addition, the Town's utility sales tax was increased from 2% to 4%, effective August, 2011. The following assumptions were used in compiling the projections:

- base retail business is projected to grow at a rate of 1-2% per year with inflation
- commercial development anticipated at an average rate of 170K square ft per year through FY 2016, with the majority attributed to the anticipated expansion of a major bio-tech firm, Ventana Medical Systems (VMS)
- budgeted construction sales tax decreases 42% from FY 2011, increases 66% in FY 2013 due to the VMS expansion, then begins a gradual decline as the VMS expansion nears completion in FY 2016

		Local Sales Tax	Construction Sales Tax	Other
ACTUAL	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
	2009	9,142,532	6,055,863	684,699
	2010	9,409,890	2,772,542	1,297,719
PROJECTION	2011	9,428,771	2,388,063	600,000
	2012	10,868,342	2,200,000	600,000
	2013	11,060,811	3,657,345	600,000
	2014	11,256,944	2,998,454	600,000
	2015	11,456,964	3,307,779	600,000
	2016	11,660,793	2,502,624	600,000



Revenue Sources

Fines, Licenses and Permits

Description

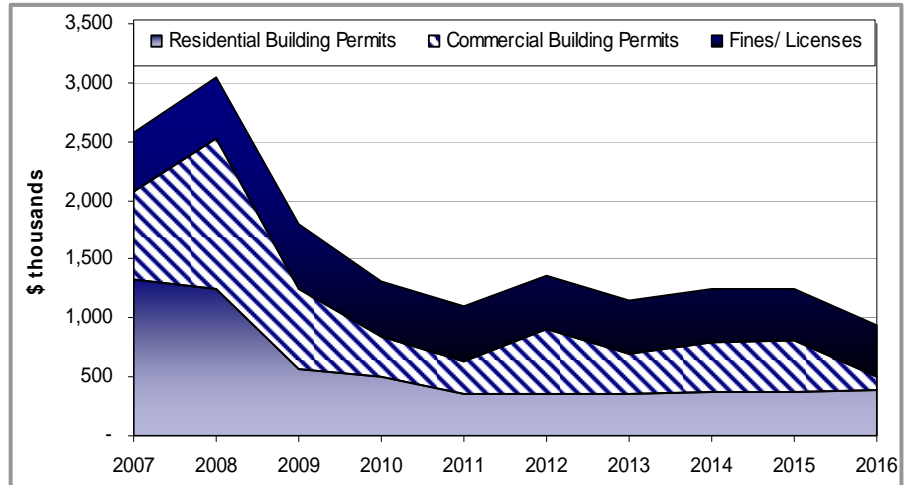
Revenue from court fines comes from traffic violations and other fines paid for the violation of municipal ordinances. License revenue includes fees charged for obtaining a business license to operate a business within town boundaries. Permit fee revenue includes fees collected from building permits,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

Uses

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

Projections

Revenues received from fines and licenses are projected to remain relatively flat over the next 5 years. Previous years saw significant growth in permit revenues from an influx of commercial activity.



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

- 35 single family residential (SFR) permits will be issued per year through FY 2016
- 780K+ square foot expansion of Ventana Medical Systems is projected over the next 5 years
- an average of 80K+ square feet of miscellaneous commercial development will be added each year for the next 5 years
- revenue from business licenses and fines remains relatively flat

		Residential Building Permits	Commercial Building Permits	Business Licenses, Fines & Other
ACTUAL	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
	2009	566,583	684,269	542,705
	2010	505,226	331,510	473,818
PROJECTION	2011	354,095	278,853	470,394
	2012	352,697	560,499	445,698
	2013	359,751	341,784	450,000
	2014	366,946	427,554	450,000
	2015	374,285	430,371	450,000
	2016	381,771	114,937	450,000



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.

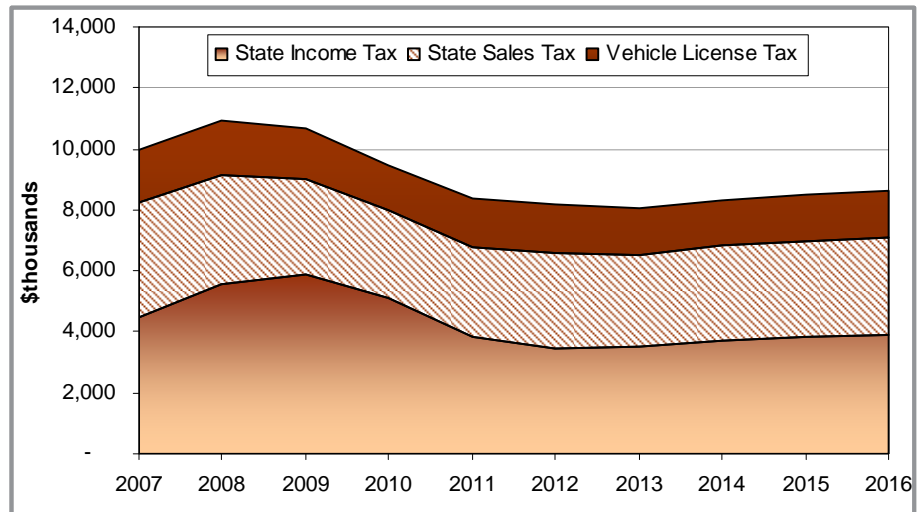
Uses

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 and represents 31% of General Fund budgeted revenue for FY 2012. With the severe economic downturn that impacted the state, revenue generated from these sources is projected to decrease through FY 2013, followed by gradual recovery. The following assumptions were used in compiling the projections:

- a 2% decrease is projected in FY 2012
- a 2% decrease is projected for FY 2013
- a 4% increase is projected for FY 2014
- 2% growth per year is projected for fiscal years 2015 and 2016



from these sources is projected to decrease through FY 2013, followed by gradual recovery. The following assumptions were used in compiling the projections:

		State Income Tax	State Sales Tax	Vehicle License Tax
ACTUAL	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
	2009	5,886,132	3,134,789	1,655,875
	2010	5,086,954	2,891,386	1,484,125
PROJECTION	2011	3,834,336	2,955,878	1,570,201
	2012	3,461,502	3,102,745	1,623,017
	2013	3,505,516	3,014,996	1,515,000
	2014	3,736,880	3,075,295	1,530,150
	2015	3,811,618	3,136,801	1,545,452
	2016	3,887,850	3,199,537	1,560,906



Revenue Sources

Highway User Revenue (HURF)

Description

HURF revenues are primarily generated from the State collected gasoline tax. Cities and towns receive 27.5% of highway user revenues. One-half of the monies that Oro Valley receives is based on its population in relation to the population of all cities and towns in the state. The remaining half is allocated on the basis of "county of origin" of gasoline sales and the relation of Oro Valley's population to the population of all cities and towns in Pima County. The intent of this distribution formula is to spread a portion of the money across the state solely on the basis of population while the remaining money flows to those areas with the highest gasoline sales.

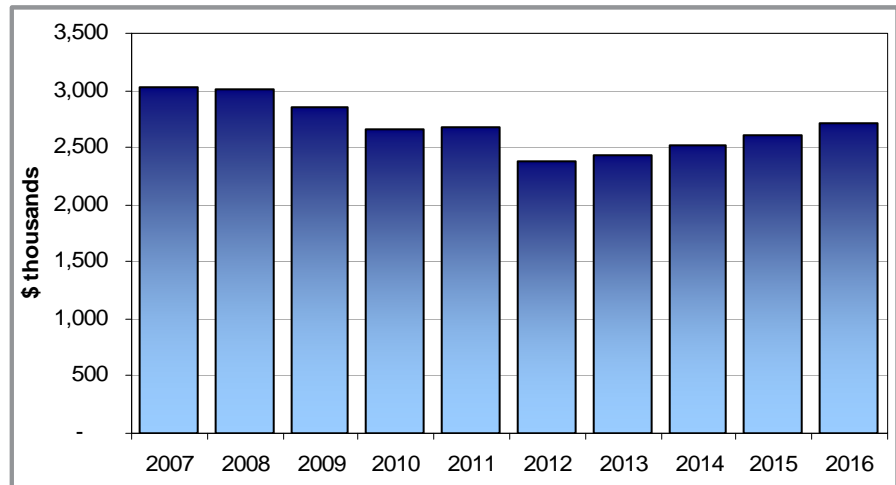
Uses

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

Projections

HURF revenue collections are a major source of funding for roadway improvements and account for 72% of Highway Fund budgeted revenue for FY 2012. This revenue source is impacted by economic downturns, as well as actions taken by the State legislature to sweep these funds for state Department of Public Safety (DPS) purposes. The following assumptions were used in compiling the projections:

- revenue is projected to decrease 11% in FY 2012, due to additional fund sweeps by the State
- revenue is projected to increase 2.4% in FY 2013, and assumes continuation of FY 2012 additional fund sweeps by the State
- 3-4% growth projected each year through FY 2016, and assumes continuation of additional fund sweeps by the State



		HURF Revenue
ACTUAL	2006	2,793,322
	2007	3,031,223
	2008	3,002,828
	2009	2,855,668
	2010	2,667,797
PROJECTION	2011	2,669,767
	2012	2,376,464
	2013	2,433,499
	2014	2,516,238
	2015	2,614,371
	2016	2,718,946



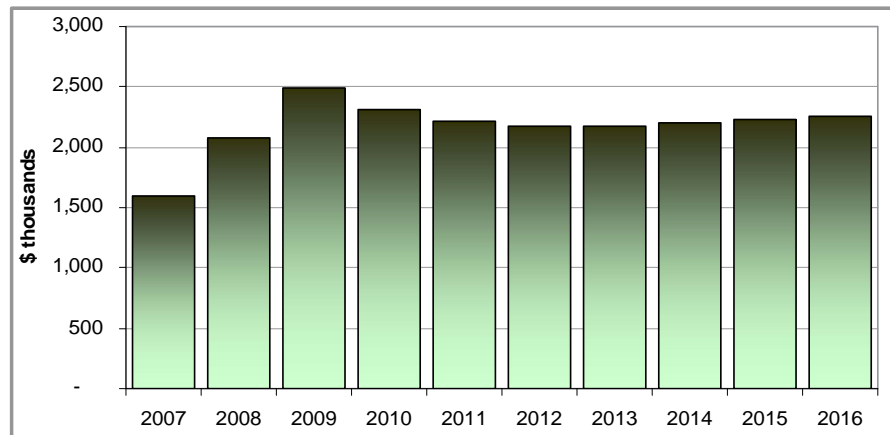
Revenue Sources

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, various Water fees 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 tied to the

population and will generally increase or 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 above, 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 gradually through FY 2016. The following assumptions were used in compiling the projections:

- revenue generated from commercial activity remains relatively flat through FY 2016
- recreation fee revenue increases approximately 2% per year through FY 2016, due to higher fees and usage levels
- the stormwater utility fee increases slightly each year, as Town population changes

		General Services	Development Services	Recreation Fees	Transit	Water	Stormwater
ACTUAL	2006	348,014	261,083	295,105	38,471	492,702	-
	2007	360,944	233,493	372,973	59,511	563,545	-
	2008	503,675	197,862	341,153	57,600	620,169	357,602
	2009	556,435	175,637	352,920	55,194	617,857	734,599
	2010	478,473	161,975	346,400	51,817	525,227	744,944
PROJECTION	2011	544,843	102,911	314,000	50,400	463,075	743,700
	2012	538,401	84,200	322,750	39,500	445,200	751,000
	2013	511,541	85,884	329,205	54,000	440,700	758,500
	2014	518,730	87,602	335,789	54,540	440,700	766,075
	2015	526,050	89,354	342,505	55,085	440,700	773,726
	2016	533,502	91,141	349,355	55,636	440,700	781,453



Revenue Sources

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.

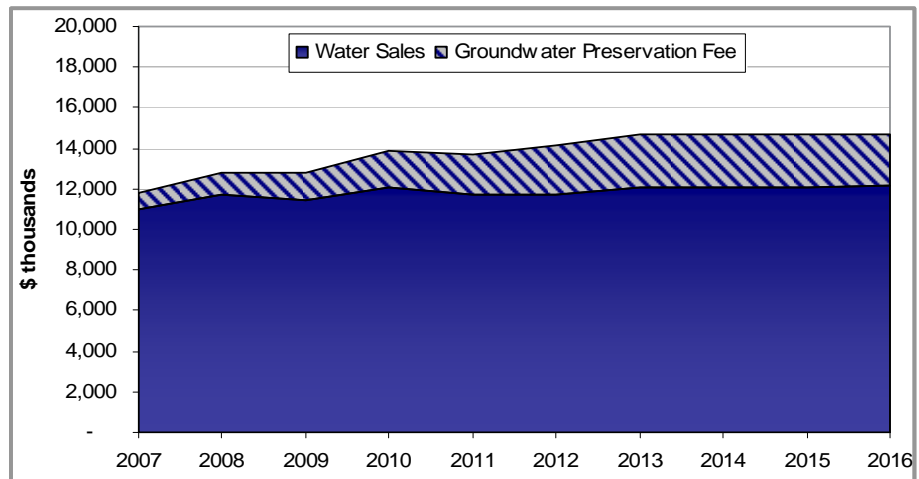
Uses

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.

Projections

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

- growth is estimated at 35 new connections annually through FY 2016
- no water rate increases over the next five years
- no groundwater preservation fee increases over the next five years
- average monthly water use remains at 8,000 gallons



		Water Sales	Groundwater Preservation Fee
ACTUAL	2006	10,743,852	695,300
	2007	11,021,821	767,993
	2008	11,686,598	1,092,778
	2009	11,434,786	1,323,549
	2010	12,071,030	1,769,142
PROJECTION	2011	11,682,799	2,016,440
	2012	11,682,799	2,423,500
	2013	12,081,900	2,568,264
	2014	12,094,300	2,572,599
	2015	12,106,700	2,576,934
	2016	12,119,200	2,580,095

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.

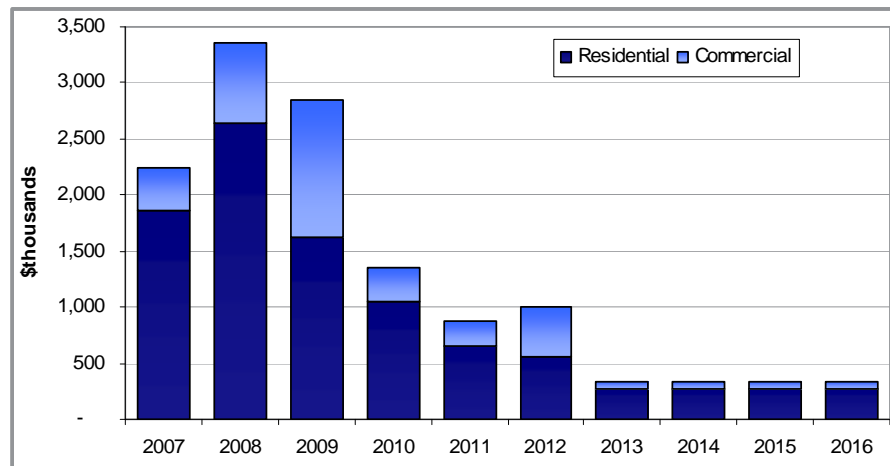


Revenue Sources

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 to support roadways and water facilities. In December 2008, Town Council adopted additional impact fees for both residential and commercial to support Police, General Government, Library, and Parks and Recreation facilities.



Uses

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

Projections

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

- approximately 35 single family residential (SFR) permits will be issued per year through 2016
- commercial activity includes a 780K+ square foot expansion of Ventana Medical Systems and an annual average of 80K+ square feet of miscellaneous commercial development
- recent state legislation restricting types of impact fees collected after January 1, 2012 with increased limitations placed on their use

		Residential Fees	Commercial Fees
ACTUAL	2006	2,422,844	761,396
	2007	1,863,375	373,512
	2008	2,633,328	715,612
	2009	1,619,926	1,221,918
	2010	1,055,038	298,656
PROJECTION	2011	648,240	219,974
	2012	562,073	446,893
	2013	264,215	69,240
	2014	264,215	69,240
	2015	264,215	69,240
	2016	264,215	69,240



Loan Proceeds

Description

In 2009, the Town was approved for a \$3.4 million loan from the Water Infrastructure Finance Authority (WIFA). The Town also plans to apply for a \$2.9 million loan from WIFA in FY 2015/16. 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

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. Proceeds from the 2009 loan funds are being used to finance existing water system infrastructure improvements. These improvements include the re-drilling and re-equipping of a well, booster station and replacement of a 16-inch water main. If approved, proceeds from the 2016 loan will be used to finance the construction of potable water system improvements.

		WIFA Loan Proceeds
ACTUAL	2009	693,522
	2010	-
PROJECTION	2011	570,000
	2012	700,000
	2013	-
	2014	-
	2015	-
	2016	2,880,000

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



Town of Oro Valley

Caring for our heritage, our community, our future.

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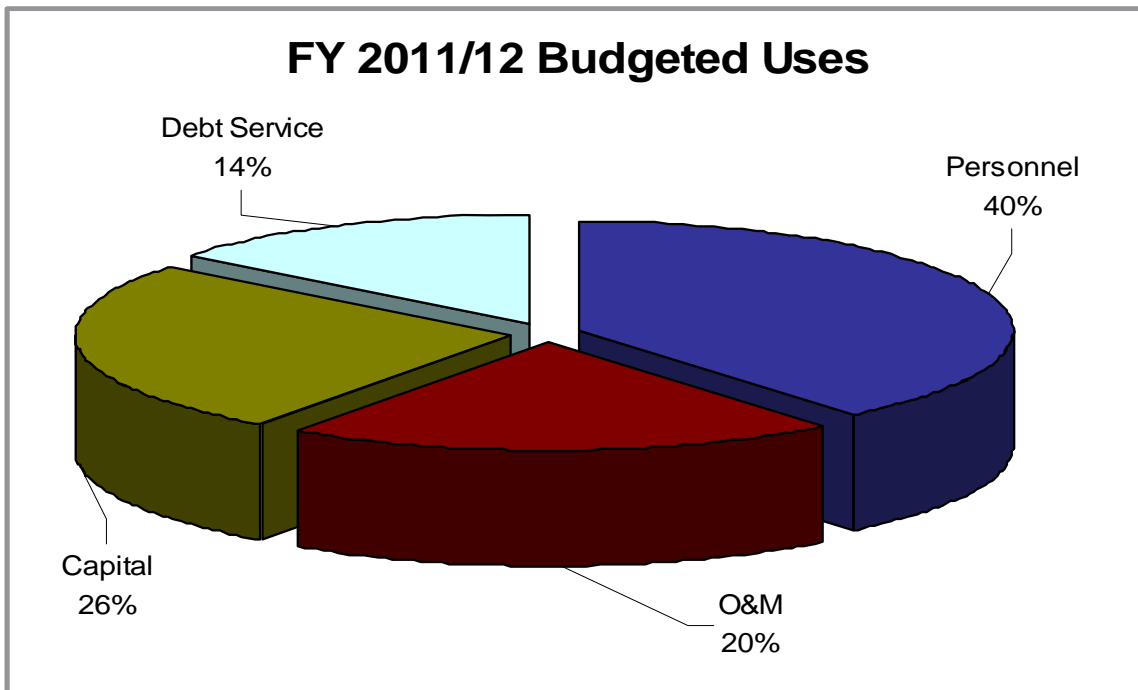


Expenditure Summary

The expenditure budget for FY 2011-12 is estimated to total \$62,106,926 and represents a 24.5% decrease over the prior fiscal year budgeted expenditures. The budget includes \$46.6 million to support daily operations and services and \$15.5 million in capital projects to fund roadway expansions and improvements, as well as stormwater and water infrastructure improvements.

At the onset of the budget planning phase, all departments were instructed to continue scrutinizing their operating costs and find ways of further reducing costs while attempting to keep service levels whole. Significant cost savings have been achieved over the past three fiscal years via measures such as: consolidating departments; completing an early payoff of debt; implementing a hiring freeze and voluntary severance plan; and reducing the need for outside consultants and services through providing more services with use of in-house staff. By re-thinking our current ways of doing business, operations and maintenance costs (O&M) are down 17% from their peak in FY 2008-09, while personnel costs are down 7% from FY 2008-09. A description of the changes in expenditure categories from budget year to budget year can be found on the following page. Please reference the Personnel section of the budget document for further explanations on personnel changes.

The FY 2011/12 capital budget is limited to projects that were already in the planning stages or under construction with existing funding sources, along with new projects that are fully funded with dedicated revenue sources. Please reference the Capital Improvement Plan (CIP) section of the budget document for further details on capital projects.





Expenditure Summary

Budgeted Uses

	FY 2010	FY 2010/11		FY 2011/12	Variance	
	Actual	Budget	Projected	Budget	to Budget	%
Personnel	24,674,902	24,658,051	24,051,381	24,359,433	(298,618)	-1.2%
O&M	12,059,322	12,237,176	10,892,225	12,724,940	487,764	4.0%
Capital	5,309,640	31,822,612	13,971,841	16,187,247	(15,635,365)	-49.1%
Debt Service	10,500,681	13,589,992	13,059,607	8,835,306	(4,754,686)	-35.0%
Total Expenditures	\$ 52,544,545	\$ 82,307,831	\$ 61,975,054	\$ 62,106,926	\$ (20,200,905)	-24.5%

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

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

Personnel \$(299K)	<ul style="list-style-type: none"> Funded 3.89 fewer FTEs from FY 10/11 budget. Further discussion can be found in the Personnel section of the document.
O&M \$488K	<ul style="list-style-type: none"> \$527K budgeted for fleet costs, which were previously budgeted as interfund transfers \$110K budgeted for election costs \$264K decrease in utility costs due to completion of energy efficiency upgrades \$379K decrease in outside professional services <ul style="list-style-type: none"> completion of several Water Utility studies and water loss control audit completion of Environmentally Sensitive Lands Ordinance and associated consulting costs increased use of in-house staff for service provision \$288K decrease in Water Utility regulatory expenses \$321K increase in administrative charges to Enterprise Funds for General Fund support \$120K increase in retail sales tax rebates due to growth in retail sales \$69K increase in Stormwater Utility maintenance projects \$410K budgeted for rebate of Ventana Medical Systems development fees per financial participation agreement (contingent upon facility expansion) \$75K decrease in Water Utility reclaimed water purchasing \$69K decrease in bed tax rebates due to contract end date in FY 2011/12
Capital \$(15.6M)	<ul style="list-style-type: none"> \$2.5M decrease due to completion of solar panel covered parking structures funded with Clean Renewable Energy Bonds \$1.8M decrease due to completion of energy efficient equipment upgrades \$7.7M decrease in outlay for roadway design and construction, due to completion of several projects and revision of project costs \$2.3M decrease in Water Utility capital outlay as a large reservoir project nears completion \$1.2M decrease in Stormwater Utility capital outlay as a large project nears completion \$499K decrease in Steam Pump Ranch capital outlay due to completion of site stabilization \$453K increase in town roadway pavement preservation per Council direction
Debt Service \$(4.8M)	<ul style="list-style-type: none"> \$160K increase for Clean Renewable Energy Bonds debt service (funded through utility savings, electricity rebates, and an interest subsidy from the federal government) \$996K decrease due to payoff of a Central Arizona Water Conservation District (CAWCD) water rights loan \$3.6M decrease in debt service due in FY 11/12 for Highway Expansion (HELP) loan \$277K decrease in debt service due in FY 11/12 for Water Utility bonds



Expenditure Summary

The FY 2011/12 budget includes \$172K in one-time expenditures in the General Fund. The following list identifies the expenditures and their uses.

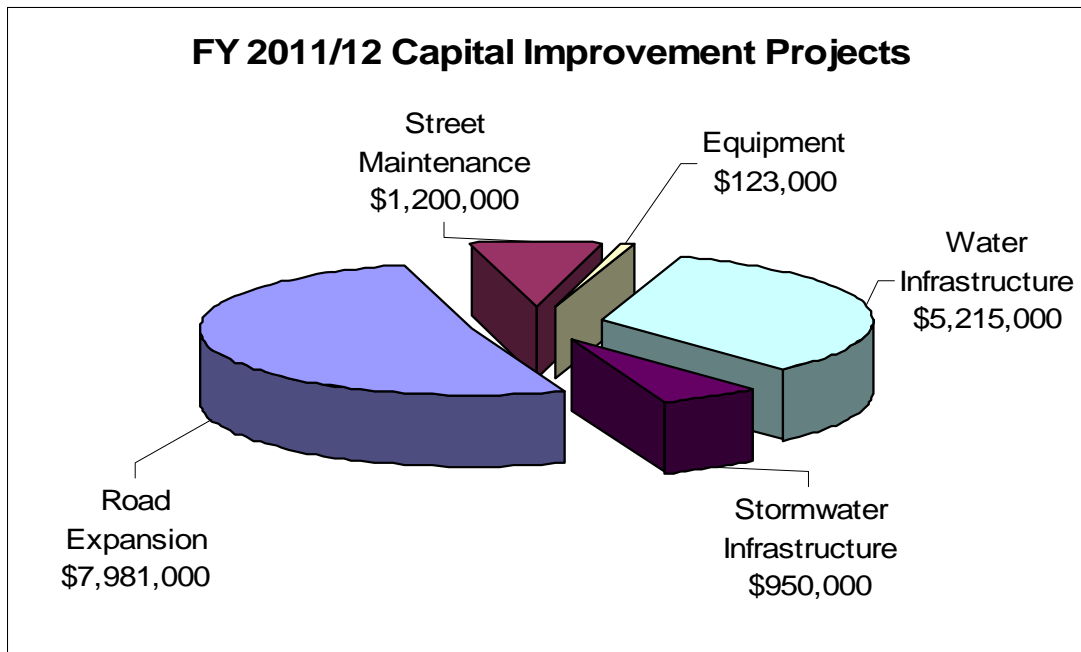
Summary of FY 2011/12 General Fund One-Time Expenditures

Department	Description of One-Time Expenditure	Budgeted Amount
Information Technology	Carryforward capacity for network infrastructure upgrade (utilizing fund balance transferred from Capital Asset Replacement Fund)	130,000
Parks, Recreation, Library and Cultural Resources (PRL&CR)	Aquatics equipment	17,500
	Installation of perimeter fencing at Steam Pump Ranch	22,000
	Centennial celebrations	2,000

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 2011/12 adopted budget includes \$15.5 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 2009	FY 2010	FY 2011		FY 2012	%
	Actual		Budget	Projected	Budget	
General Fund						
Clerk	398,015	445,367	378,581	374,081	456,089	20.5%
Council	205,183	212,807	217,610	197,610	220,573	1.4%
Development & Infrastructure Services	-	-	3,084,586	2,735,662	3,340,679	8.3%
Custodial/Facilities Maintenance	265,758	275,005	-	-	-	0.0%
Building Safety	1,419,069	1,230,346	-	-	-	0.0%
Development Review	512,831	416,216	-	-	-	0.0%
Planning & Zoning	1,311,277	1,256,394	-	-	-	0.0%
Finance	852,169	783,450	727,613	721,613	722,199	-0.7%
General Administration	1,719,183	1,774,656	2,469,851	2,265,400	2,141,767	-13.3%
Human Resources	351,706	416,074	484,189	455,657	482,649	-0.3%
Information Technology	1,055,248	1,087,797	1,120,106	1,098,106	1,252,797	11.8%
Legal	869,632	747,627	842,785	740,785	841,832	-0.1%
Magistrate Court	718,521	728,550	753,772	744,922	781,625	3.7%
Manager	1,021,387	944,476	974,906	892,553	877,167	-10.0%
Parks, Recreation, Library & Cultural Resources	3,400,025	3,195,820	2,947,715	2,887,080	2,876,702	-2.4%
Police	12,988,211	11,581,756	11,569,573	11,199,698	12,096,513	4.6%
TOTAL GENERAL FUND	27,088,216	25,096,341	25,571,287	24,313,167	26,090,592	2.0%
Special Revenue Funds						
Highway User Revenue Fund	4,568,146	3,368,086	3,902,198	3,772,839	4,093,277	4.9%
Public Transportation Fund	1,470,370	429,511	402,320	427,420	-	-100.0%
Bed Tax Fund	540,315	415,429	358,869	380,146	235,981	-34.2%
Impound Fee Fund	-	95,210	54,204	47,717	45,987	-15.2%
Seizures & Forfeitures Funds	231,520	90,895	-	138,701	-	0.0%
TOTAL SPECIAL REVENUE FUNDS	6,810,351	4,399,131	4,717,591	4,766,823	4,375,245	-7.3%
Debt Service Funds						
Municipal Debt Service Fund	1,232,272	7,470,622	469,759	499,140	629,521	34.0%
Oracle Road Improvement District Fund	453,429	367,496	367,803	372,298	366,303	-0.4%
TOTAL DEBT SERVICE FUNDS	1,685,701	7,838,118	837,562	871,438	995,824	18.9%
Capital Project Funds						
Steam Pump Ranch	140,420	84,963	542,000	399,190	-	-100.0%
Regional Transportation Authority Fund	-	-	50,000	1,725	50,000	0.0%
Solar Photovoltaic Fund	-	-	2,500,000	2,456,665	-	-100.0%
Capital Asset Replacement Fund	500,361	-	444,938	314,938	-	-100.0%
Municipal Operations Center	89,185	217,838	-	-	-	0.0%
Alternative Water Resource Dev. Impact Fee	1,314,601	1,205,659	3,099,578	3,116,352	2,519,753	-18.7%
Potable Water Systems Dev. Impact Fee	309,398	513,855	4,069,671	3,379,671	1,379,920	-66.1%
Townwide Roadway Dev. Impact Fees	8,244,800	1,728,168	21,949,760	8,039,435	10,613,467	-51.6%
TOTAL CAPITAL PROJECT FUNDS	10,598,765	3,750,483	32,655,947	17,707,976	14,563,140	-55.4%
Enterprise Funds						
Water Utility	12,976,460	9,991,194	14,882,507	11,467,652	13,889,631	-6.7%
Stormwater Utility	648,220	597,610	2,767,969	1,973,030	1,756,223	-36.6%
TOTAL ENTERPRISE FUNDS	13,624,680	10,588,804	17,650,476	13,440,682	15,645,854	-11.4%
Internal Service Funds						
Fleet Maintenance	-	871,668	874,968	874,968	436,271	-50.1%
TOTAL INTERNAL SERVICE FUNDS	-	871,668	874,968	874,968	436,271	-50.1%
TOTAL EXPENDITURES - ALL FUNDS	\$ 59,807,713	\$ 52,544,545	\$ 82,307,831	\$ 61,975,054	\$ 62,106,926	-24.5%

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

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Expenditures by Program

This table represents a summary of the adopted FY 2011 - 2012 budget and is structured around major program areas within departments which represent services and operations viable to the Town and to which resources are allocated on a fiscal year basis. 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 Budgets 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
Clerk	4.63	456,089	-	-	-	-	-	456,089
	4.63	456,089	-	-	-	-	-	456,089
Council	7.00	220,573	-	-	-	-	-	220,573
	7.00	220,573	-	-	-	-	-	220,573
Development & Infrastructure Svcs.								
Administration	4.00	232,442	618,950					851,392
Conservation and Sustainability	1.00	252,573						252,573
Plan Review	7.18	623,330						623,330
Intake, Issuance & Records Mgmt	3.30	217,696						217,696
Planning	6.48	580,010						580,010
Inspection	6.20	464,249						464,249
Code Compliance	1.80	103,961						103,961
Transportation Engineering	6.75		1,799,590					1,799,590
Traffic Engineering	5.75		608,455					608,455
Pavement Management	2.20		175,336					175,336
Street Maintenance	11.10		840,753					840,753
Facilities Maintenance	2.35	303,667						303,667
Fleet Maintenance	1.35						436,271	436,271
Stormwater Utility	3.50					1,756,223		1,756,223
Public Transportation	10.11	562,751	50,193		50,000			662,944
	73.07	3,340,679	4,093,277	-	50,000	1,756,223	436,271	9,676,450
Finance								
Administration	1.00	159,387						159,387
Accounting Services	3.00	294,487						294,487
Budgeting	2.00	154,963						154,963
Procurement	1.00	113,362						113,362
	7.00	722,199	-	-	-	-	-	722,199
General Administration	-	2,141,767						2,141,767
	-	2,141,767	-	-	-	-	-	2,141,767
Human Resources								
Administration	2.00	247,366						247,366
Personnel Services	2.00	131,472						131,472
Safety & Risk Management	1.00	103,811						103,811
	5.00	482,649	-	-	-	-	-	482,649
Information Technology								
Administration	1.00	375,859						375,859
GIS Services	2.00	148,599						148,599
Technical Services	2.00	441,653						441,653
Business Application & Development	2.00	166,186						166,186
Telecommunications	-	120,500						120,500
	7.00	1,252,797	-	-	-	-	-	1,252,797
Legal								
Civil	4.00	445,509						445,509
Prosecution	4.00	396,323						396,323
	8.00	841,832	-	-	-	-	-	841,832
Magistrate Court	9.00	781,625						781,625
	9.00	781,625	-	-	-	-	-	781,625
Manager								
Town Management	4.00	507,544						507,544
Council Support & Constituency	1.50	92,226						92,226
Communications & Comm. Relations	2.60	176,185						176,185
Economic Development	1.00	101,212	235,981					337,193
	9.10	877,167	235,981	-	-	-	-	1,113,148



Expenditures by Program

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Fund	Total
Parks, Recreation, Library & Cult. Rscs.								
Parks & Rec Administration	2.80	284,018						284,018
Parks	6.90	577,289						577,289
Recreation	3.70	274,824						274,824
Trails	0.90	65,815						65,815
Aquatics	7.32	431,965						431,965
Library Services	18.02	1,115,815						1,115,815
Cultural Resources	1.30	126,976						126,976
	40.94	2,876,702	-	-	-	-	-	2,876,702
Police								
Administration	4.00	999,545						999,545
Support Services	54.25	4,735,108	45,987					4,781,095
Field Services	67.00	5,952,970						5,952,970
Training & Reserves	3.38	303,390						303,390
Professional Standards	1.00	105,500						105,500
	129.63	12,096,513	45,987	-	-	-	-	12,142,500
Water Utility								
Administration	15.00					6,795,789		6,795,789
Engineering & Planning	6.00					3,890,784		3,890,784
Production	7.00					2,418,808		2,418,808
Distribution	8.00					784,250		784,250
Alternative Water Resources	-				2,519,753			2,519,753
Potable Water Systems	-				1,379,920			1,379,920
	36.00	-	-	-	3,899,673	13,889,631	-	17,789,304
Debt Service								
	-			995,824				995,824
	-	-	-	995,824	-	-	-	995,824
Roadway Improvements								
	-				10,613,467			10,613,467
	-	-	-	-	10,613,467	-	-	10,613,467
FY 2011/12 Adopted Budget	336.37	26,090,592	4,375,245	995,824	14,563,140	15,645,854	436,271	62,106,926

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



Town of Oro Valley

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Personnel Summary

Personnel and Employee Compensation

Personnel service represents 52.2% of the total operating budget. As it is a significant portion of the budget, employee compensation is heavily scrutinized. Due to economic and financial conditions, as well as escalating benefit costs, Town management has sought ways to somewhat lessen this rising cost.

In November 2008, as revenues continued to decline, the Town Manager, with Council's approval, implemented a hiring freeze. In addition, in the spring of 2009, a voluntary severance plan was offered to Town employees. Positions continue to be left unfilled or have been eliminated as vacancies occur. These efforts have resulted in an FY 11/12 personnel budget that is \$1.8 million or 7% less than FY 2008/09, with 51 fewer FTEs funded.

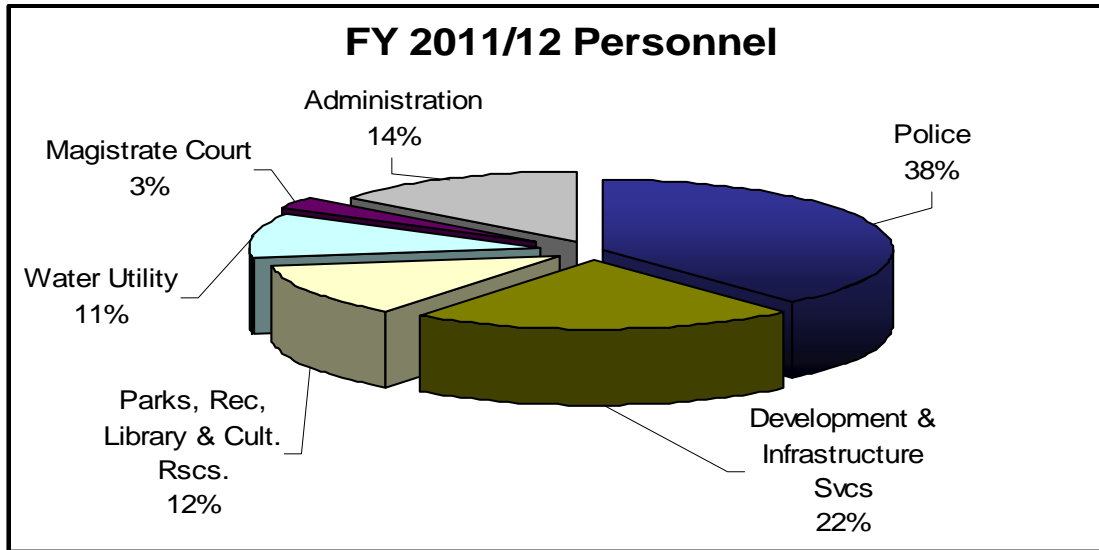
For the third year in a row, the Town's budget does not include funding for employee merits, step increases, or cost of living adjustments. Based on the financial scenario laid out for the next five years, the Town's recurring revenues will be periodically analyzed to determine the feasibility and affordability of providing some level of employee pay increases.

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

	FY 2010/11 Budget	FY 2011/12 Budget	+/-
Police	129.08	129.63	.55
Development and Infrastructure Services	73.74	73.07	(.67)
Parks, Recreation, Library & Cultural Resources	42.31	40.94	(1.37)
Water Utility	36.00	36.00	-
Magistrate Court	9.00	9.00	-
Administration	50.13	47.73	(2.40)
Total Positions	340.26	336.37	(3.89)



Personnel Summary



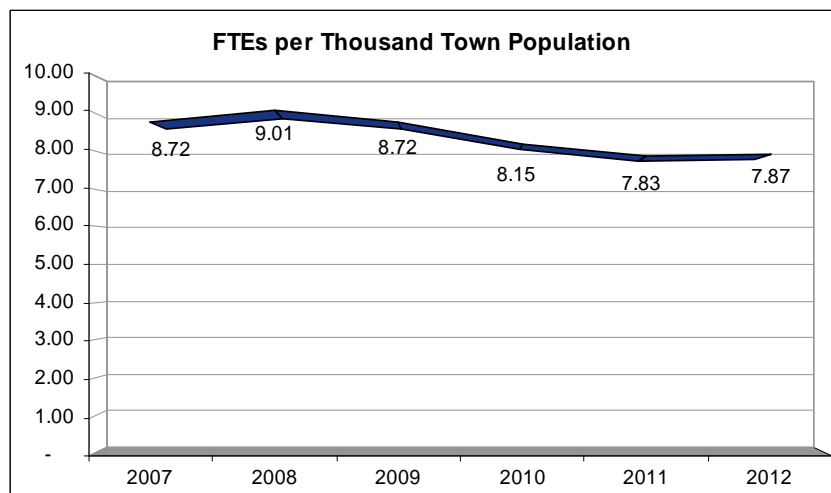
Health care and dental premiums for FY 2011/12 remain flat to FY 2010/11. The contribution rates for the Town's two major retirement plans experienced 3-5% increases for FY 11/12. The table below illustrates the changes to employee benefit rates over the last several years.

	Employer Matching Rates			
	FY 08/09	FY 09/10	FY 10/11	FY 11/12
AZ State Retirement System (ASRS)	9.45%	9.40%	9.85%	10.14%
Public Safety Personnel Retirement System (PSPRS)	16.07%	14.88%	15.63%	16.31%
Correction Officers Retirement Plan (CORP)	7.40%	9.52%	9.68%	9.13%
Health Care Premiums (per year)*	\$3,730	\$3,595	\$3,849	\$3,849
Dental Premiums (per year)**	\$290	\$273	\$233	\$233

* single-employee HMO coverage

** single-employee base plan coverage

Looking at an employee per capita trend, employee growth was gradually increasing through FY 2008, as the Town staffed to support new residential and commercial development. In FY 2009, full-time equivalent positions (FTEs) per capita began declining, as economic conditions required the Town to implement a hiring freeze. FTEs per capita are expected to remain flat, as the town's population and development growth have slowed.





Personnel Summary by Fund

	FY 2009	FY 2010	FY 2011		FY 2012	+/- to Budget
	Actual		Budget	Projected	Budget	
General Fund						
Council	7.00	7.00	7.00	7.00	7.00	-
Clerk	4.60	4.00	4.63	4.63	4.63	-
Development & Infrastructure Svcs.	1.00	2.00	32.35	29.35	39.92	7.57
Building Safety	16.00	14.00	-	-	-	-
Development Review	6.00	4.00	-	-	-	-
Planning & Zoning	17.00	13.00	-	-	-	-
Finance	9.00	7.00	7.00	7.00	7.00	-
Human Resources	4.00	4.00	5.00	5.00	5.00	-
Information Technology	7.00	8.00	8.00	8.00	7.00	(1.00)
Legal	10.00	8.00	8.00	8.00	8.00	-
Magistrate Court	9.00	9.00	9.00	9.00	9.00	-
Manager	9.50	9.50	10.10	8.10	9.10	(1.00)
Parks, Rec, Library & Cultural Rscs.	46.26	45.95	42.31	42.31	40.94	(1.37)
Police	135.38	126.60	128.08	123.73	128.63	0.55
General Fund Personnel	281.74	262.05	261.47	252.12	266.22	4.75
Special Revenue Funds						
Highway Fund	34.63	28.64	28.30	28.30	28.30	-
Bed Tax Fund	0.40	0.40	0.40	0.40	-	(0.40)
Impound Fee Fund	-	2.00	1.00	1.00	1.00	-
Public Transportation Fund	8.99	7.74	7.24	9.61	-	(7.24)
Special Revenue Funds Personnel	44.02	38.78	36.94	39.31	29.30	(7.64)
Enterprise Funds						
Water Utility	36.50	35.00	36.00	34.00	36.00	-
Stormwater Utility	2.30	3.00	3.50	3.50	3.50	-
Enterprise Funds Personnel	38.80	38.00	39.50	37.50	39.50	-
Internal Service Fund						
Fleet Maintenance	-	2.37	2.35	2.35	1.35	(1.00)
Internal Service Fund Personnel	-	2.37	2.35	2.35	1.35	(1.00)
Total Town Personnel	364.56	341.20	340.26	331.28	336.37	(3.89)

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Town of Oro Valley

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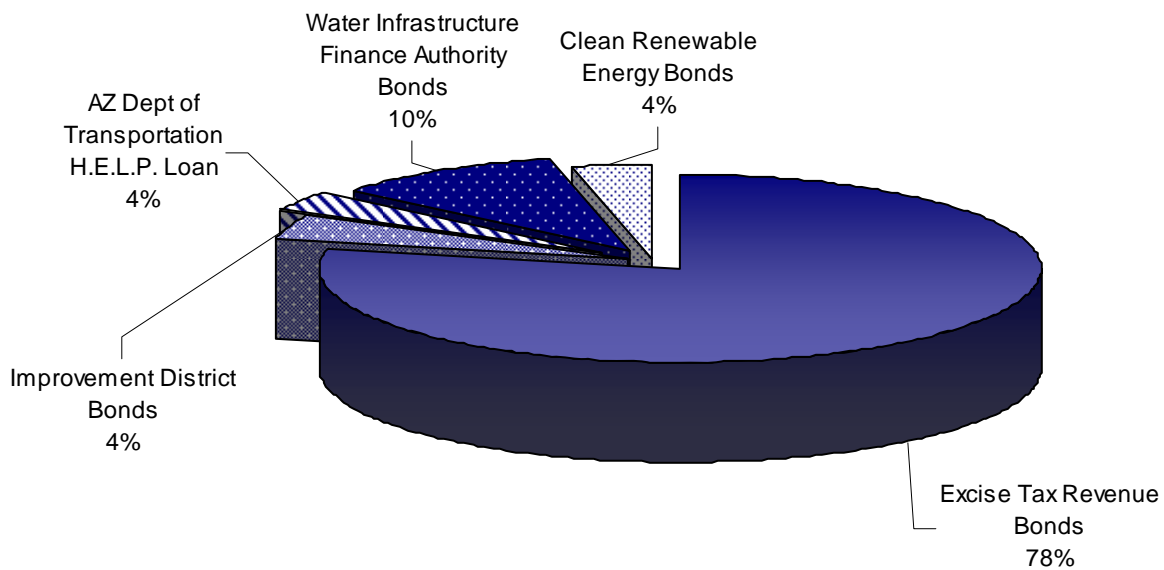


Debt Service

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 Excise Tax Revenue Bonds, Improvement District Bonds, Clean Renewable Energy Bonds, and programs offered by the State as funding mechanisms for capital projects.

The chart below represents the percentage each type of bonded debt contributes to the total outstanding debt of the Town as of June 30, 2011.

Outstanding Principal = \$69,646,694



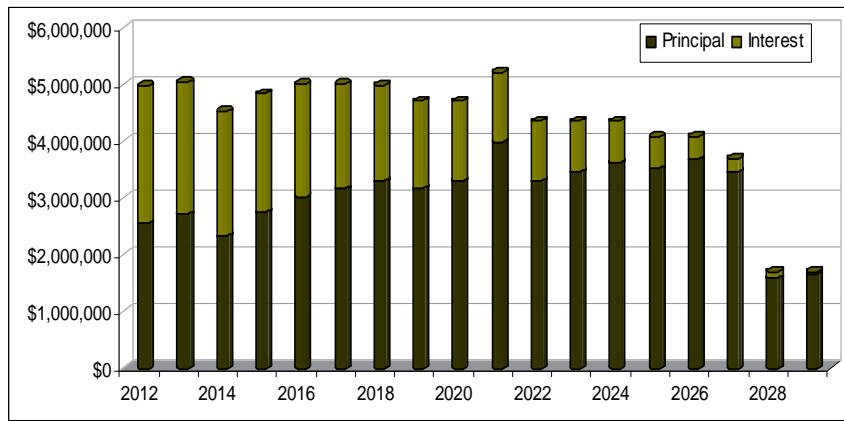
The information presented in this section discusses the type of debt issued, the Town's debt capacity and legal debt limitation, and debt requirements for the next twenty (20) years. Specific information on outstanding debt, its uses, and payment schedule can be found in the Appendix section of the budget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



Financing Sources

Excise Tax Revenue Bonds

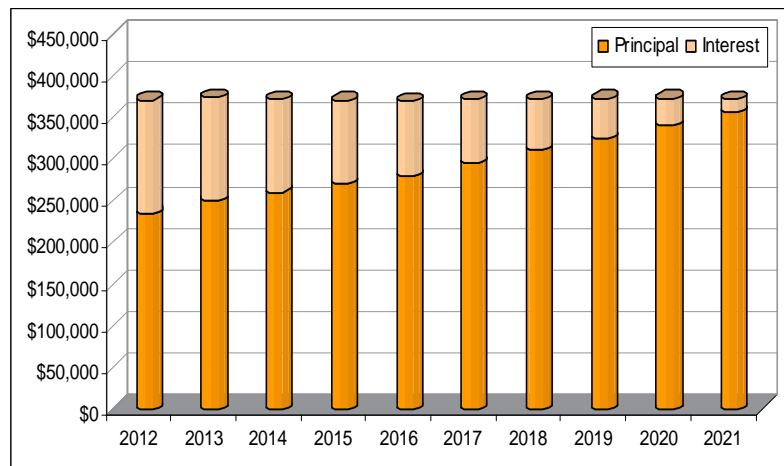
Excise Tax Revenue Bonds are issued by the Town for the purpose of financing the construction or acquisition of capital improvement projects. These bonds may be issued without voter approval. The Town of Oro Valley has issued excise tax revenue bonds for the construction and improvement of water facilities,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



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

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.

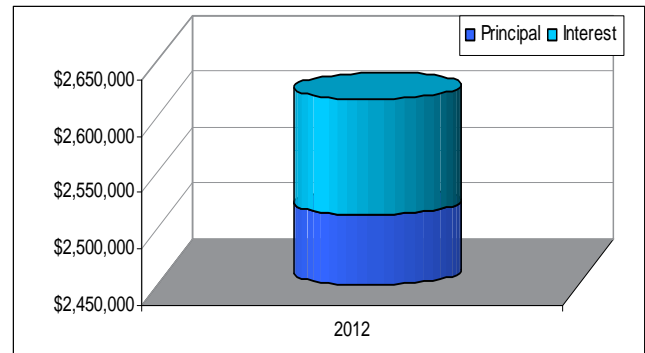




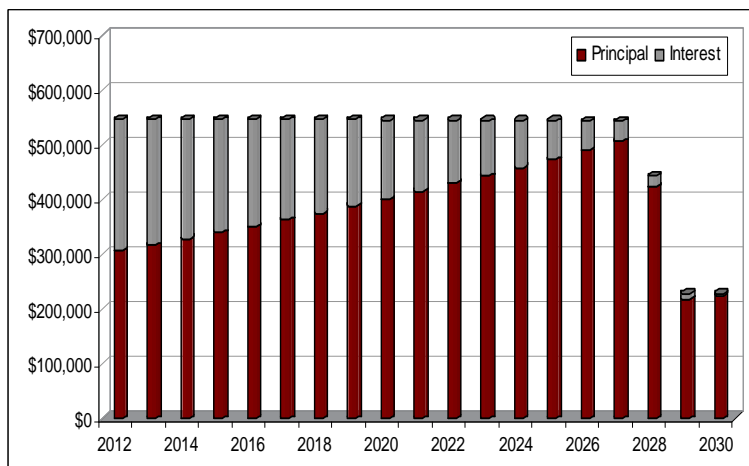
Debt Service

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. The loan amount must be over \$250,000 with 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 final debt service payment on this loan will be made in FY 2012. Funding from the Pima Association of Governments (PAG) assists in the payment of principal on this loan. The interest on the loan is paid with the Town's roadway development impact fees.



Water Infrastructure Finance Authority Bonds (WIFA)

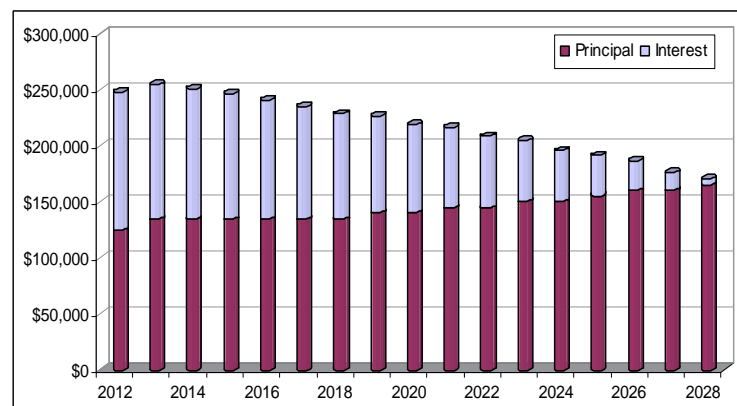


WIFA is a state agency that has specific programs that can improve a city or town's ability to use bonding as a revenue source. WIFA has statutory charges to assist smaller to medium sized communities in pooling their bond issues to help lower the costs of issuing debt. They also have monies set aside 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 infrastructure expansion of the reclaimed water system

in the Town. In 2009, the Town was approved for a \$3.4 million loan to finance existing water system infrastructure improvements.

Clean Renewable Energy Bonds (CREBS)

In 2010, the Town issued Clean Renewable Energy Bonds in the amount of \$2.4 million to finance the construction of solar panel covered parking structures in the parking lot of Town hall. The bonds are secured by the Town's excise tax revenues. Debt service on the bonds will be paid through a combination of energy savings, electricity rebates from Tucson Electric Power Company, and a 70% interest subsidy from the U.S. Internal Revenue service.





Debt Service

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.

Summary

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

	Excise Tax Revenue Bonds	Improvement District Bonds	HELP Loans	WIFA Bonds	CREBS	Total
2012	4,973,031	370,578	2,615,467	547,205	247,689	8,753,970
2013	5,039,775	373,828	-	547,029	254,691	6,215,322
2014	4,524,976	371,328	-	546,846	250,864	5,694,013
2015	4,839,782	370,408	-	546,657	246,274	6,003,120
2016	5,003,484	368,798	-	546,462	240,887	6,159,630
2017	5,002,412	371,478	-	546,260	234,900	6,155,049
2018	4,986,601	371,728	-	546,051	228,460	6,132,840
2019	4,709,444	372,623	-	545,835	226,507	5,854,408
2020	4,701,817	372,673	-	545,612	219,108	5,839,209
2021	5,209,331	371,863	-	545,381	216,354	6,342,929
2022	4,349,669	-	-	545,142	208,249	5,103,060
2023	4,347,125	-	-	544,896	204,706	5,096,727
2024	4,348,919	-	-	544,640	195,721	5,089,280
2025	4,076,978	-	-	544,376	191,318	4,812,672
2026	4,083,956	-	-	544,104	186,370	4,814,429
2027	3,696,313	-	-	543,821	176,066	4,416,199
2028	1,702,750	-	-	443,834	170,437	2,317,021
2029	1,706,625	-	-	228,905	-	1,935,530
2030	-	-	-	228,796	-	228,796
	77,302,986	3,715,300	2,615,467	9,631,854	3,698,597	96,964,203

PROGRAM BUDGETS

Clerk
Council
Development and Infrastructure Services
Finance
General Administration
Human Resources
Information Technology
Legal
Magistrate Court
Manager
Parks, Recreation, Library and Cultural Resources
Police
Water Utility
Capital Asset Replacement Fund
Municipal Debt Service Fund
Oracle Road Improvement District
Roadway Development Impact Fee Fund

PROGRAM BUDGETS



Town of Oro Valley

Caring for our heritage, our community, our future.



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; business licensing; records management; elections; voter registration; and notary services. Functions of the Clerk's Office are performed in accordance with Arizona Revised Statutes, Oro Valley Town Code and the administrative policies and objectives of the Town.

Personnel	FY 2010	FY 2011	FY 2011	FY 2012	Variance to Budget
	Actual	Budget	Projected	Budget	
Town Clerk	1.00	1.00	1.00	1.00	-
Deputy Town Clerk	1.00	1.00	1.00	1.00	-
Assistant to the Town Clerk	1.00	1.00	1.00	1.00	-
Licensing & Cust Svc Clerk	1.00	1.00	1.00	1.00	-
Office Assistant	-	0.63	0.63	0.63	-
Total FTEs	4.00	4.63	4.63	4.63	-

Expenditures	FY 2010	FY 2011	FY 2011	FY 2012	Variance to Budget
	Actual	Budget	Projected	Budget	
Personnel	\$ 289,773	\$ 334,129	\$ 334,129	\$ 303,937	-9.0%
Operations & Maintenance	155,594	44,452	39,952	152,152	242.3%
Total Expenditures	\$ 445,367	\$ 378,581	\$ 374,081	\$ 456,089	20.5%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Business Licenses & Permits	\$ 170,260	\$ 165,310	\$ 165,310	\$ 170,698	3.3%
Copy Services	3,698	3,500	4,990	4,000	14.3%
Total Revenues	\$ 173,958	\$ 168,810	\$ 170,300	\$ 174,698	3.5%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 9% due to the refilling of a retirement at a lower salary.

Operations & Maintenance

Operations & Maintenance increased 242.3%, as Town elections will be held in FY 2012.

Mission

The Town Clerk's Office is committed to maintaining public confidence and trust. The office 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 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Improved integration of AgendaQuick, the agenda management system, with Granicus, the video streaming system to streamline the agenda packet process - Updated all business license application forms - Welcomed a new town clerk, deputy town clerk and front desk staff - Updated and streamlined internal operating procedures in the Town Clerk's Office - Enhanced liquor license application fees to cover actual costs of processing applications - Posted 238 public notices - Staffed over 100 hours of Council meetings - 15 study sessions, 17 executive sessions and 20 regular meetings - and prepared over 300 pages of minutes - Distributed 35 Council meeting packets totaling 6,525 pages 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Develop an implementation plan for a document management system to increase the efficiency of document storage and retrieval and improve the public's access to public records ■ Conduct fair and impartial elections by providing timely and accurate information to candidates and voters ■ Provide training for Town staff regarding records management, open meetings, minutes, etc. <p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Effectively administer Chapter 8 of the Oro Valley Town Code regarding business regulations to insure that all businesses are properly licensed including public market participants and that all applicable fees are collected ■ Reduce the production cost of Council meeting packets by eliminating paper copies of the packets through the use of electronic devices ■ Implement document management system to reduce staff time spent retrieving paper copies of records

Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Percentage of public records requests fulfilled within 72 hours of request	82%	84%	88%
▶ Percentage of new business licenses issued within 3-5 days of application	N/A *	95%	100%
▶ Percentage of business license renewals issued within 30 days	N/A *	65%	80%

* Data not available

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of Town Council meetings attended Note: Regular Council meetings are held on the 1st & 3rd Wednesday of the month. Council may add/cancel meetings as needed for study sessions, budget sessions, etc.	43	35	See note
▶ Number of pages contained in Council meeting packets Note: Number of pages is based on the number and complexity of items on the agenda.	N/A *	6,525	See note
▶ Number of pages of minutes prepared for Council meetings Note: Number of pages is dependent upon the length of meeting.	387	300	See note
▶ Number of ordinances published, posted and codified Note: Unable to project the number of ordinances that will go before Council.	15	25	See note
▶ Number of public records requests received and completed	181	141	175
▶ Total business licenses issued - new & renewal	2,294	2,398	2,450
▶ Number of liquor license applications processed	12	20	11
▶ Number of solicitor badge applications (commercial & nonprofit) processed	161	125	130

* Data not available



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. Councilmembers serve four-year overlapping terms in the manner prescribed by state law. The Mayor and Councilmembers of Oro Valley are committed to caring for our heritage, our community and our future, where high quality municipal services are coupled with responsible development. Through the Town Manager, the Town Council provides policy direction by adopting rules, regulations, and procedures to meet community needs. The Mayor and Councilmembers remain accountable and accessible to the residents through their commitment to full, honest, and timely communication and exchange promoting responsive, responsible governance.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Mayor	1.00	1.00	1.00	1.00	-
Councilmember	6.00	6.00	6.00	6.00	-
Total FTEs	7.00	7.00	7.00	7.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 71,652	\$ 76,922	\$ 76,922	\$ 76,923	0.0%
Operations & Maintenance	141,155	140,688	120,688	143,650	2.1%
Total Expenditures	\$ 212,807	\$ 217,610	\$ 197,610	\$ 220,573	1.4%

Mission

The Town of Oro Valley is a "Mission" driven organization. The Council's Mission is to: Act with openness, respect, integrity, accountability, and quality to preserve and protect the health, safety and welfare of the community; and promote organizational efficiency that upholds the long-term interests of the town while responding to present community needs.

The Town Council focuses on the most important community issues and sets in motion an organizational culture that encourages innovation and strives for excellence. The Mayor and Councilmembers are committed to responsive governance and the creation of a "Community of Excellence."

FY 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Approved a \$94 million balanced budget for FY 2011/12 - Approved the Environmentally Sensitive Lands (ESL) Ordinance - Approved an Intergovernmental Agreement (IGA) with the City of Tucson to deliver Central Arizona Project (CAP) water to the Town - Approved the new 2011 Strategic Plan - Approved the new 2011 Community Economic Development Strategy (CEDS) - Approved modernization of Advisory Boards and Commissions - Approved a Financial Participation Agreement (FPA) with Ventana Medical Systems - Created the new Conceptual Design Review Board (CDRB) - Held first-ever joint Council meetings with the Town of Marana - Launched Dine Oro Valley campaign - Conducted first-ever Economic Summits with local business and education sector leaders 	<p>Focus Area: Leadership & Communication</p> <ul style="list-style-type: none"> ■ Build trust through effective public outreach and communication ■ Create an environment conducive to effective dialogue among the Council and staff ■ Maintain strong intergovernmental relationships <p>Focus Area: Finance & Economic Development</p> <ul style="list-style-type: none"> ■ Maintain a balanced budget ■ Develop diverse sources of revenue ■ Cultivate relationships with the business community and create a business-friendly environment <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Plan for and provide the necessary infrastructure to support community growth and preservation ■ Provide diverse recreational, educational and cultural opportunities ■ Maintain a safe community where residents and visitors feel secure ■ Provide a safe and reliable water supply to Water Utility customers



Development and Infrastructure Services (DIS)

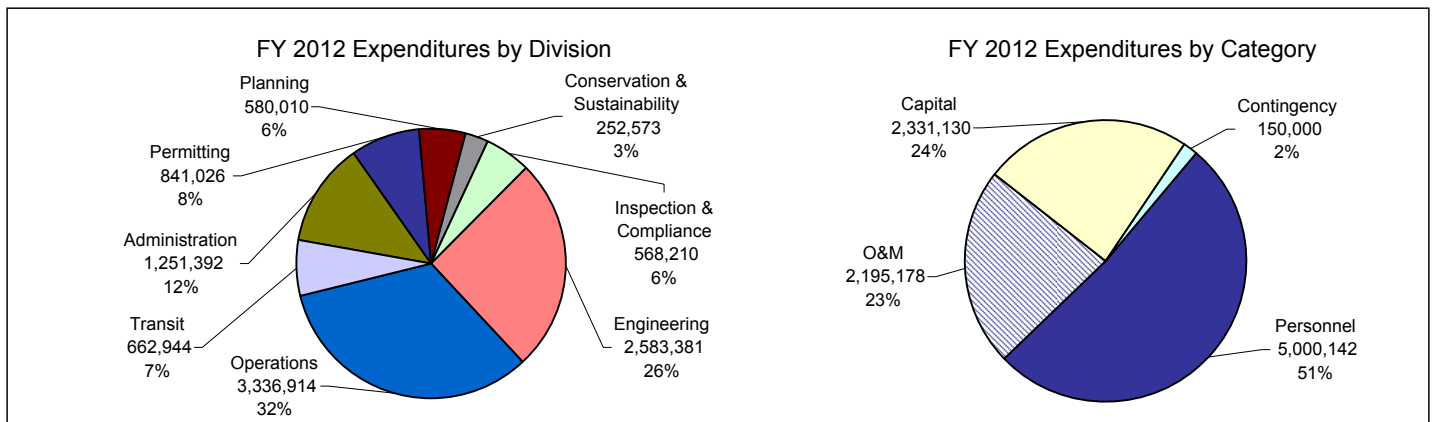
Overview

The Development and Infrastructure Services (DIS) Department was established as a new department in FY 2011, consolidating three departments. DIS is comprised of the following divisions: Planning, Conservation & Sustainability, Permitting, Inspection & Code Compliance, Transportation Engineering, Operations and Transit. The department is responsible for ensuring harmonious growth as well as the health, safety and welfare of the public in the built environment. All facets of planning, zoning, permitting, inspection, compliance, transportation planning and engineering, traffic engineering, street maintenance, pavement management are provided by this department for all horizontal and vertical construction and infrastructure elements within the Town of Oro Valley. In addition, the department is also responsible for the Town's stormwater management and flood control, facilities and fleet maintenance, as well as providing transit services for the community.

Total FTEs			
2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
74.75	73.74	73.11	73.07

	Expenditures by Division				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Administration	\$ 898,097	\$ 1,207,466	\$ 1,190,827	\$ 1,251,392	3.6%
Planning	-	710,416	583,026	580,010	-18.4%
Conservation & Sustainability	-	285,129	277,545	252,573	-11.4%
Permitting	-	849,096	783,310	841,026	-1.0%
Inspection & Compliance	-	675,697	550,172	568,210	-15.9%
Engineering	2,072,021	2,121,596	2,085,401	2,583,381	21.8%
Operations	2,621,842	5,039,229	4,145,126	3,336,914	-33.8%
Transit	506,935	585,249	562,074	662,944	13.3%
	\$ 6,098,895	\$ 11,473,878	\$ 10,177,481	\$ 10,076,450	-12.2%

	Revenue Sources				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
License & Permit Fees	\$ 53,141	\$ 1,161,392	\$ 728,032	\$ 998,196	-14.1%
Charges for Services	797,466	953,767	897,742	1,325,971	39.0%
Federal Grants	40,676	1,352,700	1,040,700	530,000	-60.8%
State Grants	583,792	1,297,100	670,960	1,112,000	-14.3%
Local Sales Tax	801,570	630,188	398,807	367,400	-41.7%
State/County Shared (HURF)	2,667,797	2,669,767	2,669,767	2,376,464	-11.0%
Interest	18,099	56,505	11,343	11,200	-80.2%
Miscellaneous	21,988	31,186	15,626	32,500	4.2%
Other Financing Sources	1,166,159	1,392,701	1,206,257	550,944	-60.4%
	\$ 6,150,688	\$ 9,545,306	\$ 7,639,234	\$ 7,304,675	-23.5%



Mission

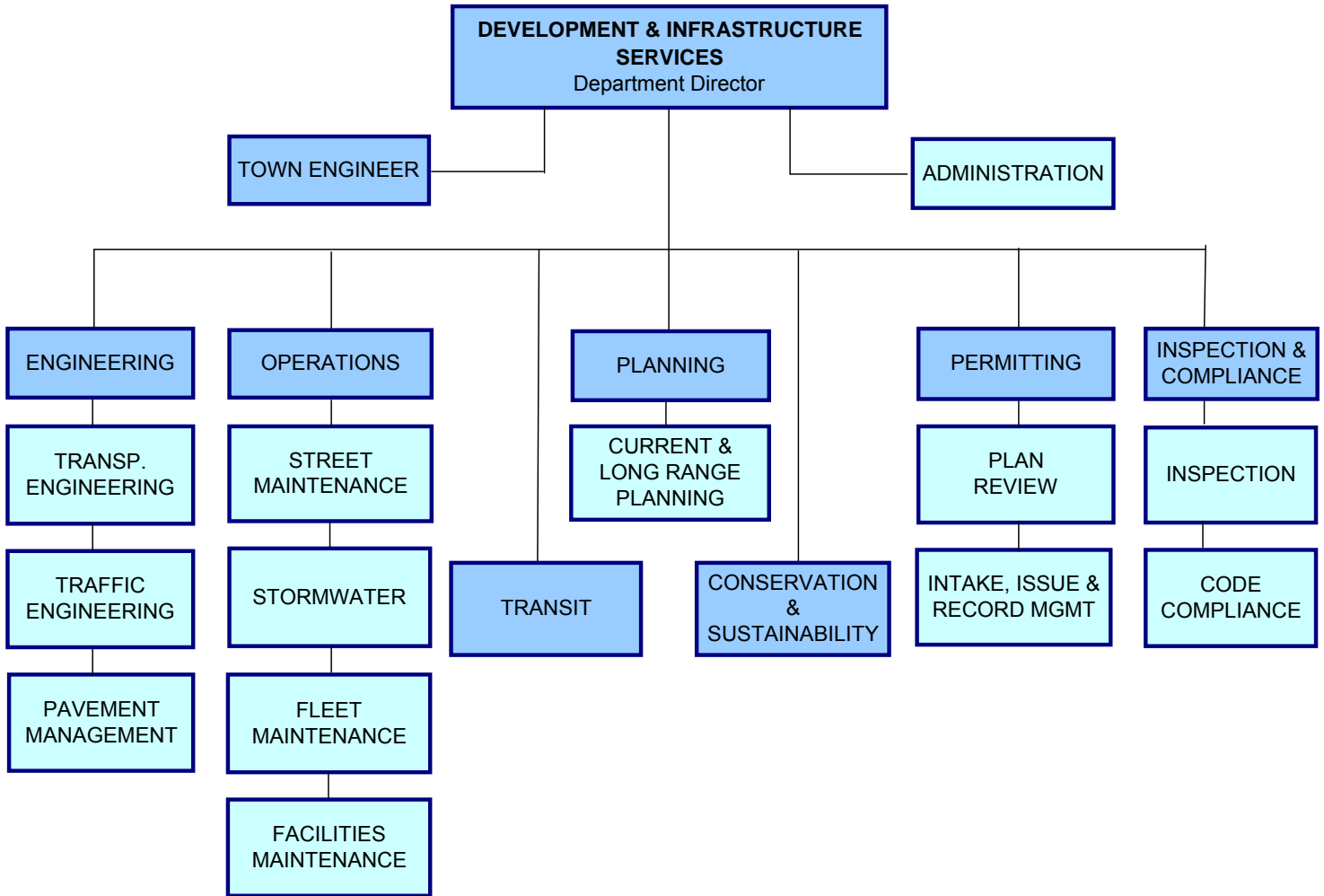
We are committed to ensuring harmonious growth and the health, safety, and welfare of the public in a quality built environment by providing exceptional services enabling the greatest return on community investment.

FY 2011 Highlights	FY 2012 Goals and Objectives
<p>Planning</p> <ul style="list-style-type: none"> - Created the Conceptual Design Review process, associated code changes and complementary Design Standards - Completed code updates for the Sign Code, Residential Recreation Area Requirements and Neighborhood Commercial Zoning District - Redesign and completion of the Community Academy program - Completed the following code amendments; Public Art Requirements, Mixed Use Development and General Plan Amendment process <p>Conservation & Sustainability</p> <ul style="list-style-type: none"> - Completed the Environmentally Sensitive Lands Ordinance - Completed the Town energy efficiency and solar project which received a national recognition award - Installed grant funded electric vehicle charging stations - Completed a water harvesting system at Town Hall <p>Permitting</p> <ul style="list-style-type: none"> - Completed the integration of the previous three department's plan review and permitting process and staff to provide customers a one-stop-shop for permitting - Generated \$784,000 in revenue for the Town and issued 1,375 permits - Assisted in the creation and implementation of the new Conceptual Design Review Board (CDRB) process - Working with multi-jurisdictional and industry to create a unified approach for permitting and installation of solar systems <p>Inspection & Code Compliance</p> <ul style="list-style-type: none"> - Completed the integration of the previous three department's inspection and compliance staff to provide better consistency and service to customers. - Fast tracked inspections, e.g. allowed Basis Charter School to open in four months - Programmed Permits Plus and InspecTrac systems to integrate the zoning and civil inspections and code compliance program - Reduced unresolved expired permits from 162 to 48 <p>Engineering</p> <ul style="list-style-type: none"> - Completed the construction of the following improvement projects: Lomas De Oro Wash, Northern & Hardy Roundabout, Magee Road , Calle Concordia bike lane & overlay, and La Cañada overlay - Installed pedestrian count down heads at all signalized intersections - Completed 14.81 lane miles of fog & slurry seals, stress absorbing membranes, and overlay treatments 	<p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Manage budget expenditures and revenue acquisitions to maintain a balanced budget ■ Assist in annexation efforts to support high quality development ■ Update the General Plan and Zoning Code to support economic development and land use goals ■ Ensure "guaranteed" performance of new energy saving equipment and to pay energy project debt service ■ Develop internal programs to encourage reduction of energy use and cost ■ Continue to streamline and improve the review and permitting process to promote business development ■ Continue to manage the Intergovernmental Agreement with the Regional Transportation Authority (RTA) to provide funding for transit related projects ■ Explore alternative funding sources supporting transit services ■ Secure outside funding through grants, federal, state, and local (Pima Association of Governments (PAG) and RTA) sources for projects ■ Perform in-house design, construction and construction administration for all town projects ■ Improve the stormwater bill collection process to minimize bad debt ■ Maintain heavy equipment and town vehicles in good to excellent condition ■ Evaluate new ways to reduce facilities, fleet and other maintenance costs ■ Implement the Environmentally Sensitive Lands Ordinance ■ Review and amend Town codes that pose a barrier to alternative energy and/or conservation ■ Create sustainability and energy design standards for future development <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Provide effective citizen and community outreach and communication through the Community Academy, neighborhood meetings, HOA Forums, open houses, new notification procedures, training programs to the development industry, and effective use of the Town website ■ Seek opportunities to highlight success of sustainability program projects as models for the region ■ Increase sustainability and energy saving information to the public via Town website, Vista newsletter, and events ■ Increase staff cross training to provide outstanding customer services with dwindling resources ■ Continue staff training and certifications for high quality service and staff expertise ■ Prepare internal and external monthly reports to provide information on performance for all areas of the department

FY 2011 Highlights (Continued)	FY 2012 Goals and Objectives (Continued)
<p>Operations</p> <ul style="list-style-type: none"> - Crack-sealed 120 lane miles of paved streets - Completed monthly buffelgrass pulls - Completed complementary construction for the Town solar project - Installed switch gear to power the fuel island during power outages - Maintained all Town-owned vehicles, large equipment and facilities <p>Stormwater Utility</p> <ul style="list-style-type: none"> - Completed several drainage improvement projects: \$1.4 million Lomas de Oro, Linda Vista, and the Pomegranate-Pistachio area - Provided outreach education for area schools, HOAs and others - Secured a federal grant for removal of buffelgrass and other invasive weeds <p>Transit</p> <ul style="list-style-type: none"> - Increased service productivity from 2.0 to 2.1 passengers/hour, provided 9,000 service hours, 4,870 passenger trips, and 133,000 miles - Partnered with RTA to provide Sun Shuttle service in February 2011, eliminating all previous trip denials - Created ability to accept donations through United Way 	<p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Partner with regional jurisdictions in the development and maintenance of quality infrastructure including the design of common arterial corridors ■ Maintain all Town facilities, roadways, multi-use and bike trail system, and drainage structures in excellent condition ■ Partner with the RTA to explore and develop transportation alternatives ■ Maintain the Overall Condition Index for the Town's roadway pavement and continue the pavement management program ■ Install the Traffic Signal Wireless System throughout the town ■ Continue to eliminate "storm hot spots" through drainage improvements to washes and drainage ways ■ Develop a long term replacement schedule for each town building ■ Work with RTA to develop alternative services for the growing number of residents that fall into categories not covered by ADA but in need of transit services ■ Meet all environmental quality requirements and OSHA standards in the Town's operations and maintenance services ■ Continue the West Nile mosquito testing program ■ Work with Highlands Mobile Home residents to develop mitigation plans to handle a 100 year flow in the wash inside of their HOA ■ Develop a floodplain management community rating system

			FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
Performance Measures					
Planning					
▶	Percentage of plan reviews completed within established timeframes (subdivision plats and CDRB submittals)	Goal 90%	N/A	47%	80%
▶	Average calendar days from first review comments sent to applicants (subdivision plats and CDRB submittals)	Goal Days 20	N/A	20	20
Conservation & Sustainability					
▶	Financial savings from energy reduction projects for Town facilities (\$164,000) and Water Utility (\$5,000)		N/A	N/A	\$169,000
▶	Grant funding received		N/A	\$164,200	\$150,000
Permitting					
▶	Percentage of civil, zoning and building plan reviews completed within established timeframes	Goal 90%	N/A	91%	91%
▶	Average calendar days from first civil, zoning and building plan submittal to first review comments sent to applicants	Goal Days 20	N/A	11	12
▶	Average number of consultant submittals from initial application to approval	Goal 3	3.4	2	2.5
Inspection & Code Compliance					
▶	Percentage of inspections completed on next business day for requests received by 3:30pm from previous business day	Goal 90%	N/A	98%	95%
▶	Average calendar days from first zoning violation complaint to investigation 90% of the time	Goal Days 2	2	1.5	2
▶	Average calendar days from zoning case inspection to voluntary compliance	Goal Days 15	15	14	15
▶	Average calendar days from zoning case inspection to forced compliance	Goal Days 90	90	66	66
▶	Percentage of zoning violation cases voluntarily resolved	Goal 95%	98%	99%	98%
Engineering					
▶	Capital improvement projects funding from the planning stage through design and construction managed by staff		\$ 1.728 M	\$ 2.339 M	\$ 7.998 M
▶	Road rehabilitation expenditures per paved lane mile		\$31,226	\$34,149	\$19,731
▶	Percentage of completed road rehabilitation paved lane miles		9%	7.6%	15%
▶	Overall Condition Index (OCI) rating for paved streets (rating goal >80)		78	75	75
▶	Install Pan-Tilt-Zoom Cameras on all Traffic Signals		0%	46%	54%
▶	Re-stripe cross-walks / legends and symbols throughout Town	Goal 95%	90%	95%	95%
Operations					
▶	Street maintenance (crack-seal) lane miles completed		115	120	125
▶	Facility repair expenditures per square foot of Town buildings maintained		\$2.57	\$2.70	\$2.65
▶	Percentage of work order requests completed within 5 business days	Goal 90%	85%	85%	88%
▶	Total cost/mile to operate and maintain light vehicles, not including PD vehicles (repair and fuel only)		\$0.35	\$0.38	\$0.41
▶	Total cost/mile to operate and maintain heavy vehicles (repair and fuel only)		N/A	\$0.96	\$1.10
Stormwater					
▶	Number of reduced/mitigated drainage problem areas out of 50 total identified town-wide		7	8	5
Transit					
▶	Total cost per passenger trip		\$32.38	\$30.37	\$32.00
▶	Total subsidy per passenger trip		\$29.05	\$26.99	\$29.78
▶	Percentage of requested reservations fulfilled	Goal 100%	86%	98%	100%

Workload Indicators			
	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
Planning			
▶ Average initial reviews per FTE (Planners)	N/A	33	34
▶ Number of Zoning Code and Town Code text amendments	N/A	12	10
▶ Number of Rezoning / PAD cases	N/A	10	15
▶ Number of CDRB submittals	N/A	N/A	18
Conservation & Sustainability			
▶ Average capital improvement project funded per FTE	N/A	\$4,127,783	0
▶ Average grant funding received per FTE	N/A	\$164,200	\$150,000
Permitting			
▶ Number of Building Permits Issued	1,408	1,370	1,450
▶ Average number of permits processed per FTE (Permit Technician)	N/A	460	725
▶ Average number of civil, building and zoning reviews per FTE (Plan Examiner)	N/A	400	435
Inspection & Code Compliance			
▶ Number of civil, building, and zoning inspections conducted	N/A	15,465	16,250
▶ Number of civil, building, and zoning inspections conducted per FTE (Inspector)	N/A	12.5	13
▶ Number of violations issued	N/A	520	500
Engineering			
▶ Average Engineering design and construction capital improvement projects funded per FTE	\$300,522	\$449,808	\$ 1.290 M
▶ Average Pavement Management capital projects funded per FTE	\$159,162	\$311,250	\$600,000
Operations			
▶ Number of street maintenance work orders completed	710	670	700
▶ Number of street maintenance work orders completed per FTE	65	58	63
▶ Number of facilities work order requests completed	900	805	900
▶ Number of facilities work order requests completed per FTE	450	343	419
▶ Number of vehicles maintained (PD vehicles & motorcycles moved to PD budget FY12)	209	209	99
▶ Number of heavy equipment maintained	52	52	52
Stormwater			
▶ Number of outfall stormwater structures inspected once per year	205	215	220
▶ Number of mosquito traps set for testing West Nile virus	200	160	180
▶ Number of town-owned property pollutant sources reported, investigated and mitigated	0	0	0
Transit			
▶ Passengers per hour	2.0	2.1	2.2
▶ Number of new riders	120	127	130
▶ Percentage increase in passengers per hour	N/A	5%	5%



Administration Program Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Director, Dev. & Infrastruc. Svcs	-	1.00	1.00	1.00	-
Town Engineer	1.00	1.00	1.00	1.00	-
Administration Coordinator	1.00	1.00	1.00	1.00	-
Ombudsperson	-	1.00	1.00	1.00	-
Office Specialist	1.00	0.75	0.75	-	(0.75)
Total FTEs	3.00	4.75	4.75	4.00	(0.75)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 254,691	\$ 446,200	\$ 446,200	\$ 418,059	-6.3%
Operations & Maintenance	177,180	235,673	219,034	423,333	79.6%
Capital	38,639	322,560	322,560	10,000	-96.9%
Other Financing Uses	427,587	203,033	203,033	400,000	97.0%
Total Expenditures	\$ 898,097	\$ 1,207,466	\$ 1,190,827	\$ 1,251,392	3.6%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 6.3% due to the transfer of an office specialist to the Transportation Engineering program.

Operations & Maintenance

Operations & Maintenance increased 79.6%, as fleet costs that were previously budgeted as a transfer out (Other Financing Use) are now budgeted in Operations & Maintenance.

Capital

Capital decreased 96.9% due to completion of energy efficiency upgrades in FY 2011.

Other Financing Uses

Other Financing Uses increased 97% due to a \$400K loan to the Townwide Roadway Development Impact Fee Fund for the widening of Lambert Lane.

Planning Program Overview

The primary function of the Planning program is to ensure the proper implementation of adopted plans, policies and standards. Planning provides direction and support for the Planning and Zoning Commission, Conceptual Design Review Board, and Board of Adjustment. The planning team coordinates the review of development projects by various Town departments and divisions as well as external review agencies. Planning also prepares and analyzes amendments to the General Plan, Zoning Code, Planned Area Developments, and rezoning cases. Staff develops recommendations to promote the aesthetic, organized growth and development of the Town, and is responsible for the Community Academy.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Division Manager, Planning	-	0.80	0.80	1.00	0.20
Senior Planner	-	3.00	3.00	3.00	-
Principal Planner	-	1.00	1.00	1.00	-
Senior Office Specialist	-	0.90	-	-	(0.90)
Senior Office Assistant	-	0.90	0.90	0.48	(0.42)
Office Specialist	-	-	-	1.00	1.00
Total FTEs	-	6.60	5.70	6.48	(0.12)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 497,954	\$ 432,888	\$ 501,210	0.7%
Operations & Maintenance	-	105,100	46,170	78,800	-25.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 603,054	\$ 479,058	\$ 580,010	-3.8%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 25% due to a reduced budget for outside professional services.

Annexations & Special Projects Program Overview

The Special Projects and Annexations program is responsible for special projects within the Town, annexation efforts, participation in economic development, public outreach, and other planning and zoning related issues. **Beginning FY 2012, duties of this program are reallocated to the Development Section's Planning program and the Manager's Office.**

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Division Manager, Planning	-	0.10	0.10	-	(0.10)
Special Projects Coordinator	-	1.00	1.00	-	(1.00)
Senior Office Assistant	-	0.10	0.10	-	(0.10)
Total FTEs	-	1.20	1.20	-	(1.20)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 105,612	\$ 103,318	\$ -	-100.0%
Operations & Maintenance	-	1,750	650	-	-100.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 107,362	\$ 103,968	\$ -	-100.0%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 100%, as duties of this program will be absorbed by the Development Section's Planning program and the Manager's Office.

Operations & Maintenance

Operations & Maintenance decreased 100%, as these costs will be absorbed by the Development Section's Planning program and the Manager's Office.

Conservation & Sustainability Program Overview

The Office of Conservation and Sustainability is responsible for implementing conservation and environmental sustainability policies town-wide, energy efficiency programs, and seeking outside grants, appropriations and other federal funds.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Division Manager, Planning	-	0.10	0.10	-	(0.10)
Cons. & Sustain. Administrator	-	1.00	1.00	1.00	-
Senior Office Specialist	-	0.10	-	-	(0.10)
Total FTEs	-	1.20	1.10	1.00	(0.20)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 117,979	\$ 110,495	\$ 99,823	-15.4%
Operations & Maintenance	-	2,950	2,850	2,750	-6.8%
Capital	-	-	-	-	0.0%
Contingency	-	164,200	164,200	150,000	-8.6%
Total Expenditures	\$ -	\$ 285,129	\$ 277,545	\$ 252,573	-11.4%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 15.4% due to realignment of staff time within program areas.

Operations & Maintenance

Operations & Maintenance decreased 6.8% due to a reduction in travel and training costs.

Plan Review Program Overview

All plan review is performed by the department's staff of certified plans examiners, licensed engineers and technicians. This team is responsible for the review of all commercial and residential construction plans for new and altered site work, utility infrastructure, buildings and other structures for compliance with the Zoning, Building and Town Codes and Ordinances. The following disciplines are included in the review: civil, architectural, structural, fire-resistive, life/safety, mechanical, plumbing, and electrical systems, zoning and ADA. Plan review is also provided for all development plans, preliminary and final plats, and improvement and grading plans. In addition, this team ensures implementation of the development approval decisions of the Conceptual Design Review Board and Town Council.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Division Manager, Permitting	-	0.70	0.70	0.70	-
Senior Civil Engineer	-	1.00	1.00	1.00	-
Engineering Design Reviewer	-	1.00	1.00	1.00	-
Plans Examiner II	-	2.00	2.00	2.00	-
Plans Examiner I	-	1.00	1.00	1.00	-
Zoning Plans Examiner	-	1.00	1.00	1.00	-
Senior Office Assistant	-	-	-	0.48	0.48
Total FTEs	-	6.70	6.70	7.18	0.48

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 561,880	\$ 561,880	\$ 577,505	2.8%
Operations & Maintenance	-	66,920	12,184	45,825	-31.5%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 628,800	\$ 574,064	\$ 623,330	-0.9%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 2.8% due to realignment of staff time within program areas.

Operations & Maintenance

Operations & Maintenance decreased 31.5% due to a reduced budget for outside professional services.

Intake, Issuance & Records Mgmt Program Overview

All permit applications are received and reviewed by the certified permit technicians to ensure all necessary documentation is included to provide a timely review. At each stage of review, they monitor, coordinate and issue comments until complete. Once review is complete, they issue the permit and coordinate inspections. They also collect and release assurances posted to ensure that development occurs in a timely manner and in compliance with approved plans. This team of technicians is also responsible for records management in compliance with the State's records retention law.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Division Manager, Permitting	-	0.30	0.30	0.30	-
Development Coordinator	-	1.00	1.00	1.00	-
Building Permit Tech	-	2.00	2.00	2.00	-
Total FTEs	-	3.30	3.30	3.30	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 197,611	\$ 197,611	\$ 195,596	-1.0%
Operations & Maintenance	-	22,685	11,635	22,100	-2.6%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 220,296	\$ 209,246	\$ 217,696	-1.2%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 2.6% as part of Town-wide efforts to reduce operating costs.

Inspection Program Overview

All inspection is performed by the department's staff of certified inspectors and technicians. This team is responsible for the inspection of all permitted commercial and residential construction plans for new and altered site work, utility infrastructure, buildings and other structures for compliance with the Zoning, Building and Town Codes and Ordinances. The following disciplines are included in the inspections: civil, architectural, structural, fire-resistive, life/safety, mechanical, plumbing, and electrical systems, zoning and ADA. In addition, this team is responsible for inspection to ensure implementation of the development approval decisions of the Conceptual Design Review Board and Town Council.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Div. Mgr, Inspec. and Compl.	-	0.80	0.80	0.80	-
Building Inspector II	-	4.00	4.00	4.00	-
Civil Engineering Technician	-	1.00	-	-	(1.00)
Zoning Technician	-	1.00	1.00	1.00	-
Senior Office Assistant	-	0.40	-	0.40	-
Total FTEs	-	7.20	5.80	6.20	(1.00)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 512,463	\$ 469,025	\$ 444,699	-13.2%
Operations & Maintenance	-	20,155	13,205	18,050	-10.4%
Capital	-	5,500	5,500	1,500	-72.7%
Total Expenditures	\$ -	\$ 538,118	\$ 487,730	\$ 464,249	-13.7%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 13.2% due to a position that became vacant during FY 2011 and will not be refilled.

Operations & Maintenance

Operations & Maintenance decreased 10.4% due to a reduction in travel & training and minor equipment costs.

Capital

Capital decreased 72.7% due to equipment replacements made in FY 2011 that will not be needed in FY 2012.

Code Compliance Program Overview

This program is responsible for the monitoring and enforcement of the Zoning, Building and Town Codes and Ordinances for all construction, plant salvage, landscape, signage, and development performance standards. In addition, this program monitors and enforces the expiration process for all permits and permit applications. This program is supported by the technical expertise of the inspectors, plans examiners, and permit technicians.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Div. Mgr, Inspec. and Compl.	-	0.20	0.20	0.20	-
Code Compliance Coordinator	-	1.00	1.00	1.00	-
Senior Office Assistant	-	0.60	-	0.60	-
Total FTEs	-	1.80	1.20	1.80	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 133,954	\$ 60,067	\$ 101,311	-24.4%
Operations & Maintenance	-	3,625	2,375	2,650	-26.9%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 137,579	\$ 62,442	\$ 103,961	-24.4%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 24.4% due to the refilling of a position at a lower salary.

Operations & Maintenance

Operations & Maintenance decreased 26.9% due to a reduction in field supplies and memberships & subscriptions costs.

Transportation Engineering Program Overview

Transportation Engineering 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 for small Town projects. This program is responsible for the construction management for all the public roadway projects, large and small, as well as issuing right-of-way permits for all activities within the Town's right-of-way and the Pavement Management program.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Engineering Division Manager	1.00	0.70	0.70	0.70	-
Senior Civil Engineer	0.75	0.50	0.50	0.50	-
Civil Engineer	-	-	-	0.80	0.80
Senior Civil Engineer Technician	1.00	1.00	1.00	1.00	-
Civil Engineer/Project Manager	1.00	1.00	1.00	1.00	-
Civil Engineer Designer	1.00	1.00	1.00	1.00	-
Construction Inspector	1.00	1.00	1.00	1.00	-
Office Specialist	-	-	-	0.75	0.75
Total FTEs	5.75	5.20	5.20	6.75	1.55

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 532,604	\$ 442,120	\$ 442,120	\$ 540,690	22.3%
Operations & Maintenance	121,402	96,200	61,905	58,900	-38.8%
Capital	530,010	747,000	747,000	1,200,000	60.6%
Total Expenditures	\$ 1,184,016	\$ 1,285,320	\$ 1,251,025	\$ 1,799,590	40.0%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 22.3% due to realignment of staff time within program areas.

Operations & Maintenance

Operations & Maintenance decreased 38.8% due to a reduction in outside professional services.

Capital

Capital increased 60.6% due to additional budget capacity for pavement preservation.

Traffic Engineering Program Overview

Traffic Engineering is a program within the Engineering Division. This program is responsible for maintaining and operating the Town's traffic intersection signals and lights, pavement markings, traffic signage, and traffic studies.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Engineering Division Manager	0.10	0.10	0.10	0.10	-
Senior Civil Engineer	0.25	0.50	0.50	0.50	-
Civil Engineer	0.20	0.20	0.20	-	(0.20)
Senior Traffic Technician	1.00	1.00	1.00	1.00	-
Traffic Technician	1.00	1.00	1.00	1.00	-
Traffic Signs/Markings Crew Leader	1.00	1.00	1.00	1.00	-
Sr. Traffic Signs/Markings Worker	1.00	1.00	1.00	1.00	-
Traffic Signs/Markings Worker	1.00	1.00	1.00	1.00	-
Senior Office Assistant	0.13	0.15	0.15	0.15	-
Total FTEs	5.68	5.95	5.95	5.75	(0.20)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 377,610	\$ 415,033	\$ 415,033	\$ 392,005	-5.5%
Operations & Maintenance	220,940	217,100	215,200	214,200	-1.3%
Capital	1,500	2,250	2,250	2,250	0.0%
Total Expenditures	\$ 600,050	\$ 634,383	\$ 632,483	\$ 608,455	-4.1%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 5.5% due to realignment of staff time within program areas.

Pavement Management Program Overview

Pavement Management program is responsible for operating the pavement management system and developing annual and long term schedules for surface treatments on Town streets to ensure optimal roadway driving conditions.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Engineering Division Manager	0.40	0.20	0.20	0.20	-
Civil Engineer	0.80	0.20	0.20	-	(0.20)
Civil Engineer Designer	1.00	1.00	1.00	1.00	-
Pavement Management Specialist	1.00	1.00	1.00	1.00	-
Senior Office Assistant	0.13	-	-	-	-
Total FTEs	3.33	2.40	2.40	2.20	(0.20)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 278,856	\$ 195,143	\$ 195,143	\$ 173,586	-11.0%
Operations & Maintenance	2,340	1,750	1,750	1,750	0.0%
Capital	6,759	5,000	5,000	-	-100.0%
Total Expenditures	\$ 287,955	\$ 201,893	\$ 201,893	\$ 175,336	-13.2%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 11% due to realignment of staff time within program areas.

Capital

Capital decreased 100% due to equipment replacements made in FY 2011 that will not be needed in FY 2012.

Street Maintenance Program Overview

Street Maintenance program is responsible for maintaining the Town's streets and drainage ways. This includes roadway cracksealing and slurry seals, vegetation maintenance and removal.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Operations Division Manager	0.50	0.75	0.75	0.75	-
Civil Engineer	-	0.40	0.40	-	(0.40)
Streets & Drainage Sr. Crew Leader	1.00	1.00	1.00	1.00	-
Streets & Drainage Crew Leader	2.00	2.00	2.00	2.00	-
Sr. Heavy Equipment Operator	1.00	1.00	1.00	1.00	-
Heavy Equipment Operator	4.00	4.00	4.00	4.00	-
Senior Office Assistant	0.38	0.35	0.35	0.35	-
Maintenance Worker	2.00	2.00	2.00	2.00	-
Total FTEs	10.88	11.50	11.50	11.10	(0.40)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 580,253	\$ 656,731	\$ 656,731	\$ 608,253	-7.4%
Operations & Maintenance	227,455	297,750	216,586	232,500	-21.9%
Capital	17,847	-	-	-	0.0%
Total Expenditures	\$ 825,555	\$ 954,481	\$ 873,317	\$ 840,753	-11.9%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 7.4% due to realignment of staff time within program areas.

Operations & Maintenance

Operations & Maintenance decreased 21.9% due to the transfer of certain stormwater-related maintenance expenditures to the Stormwater Utility Fund.

Facilities Maintenance Program Overview

Facilities Maintenance provides building maintenance repairs, minor renovations, project management, contract administration, energy management and HVAC services for the Town's facilities. This program is responsible for the maintenance of 15 Town buildings and structures encompassing approximately 84,900 square feet of building space.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Facilities Maintenance Crew Leader	1.00	1.00	1.00	1.00	-
Facilities Maintenance Tech	1.00	1.00	1.00	1.00	-
Civil Engineer	-	0.20	0.20	0.20	-
Senior Office Assistant	-	0.15	0.15	0.15	-
Total FTEs	2.00	2.35	2.35	2.35	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 109,463	\$ 132,725	\$ 132,725	\$ 132,367	-0.3%
Operations & Maintenance	165,542	200,282	182,282	171,300	-14.5%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 275,005	\$ 333,007	\$ 315,007	\$ 303,667	-8.8%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 14.5% due to a reduction in custodial services.

Program Budgets

Overview

The Fleet Maintenance program area is set up as an internal service fund. Each Town department that maintains a fleet of vehicles and/or heavy equipment contributes to this fund based on their respective fleet size and related costs. The Fleet Maintenance program area is responsible for the preventative maintenance and repair of the Town's fleet of vehicles and heavy equipment. This is accomplished through the combination of service contracts and staff. (Beginning FY 2012, the Police Department's fleet maintenance costs will be budgeted directly in the Police Department).

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Fleet Maintenance Mechanic III	1.00	1.00	1.00	1.00	-
Fleet Maintenance Mechanic II	1.00	1.00	1.00	-	(1.00)
Senior Office Assistant	0.37	0.35	0.35	0.35	-
Total FTEs	2.37	2.35	2.35	1.35	(1.00)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 139,672	\$ 138,561	\$ 138,561	\$ 78,621	-43.3%
Operations & Maintenance	731,996	736,407	736,407	357,650	-51.4%
Total Expenditures	\$ 871,668	\$ 874,968	\$ 874,968	\$ 436,271	-50.1%

	Revenue Sources			FY 2012 Budget	Variance to Budget
	FY 2010 Actuals	FY 2011			
		Budget	Projected		
Other Financing Sources	\$ 864,159	\$ 874,968	\$ 874,968	\$ -	-100.0%
Charges for Services	-	-	-	436,271	0.0%
Miscellaneous	7,509	-	-	-	0.0%
Total Revenues	\$ 871,668	\$ 874,968	\$ 874,968	\$ 436,271	-50.1%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 43.3% due to the transfer of one position to the Police Department.

Operations & Maintenance

Operations & Maintenance decreased 51.4% due to expenditures that have been transferred to the Police Department.

Program Budgets

DIS - Operations Division Stormwater Utility

Overview

The Stormwater Utility program is set up as an Enterprise Fund. This program 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 Stormwater Utility program also coordinates with federal, state and local government agencies.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Stormwater Engineer	1.00	1.00	1.00	1.00	-
Operations Division Manager	-	0.25	0.25	0.25	-
Civil Engineer	1.00	1.00	1.00	1.00	-
Civil Engineering Technician	1.00	1.00	1.00	1.00	-
Office Specialist	-	0.25	0.25	0.25	-
Total FTEs	3.00	3.50	3.50	3.50	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 208,914	\$ 271,877	\$ 271,877	\$ 271,973	0.0%
Operations & Maintenance	168,960	243,368	173,210	408,750	68.0%
Capital	219,736	2,252,724	1,527,943	1,075,500	-52.3%
Other Financing Uses	52,004	108,804	108,804	-	-100.0%
Total Expenditures	\$ 649,614	\$ 2,876,773	\$ 2,081,834	\$ 1,756,223	-39.0%

Does not include non-cash outlays for depreciation

	Revenue Sources			FY 2012 Budget	Variance to Budget
	FY 2010 Actual	FY 2011			
		Budget	Projected		
Federal Grants	\$ 40,676	\$ 1,188,500	\$ 876,500	\$ 380,000	-68.0%
State Grants	141,618	930,100	413,840	575,000	-38.2%
Charges for Services	745,649	743,500	744,700	751,000	1.0%
Interest	1,210	1,500	500	500	-66.7%
Total Revenues	\$ 929,153	\$ 2,863,600	\$ 2,035,540	\$ 1,706,500	-40.4%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 68% due to an increase in stormwater maintenance projects, as well as fleet costs, which were previously budgeted as an other financing use.

Capital

Capital decreased 52.3% due to completion of several townwide drainage projects.

Other Financing Uses

Other Financing Uses decreased 100% due to fleet costs that are now budgeted as operations & maintenance.

Program Budgets

Overview

The Transit Division is responsible for providing a locally run, reasonably priced service to enable our residents with disabilities, and those who are older and transportation dependent, to achieve mobility. This para-transit service is provided via the Town's Coyote Run Transit Service.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Transit Services Administrator	1.00	1.00	1.00	1.00	-
Dispatcher	1.00	1.00	1.00	1.00	-
Lead Transit Driver	1.00	1.00	1.00	1.00	-
Driver	4.74	4.74	7.11	7.11	2.37
Total FTEs	7.74	7.74	10.11	10.11	2.37

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 396,771	\$ 397,399	\$ 429,129	\$ 464,444	16.9%
Operations & Maintenance	28,716	60,850	33,900	156,620	157.4%
Capital	4,024	47,000	19,045	41,880	-10.9%
Other Financing Uses	77,424	80,000	80,000	-	-100.0%
Total Expenditures	\$ 506,935	\$ 585,249	\$ 562,074	\$ 662,944	13.3%

	Revenue Sources			FY 2012 Budget	Variance to Budget
	FY 2010 Actual	FY 2011			
		Budget	Projected		
LTAf	\$ 164,355	\$ -	\$ 34,944	\$ -	0.0%
RTA Reimbursement	59,162	50,000	76,487	50,000	0.0%
Fare Box	51,817	34,545	50,400	39,500	14.3%
Interest	1,208	1,800	164	-	-100.0%
Miscellaneous	1	18,500	634	22,500	21.6%
General Fund Subsidy	302,000	400,000	213,556	49,825	-87.5%
Highway Fund Subsidy	-	52,929	52,929	50,193	-5.2%
Bed Tax Fund Subsidy	-	-	-	450,926	0.0%
Total Revenues	\$ 578,543	\$ 557,774	\$ 429,114	\$ 662,944	18.9%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 16.9% due to the hiring of additional drivers for Sun Shuttle service expansion. This service expansion is funded through an intergovernmental agreement with Pima County's Regional Transportation Authority.

Operations & Maintenance

Operations & Maintenance increased 157.4% due to fleet costs, which were previously budgeted as an other financing use.

Other Financing Uses

Other Financing Uses decreased 100% due to fleet costs, which are now budgeted in operations & maintenance.



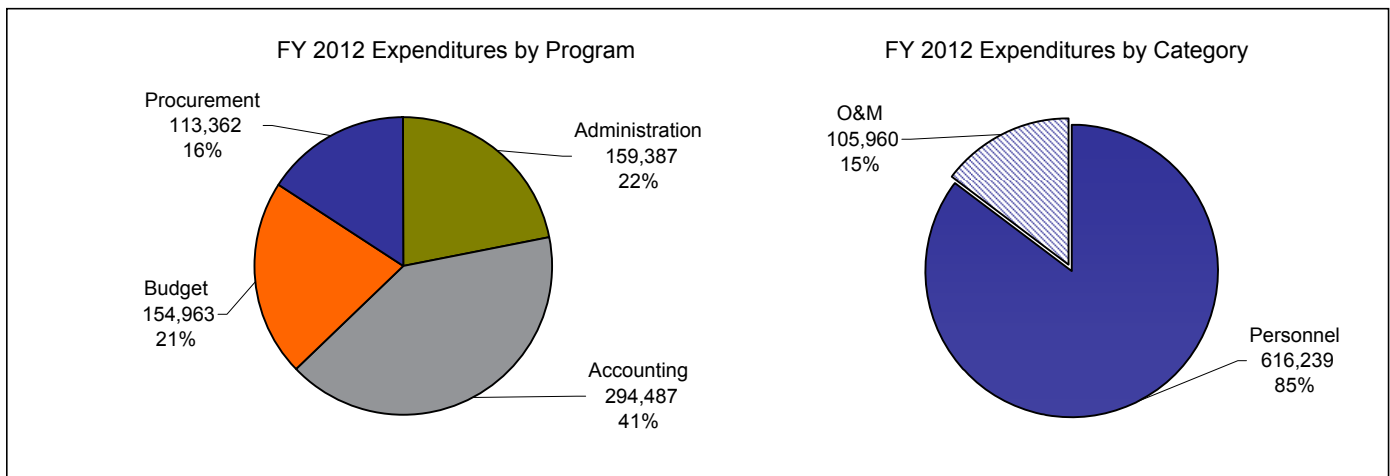
Overview

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, 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 FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
7.00	7.00	7.00	7.00

	Expenditures by Program Area				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Finance Administration	\$ 175,967	\$ 161,656	\$ 157,156	\$ 159,387	-1.4%
Accounting	320,637	294,332	293,332	294,487	0.1%
Budgeting	173,083	158,471	157,971	154,963	-2.2%
Procurement	113,763	113,154	113,154	113,362	0.2%
	\$ 783,450	\$ 727,613	\$ 721,613	\$ 722,199	-0.7%

	Revenue Sources				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Sales Tax Audit Recovery Fees	\$ 788,434	\$ 200,000	\$ 100,000	\$ 100,000	-50.0%
	\$ 788,434	\$ 200,000	\$ 100,000	\$ 100,000	-50.0%



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.

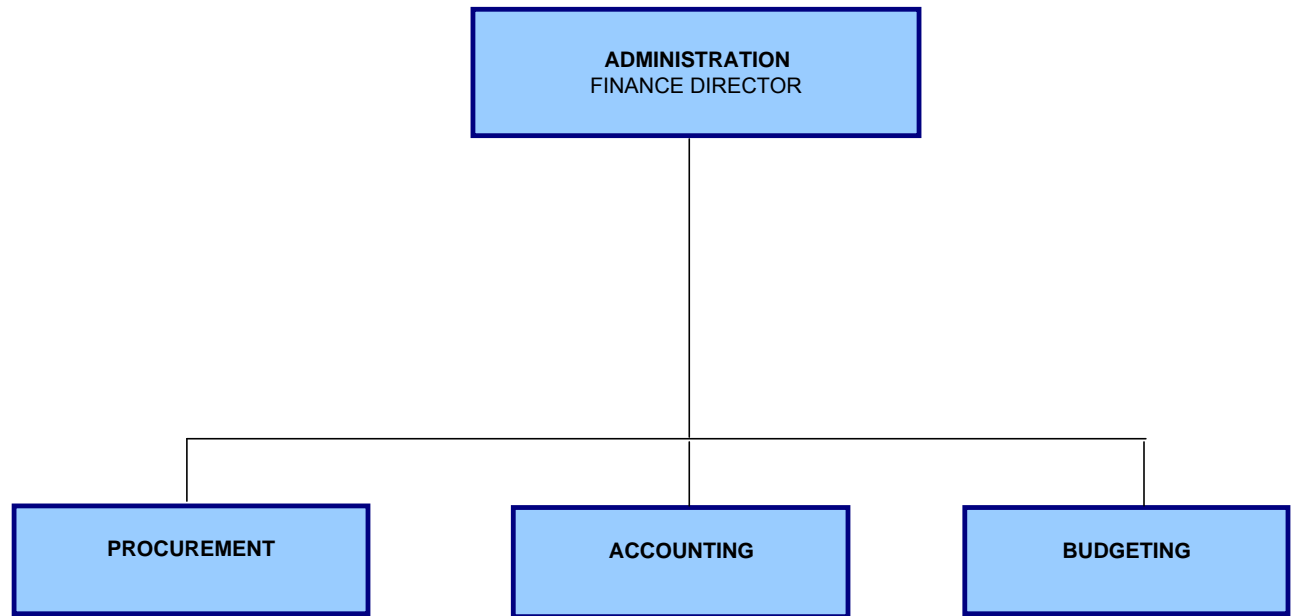
FY 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Received the Achievement of Excellence in Procurement Award for the third consecutive year - Surplus auctions generated \$65,235 in revenue and \$5,153 in sales tax - Received Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the third consecutive year - Received GFOA Certificate of Achievement for Financial Reporting Excellence for FY 2009/2010 - Received an unqualified "clean" audit opinion for FY 2009/2010 financial statements - Performed Parks & Recreation program cost recovery analysis resulting in fee increases to improve cost recovery - Completed the issuance of New Clean Renewable Energy Bonds - Direct Payment for Town's solar photovoltaic project - Received an Outstanding Achievement in Local Government Innovation Award. This recognition is from the Alliance for Innovation recognizing the Energy Efficiency and Solar Project. - Continued use of cooperative purchasing agreements resulting in cost savings and increased procurement efficiency - Implemented the Governmental Accounting Standards Board (GASB) Statement 54 which reclassifies the Town's fund balance reserves - Revised the Town's financial policies to comply with the GASB Statement 54 - Successfully diversified the Town's investment portfolio with PFM Asset Management resulting in increased interest income - Enhanced the Town's financial reporting with the implementation of the online Financial Dashboards. The dashboards are a monthly report of the town's overall financial condition. 	<p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Prepare annual 5-year forecast of revenues and expenditures ■ Clearly identify recurring vs. one-time revenue 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 Council 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 ■ Assist departments in monitoring their program performance measures established in FY 2010 ■ Prepare fiscal impact analysis of potential annexation scenarios <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 <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 goals ■ Continue use of Town's website as a repository for financial documents, reports and information

Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of months during fiscal year in which posting, balancing, and closing of each month's financial transactions were completed by 10th working day of following month	12	12	12
▶ Consecutive years awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting	17	18	19
▶ Consecutive years awarded the Government Finance Officers Association Distinguished Budget Award	2	3	4
▶ Percentage variance between mid-year revenue forecast and actual fiscal year-end revenue for all tax-based funds	2.6%	1.2%	1.0%
▶ Percentage of internal customers rating Procurement quality as excellent or good	100%	100%	100%
▶ Percentage of internal customers rating Procurement timeliness as excellent or good	100%	100%	100%
▶ Standard and Poor's (S&P) and Fitch bond ratings	AA- S&P A+ Fitch	AA- S&P AA- Fitch	AA- S&P AA- Fitch

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of Procurement protests filed and sustained	0	0	0
▶ Number of cooperative purchasing agreements utilized with other governmental jurisdictions	45	40	45
▶ Number of Accounts Payable checks processed	5,466	5,162	5,000
▶ Number of invoices paid	14,773	13,951	13,514



Administration Program Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Finance Director	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 169,817	\$ 147,756	\$ 147,756	\$ 148,187	0.3%
Operations & Maintenance	4,825	13,900	9,400	11,200	-19.4%
Capital	1,325	-	-	-	0.0%
Total Expenditures	\$ 175,967	\$ 161,656	\$ 157,156	\$ 159,387	-1.4%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 19.4% due to a reduced budget for office supplies.

Accounting Program Overview

The Accounting program 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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	-
Accounting Clerk	1.00	1.00	1.00	1.00	-
Total FTEs	3.00	3.00	3.00	3.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 231,580	\$ 210,332	\$ 210,332	\$ 210,487	0.1%
Operations & Maintenance	89,057	84,000	83,000	84,000	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 320,637	\$ 294,332	\$ 293,332	\$ 294,487	0.1%

Budgeting Program Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Budget & Management Analyst	1.00	1.00	1.00	1.00	-
Finance Analyst	1.00	1.00	1.00	1.00	-
Total FTEs	2.00	2.00	2.00	2.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 166,305	\$ 152,321	\$ 152,321	\$ 148,813	-2.3%
Operations & Maintenance	6,778	6,150	5,650	6,150	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 173,083	\$ 158,471	\$ 157,971	\$ 154,963	-2.2%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 2.3% due to a change in benefits coverage of an employee.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Procurement Administrator	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 108,816	\$ 108,654	\$ 108,654	\$ 108,752	0.1%
Operations & Maintenance	4,947	4,500	4,500	4,610	2.4%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 113,763	\$ 113,154	\$ 113,154	\$ 113,362	0.2%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 2.4% due to increased memberships and subscriptions costs.



General Administration

Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	1,610,717	1,519,625	1,315,174	2,091,767	37.7%
Capital	163,939	950,226	950,226	50,000	-94.7%
Contingency	-	-	117,816	-	0.0%
Other Financing Uses	4,635,268	989,047	814,153	223,352	-77.4%
Total Expenditures	\$ 6,409,924	\$ 3,458,898	\$ 3,197,369	\$ 2,365,119	-31.6%

FY 2011/2012 Expenditure Changes

Operations & Maintenance

Operations and Maintenance increased 37.7% to provide capacity for a rebate of development fees per contract.

Capital

Capital decreased 94.7% due to completion of budgeted energy efficiency upgrades in FY 2011.

Other Financing Uses

Other Financing Uses decreased 77.4%, as fleet costs that were previously budgeted as a transfer out (Other Financing Use) are now budgeted in Operations & Maintenance, with the Police Department's portion of fleet costs budgeted directly in the Police Department's budget. Additionally, all expenditures for the Town's Coyote Run transit system are now budgeted in the General Fund, and therefore, a transfer out to the Transit Fund is no longer required.



Human Resources

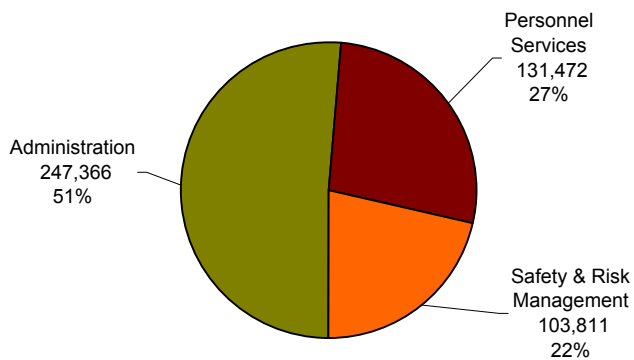
Overview

The Human Resources 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 Personnel Services Division provides staff planning, recruiting, and benefits programs services; the Safety and Risk Management Division provides safety and risk management services.

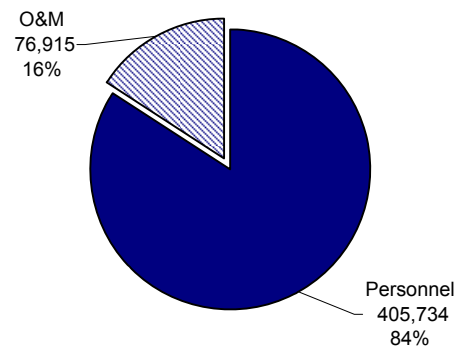
Total FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
4.00	5.00	5.00	5.00

	Expenditures by Program Area				% to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Administration	\$ 213,687	\$ 244,619	\$ 224,087	\$ 247,366	1.1%
Personnel Services	35,491	137,121	129,121	131,472	-4.1%
Safety and Risk Management	166,896	102,449	102,449	103,811	1.3%
	\$ 416,074	\$ 484,189	\$ 455,657	\$ 482,649	-0.3%

FY 2012 Expenditures by Program



FY 2012 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 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> – Improved the collection of data and subrogation of claims resulting from damage to Town property by creating a formal database – Conducted training and investigative follow-up with the fleet safety program and accident investigation to reduce accident frequency, lost time injuries, vehicle inoperability and cost of insurance deductibles – Implemented the Occupational Safety and Health Manual (OSHM). Focus will be on training and supervision to enhance safer work practices and reduce workers compensation costs, which will keep our workforce healthy and comfortable. – Created and delivered training, mentoring and support to supervisory staff concerning all applicable OSHM policies – Created and delivered training, mentoring and support to supervisory staff concerning fiduciary responsibilities and collective impact on best risk management practices – Implemented NeoGov software system for the hiring process – Developed and implemented a volunteer and intern usage program across the organization – Negotiated new insurance contract resulting in \$100,000+ savings for property casualty and worker's compensation – Delivered quarterly new employee orientation combined with development of an employee resource guide – Conducted negotiations with multiple health care providers resulting in employees receiving a cafeteria plan model of benefits with no increased financial impact to employees or the Town – Successfully completed the first annual employee satisfaction survey – Established a Town-wide employee training calendar – Established the First Look Team as part of the Innovations Team implementation – Began the use of assessment tools for communication education – Conducted research pay adjustments for two classifications within the Town classification and compensation plan – Managed and facilitated PSPRS, ASRS and CORP retirement boards 	<p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Create and implement new inventory tracking forms for annual insurance renewal audit ■ Create and implement the return to work / light duty policy changes ■ Facilitate Town wellness program and increase employee involvement leading to lower healthcare costs <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Standardize the Family and Medical Leave Act (FMLA) process by incorporating the Department of Labor standardized forms, developing a tracking system with the MUNIS Town operating system, and ensuring employees and supervisors receive training on new process and procedures ■ Develop and conduct training needs assessment and develop Town training plan ■ Conduct analysis of Town policies and procedures to identify discrepancies and take corrective action ■ Facilitate Career Ladder Squad as part of Innovations Team ■ Implement Town-wide use of SharePoint software system ■ Administer and assess <i>Talk of the Town</i> internal employee communication tool and incorporate changes as needed ■ Continue Occupational Safety and Health Manual chapter development ■ Provide retirement savings education to Town employees ■ Implement employer requirements established by Health Care Reform ■ Educate employees about Health Care Reform impacts

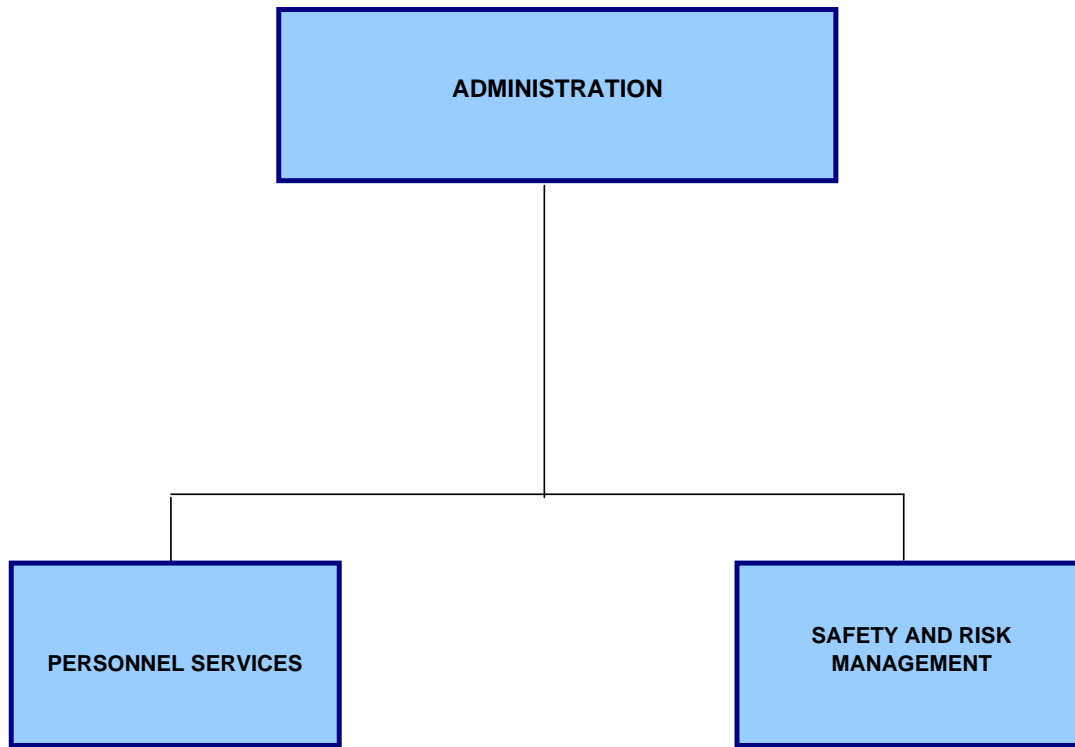
Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Dollar amount of health insurance claims per FTE	No Data	\$367	\$367
▶ Number of traffic accidents involving Police vehicles per 100,000 miles driven	0.93	0.97	0.92
▶ Number of traffic accidents involving non-Police vehicles per 100,000 miles driven	0.58	1.25	0.65
▶ Number of workers compensation claims	21	26	24
▶ Percentage of employee turnover	12.0%	12.0%	12.0%
▶ Number of hours of leadership and supervisory training (Implemented use of MUNIS ERP software to track beginning FY 2012)	N/A *	12	450
▶ Average years of tenure (employee retention) in workforce			
	20-27yrs 15	15-19.9 yrs 26	10-14.99 yrs 61
			5-9.99 yrs 122
			0-4.99 yrs 93
▶ Number of sick leave hours used in workforce per month (FY 2011)			
		July	Jan
		Aug	Feb
		Sept	Mar
		Oct	Apr
		Nov	May
		Dec	Jun
		1270	1421
		1264	1901
		1641	2018
		2363	2750
		1322	1873
		1826	1299

* New performance measure for FY 2011; prior fiscal year data not available

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of job applications received	554	581	581
▶ Number of job interviews conducted	129	135	135
▶ Number of new hires (includes seasonal and part-time employees)	33	35	35



Administration Program Overview

The Administration Division partners with Town management in developing organization improvements; develops and implements policies and procedures; designs and administers annual compensation and classification plans; administers the performance management process; consults with supervisors on employee relations and grievance resolutions; manages disciplinary procedures; provides or coordinates ongoing training and development opportunities; provides orientation programs; partners with management to develop succession plans or performance improvement plans; and negotiates with public safety employee representatives.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Human Resource Director	1.00	1.00	1.00	1.00	-
Employee & Org. Dev. Analyst	-	1.00	1.00	1.00	-
Total FTEs	1.00	2.00	2.00	2.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 162,893	\$ 199,424	\$ 178,117	\$ 198,091	-0.7%
Operations & Maintenance	48,743	45,195	45,195	49,275	9.0%
Capital	2,051	-	775	-	0.0%
Total Expenditures	\$ 213,687	\$ 244,619	\$ 224,087	\$ 247,366	1.1%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 9% due to an increase in employee tuition reimbursement costs.

Personnel Services Program Overview

This division partners with supervisors to plan staffing needs, creates and updates job descriptions; administers NEOGOV software; advertises for open positions, assists in applicant selection, schedules and conducts interviews, coordinates background checks, communicates with applicants and newly selected staff members; administers tuition reimbursement; coordinates the employee assistance program, oversees the Human Resources module of the MUNIS Enterprise Resource Planning (ERP) system, administers the workers compensation program, and coordinates employee recognition and special events. The division also negotiates and administers employee benefits; Consolidated Omnibus Budget Reconciliation Act (COBRA) health coverage administration; leave administration including Family and Medical Leave Act (FMLA), annual leave, accrual, sick time used, donation of leave time, etc.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Human Resource Specialist	1.00	2.00	2.00	2.00	-
Total FTEs	1.00	2.00	2.00	2.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 23,798	\$ 102,746	\$ 102,746	\$ 107,097	4.2%
Operations & Maintenance	11,693	34,375	26,375	24,375	-29.1%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 35,491	\$ 137,121	\$ 129,121	\$ 131,472	-4.1%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.2% due to changes in benefits coverage of each employee.

Operations & Maintenance

Operations & Maintenance decreased 29.1% due to the transfer of a portion of recruitment and advertising costs to General Administration.

Safety and Risk Management Program Overview

The Safety & Risk Management Division administers Town-wide drug testing as required; ensures Arizona Division of Occupational Safety and Health (ADOSH) compliance; and oversees risk management and workplace safety training.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Safety & Risk Manager	1.00	1.00	1.00	1.00	-
Human Resource Specialist	1.00	-	-	-	-
Total FTEs	2.00	1.00	1.00	1.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 144,896	\$ 100,514	\$ 100,514	\$ 100,546	0.0%
Operations & Maintenance	22,000	1,935	1,935	3,265	68.7%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 166,896	\$ 102,449	\$ 102,449	\$ 103,811	1.3%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 68.7% due to increases in travel & training, as well as memberships & subscriptions.



Information Technology

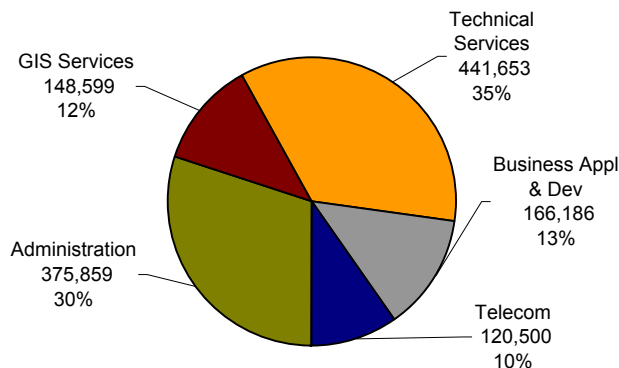
Overview

The mission of the Information Technology (IT) 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.

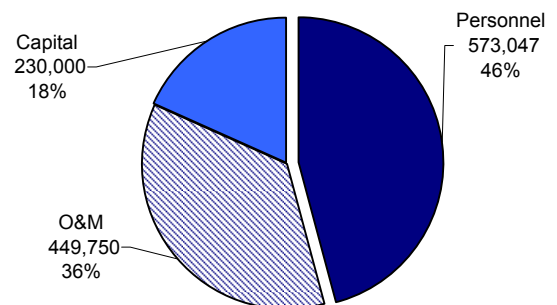
Total FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
8.00	8.00	8.00	7.00

	Expenditures by Program Area				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Administration	\$ 311,606	\$ 362,900	\$ 362,900	\$ 375,859	3.6%
GIS Services	185,234	146,670	146,670	148,599	1.3%
Technical Services	303,138	317,642	317,642	441,653	39.0%
Business Applications & Development	159,839	174,394	164,394	166,186	-4.7%
Telecommunications	127,980	118,500	106,500	120,500	1.7%
	\$1,087,797	\$1,120,106	\$1,098,106	\$1,252,797	11.8%

FY 2012 Expenditures by Program



FY 2012 Expenditures by Category



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.

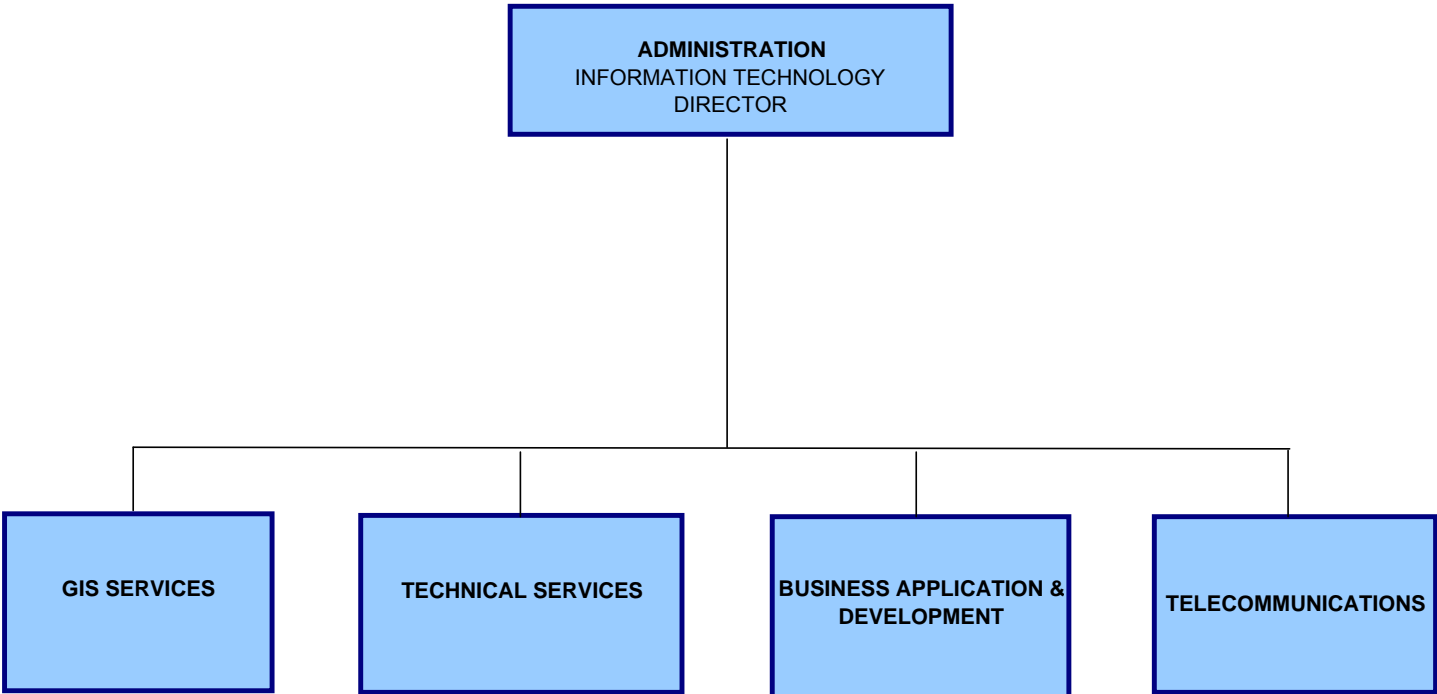
FY 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Library program room multimedia and Wi-Fi equipment upgrades - 90 computer/mobile data center replacements - Four data center server upgrades/replacements - James D. Kriegh Park security system - Oro Valley Police Department wireless communications upgrades - Successful software implementation of NeoGov and PowerSave 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Continue to enhance web site by expanding functionality for citizens and business ■ Leverage existing and new IT tools to inform and educate public officials and citizens <p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Enhance web site by expanding functionality for the development and business communities ■ Enhance GIS mapping and analysis for planning existing and future land use <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Update and maintain a reliable IT infrastructure ■ Continue development of data continuity plan ■ Begin development of new IT Strategic Plan

Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Percentage of network and desktop device moves, additions, or changes completed when scheduled	100%	100%	100%
▶ Percentage of Help Desk calls resolved at time of call	50%	50%	40%
▶ Percentage of Help Desk calls resolved within 4 hours of call	80%	80%	70%
▶ Percentage of Help Desk calls resolved within 8 hours of call	70%	70%	60%
▶ Percentage of internal customers rating overall satisfaction with IT services as excellent or good	90%	90%	80%

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of vendor applications supported	27	29	30
▶ Number of custom applications supported	47	52	57
▶ Number of Telecommunications service requests received	95	125	150
▶ Number of Help Desk requests received	541	600	700



Administration Program Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Information Technology Director	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 118,439	\$ 120,750	\$ 120,750	\$ 120,759	0.0%
Operations & Maintenance	193,167	242,150	242,150	255,100	5.3%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 311,606	\$ 362,900	\$ 362,900	\$ 375,859	3.6%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 5.3% due to increases in software maintenance costs.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
GIS Analyst	2.00	2.00	2.00	2.00	-
Total FTEs	2.00	2.00	2.00	2.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 139,003	\$ 141,020	\$ 141,020	\$ 141,349	0.2%
Operations & Maintenance	46,231	5,650	5,650	7,250	28.3%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 185,234	\$ 146,670	\$ 146,670	\$ 148,599	1.3%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 28.3% due to an increase in travel & training.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Network Administrator	1.00	1.00	1.00	1.00	-
Network Manager	1.00	1.00	1.00	-	(1.00)
IT Technician	1.00	1.00	1.00	1.00	-
Total FTEs	3.00	3.00	3.00	2.00	(1.00)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 245,671	\$ 249,667	\$ 249,667	\$ 154,803	-38.0%
Operations & Maintenance	42,642	67,975	67,975	56,850	-16.4%
Capital	14,825	-	-	230,000	0.0%
Total Expenditures	\$ 303,138	\$ 317,642	\$ 317,642	\$ 441,653	39.0%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 38% due to the transfer of one position to the Police Department.

Operations & Maintenance

Operations & Maintenance decreased 16.4% due to the transfer of a portion of expenditures to the Police Department.

Capital

Capital is for replacement of computers, servers and mobile data centers, as well as network infrastructure upgrades. These expenditures were previously budgeted in a separate Capital Asset Replacement Fund, which is collapsed into the General Fund beginning FY 2012.

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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Systems Analyst	1.00	1.00	1.00	1.00	-
Database Analyst	1.00	1.00	1.00	1.00	-
Total FTEs	2.00	2.00	2.00	2.00	-

	FY 2011 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 153,884	\$ 155,944	\$ 155,944	\$ 156,136	0.1%
Operations & Maintenance	5,955	18,450	8,450	10,050	-45.5%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 159,839	\$ 174,394	\$ 164,394	\$ 166,186	-4.7%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 45.5% due to reductions in consulting and technical support costs.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ 127,980	\$ 118,500	\$ 106,500	\$ 120,500	1.7%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 127,980	\$ 118,500	\$ 106,500	\$ 120,500	1.7%

FY 2011/2012 Expenditure Changes

Operations & Maintenance

Operations & Maintenance increased 1.7% due to increased equipment repair and maintenance costs.



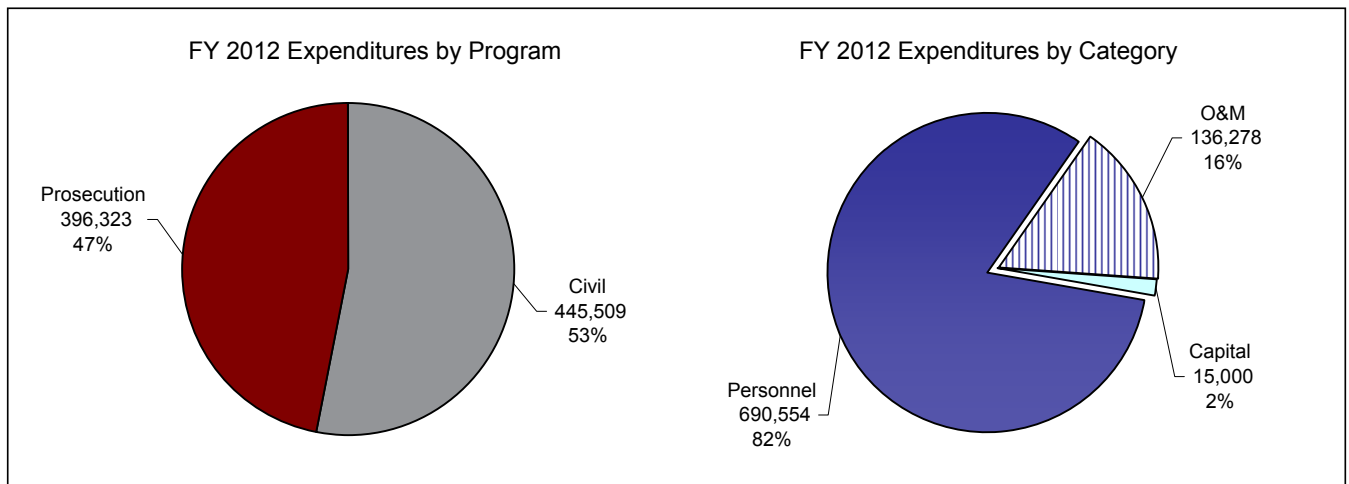
Overview

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 FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
8.00	8.00	8.00	8.00

	Expenditures by Program Area				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Civil	\$ 379,351	\$ 444,576	\$ 359,376	\$ 445,509	0.2%
Prosecution	368,276	398,209	381,409	396,323	-0.5%
	\$ 747,627	\$ 842,785	\$ 740,785	\$ 841,832	-0.1%

	Revenue Sources				% to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
State Grants	2,340	15,000	15,000	15,000	0.0%
	\$ 2,340	\$ 15,000	\$ 15,000	\$ 15,000	0.0%



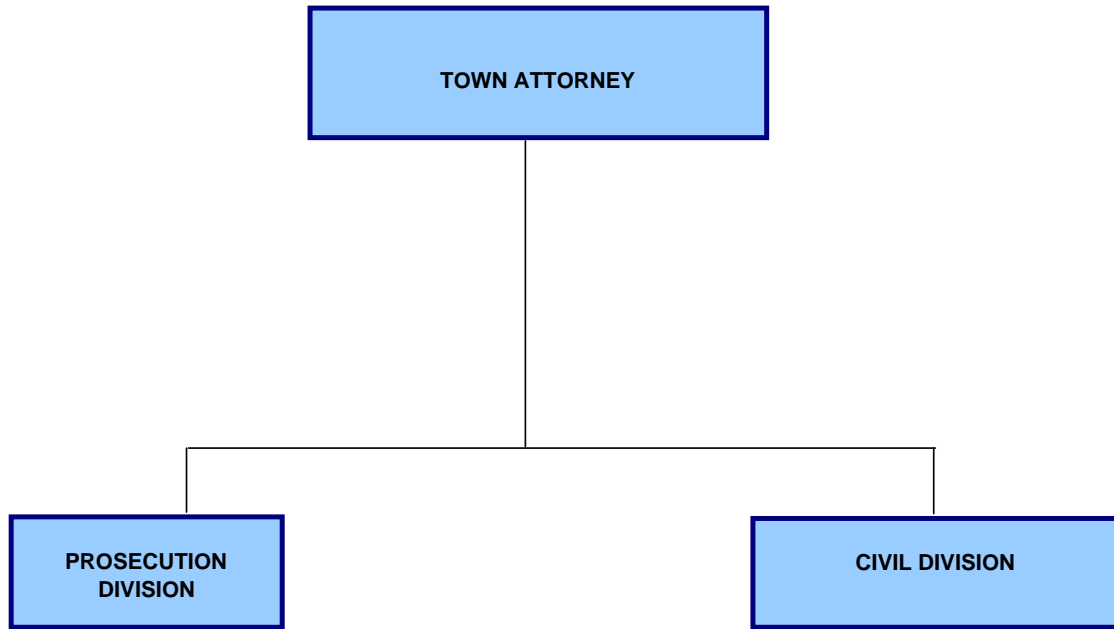
Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Budgeted per capita Civil Program operating and maintenance (O&M) expenditures	\$2.58	\$2.48	\$2.45
▶ Budgeted per capita Prosecution Program O&M expenditures	\$1.06	\$0.92	\$0.87
▶ Number of cases processed per prosecutor			
Town Prosecutor	657 *	600 *	600 *
Assistant Town Prosecutor	594	550	550
▶ Percentage of requests from Town Council and staff for legal opinions, ordinances, resolutions and other civil matters responded to within 14 days	100% *	100% *	100% *

* Measured on calendar year basis

Workload Indicators

	CY 2010 Actual	CY 2011 Estimate	CY 2012 Projected
▶ Number of civil files opened	219	182	182
▶ Number of ordinances drafted	24	38	38
▶ Number of resolutions drafted	86	86	86
▶ Number of Council agenda items worked	505	259	259
▶ Number of opinions issued	8	3	3
▶ Number of prosecution files opened	1,251	1,150	1,150
▶ Training of sworn Police personnel on arrest standards and legal trends conducted ___ times per year	2	2	2



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 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> – Worked on the Environmentally Sensitive Lands Ordinance Committee and drafted provisions for that code – Worked with our insurance attorneys to obtain successful settlement on the Town’s lawsuit against Vestar Development regarding damage in excess of \$500,000 to the Reservoir facility at Oro Valley Marketplace as a result of negligent soil compaction by Hunter Contracting Company acting on behalf of Vestar Development at the adjacent Oro Valley Marketplace project. This litigation is now closed. – Worked on Citizens Academy and gave presentations regarding public records, open meeting law and how to run a meeting – Worked closely with Risk Retention pool on Notice of Claim matters – Worked with Human Resources Department on personnel issues, including several terminations – Worked closely with DIS Department to streamline building and zoning code violations – Drafted new stormwater penalty code provisions for residents with delinquent fees and implemented Magistrate Court procedure – Worked on Concept Design Review Board Committee and assisted in drafting code and design standards – Worked on Special Events committee and drafted special events code – Worked with our insurance attorneys on the Reflections at the Buttes litigation and trial preparation – Successfully obtained dismissal of the Town in litigation regarding a claim to invalidate a conservation easement belonging to Benchmark Homes and Electronic Communities – Worked with our insurance attorneys for the litigation from Electronic Communities, Inc. regarding credit impact fees. This case has been dismissed. – Worked with our insurance attorneys and successfully dismissed a lawsuit alleging that the Oro Valley Magistrate Court improperly issued an injunction against harassment involving a property dispute – Drafted Water Utility Department utility easements with neighbors within La Cholla Airpark for construction of a water reservoir – Worked with DIS Department on solar energy issues – Worked with Parks, Recreation, Library and Cultural Resources Department to draft a standard Pool Lease Agreement – Drafted drainage easements for property owners for the Lomas de Oro Wash Stormwater project – Drafted Town code for discharge of weapons – Drafted code for anti-graffiti – Drafted proposed legislation for new AZ annexation statutes 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Assign staff to maximize productivity given limited resources ■ Ensure continuing development of attorneys and staff <p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Continue to provide accurate and timely legal advice and representation to Mayor and Council and Town staff ■ Evaluate cases for appropriateness relating to potential utilization of outside counsel <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ 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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	-
Paralegal II	1.00	1.00	1.00	1.00	-
Office Assistant	1.00	1.00	1.00	1.00	-
Total FTEs	4.00	4.00	4.00	4.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 360,148	\$ 343,019	\$ 343,019	\$ 344,895	0.5%
Operations & Maintenance	19,203	101,557	16,357	100,614	-0.9%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 379,351	\$ 444,576	\$ 359,376	\$ 445,509	0.2%

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 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Handled numerous criminal cases - Filed numerous appeals - Drafted and wrote ordinances with other departments - Town prosecutor appointed to State Prosecution Board for another four year term - Town prosecutor named State Prosecution Training Committee Chairman - Attended medical marijuana meetings - Taught Advanced Advocacy Course for other prosecutors - Town Graffiti Committee - Completed Incident Command System training - Obtained small grant for updated computers/printers/etc. - Updated Town Code fines - Assisted Sahuarita Prosecutors Office - Assisted with Univ. of Arizona criminal sentencing study - Assistant prosecutor nominated for State Victim Advocacy Award - Received Udall fellowship recipient as Prosecution intern - Senior paralegal attended Town sponsored Supervisory training sessions - Senior paralegal negotiated zero increase in case management software program - Senior paralegal assisted Pima County Victim Witness in implementing new reporting requirements - Senior paralegal coordinated quarterly meetings of Court/Police/Prosecutor offices - Legal secretary completed Paralegal Studies program and certification - Legal secretary member of Wellness Committee - Legal secretary maintains prosecution website - Assisted Pima County Victim/Witness in obtaining a federal grant - Participated in Police Special Olympic Torch Run 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Promote integrity in the prosecution profession and coordination in the criminal justice system, including active involvement in Arizona Prosecuting Attorneys Advisory Council (APAAC) and with the State Legislature <p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Use of standardized plea offers, including fines <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Promote the fair, impartial and expeditious pursuit of justice ■ Promote and ensure a safer community

Prosecution Program Overview

The Prosecution Division prosecutes, diverts, 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 Attorney or Arizona Attorney General.

The Prosecution Division handles Rule 11 mental health hearings at Superior Court for those persons charged with criminal offenses.

The Prosecution Division provides Victim Services under the Arizona Constitution.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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 FTEs	4.00	4.00	4.00	4.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 338,819	\$ 345,437	\$ 345,437	\$ 345,659	0.1%
Operations & Maintenance	26,976	37,772	20,972	35,664	-5.6%
Capital	2,481	15,000	15,000	15,000	0.0%
Total Expenditures	\$ 368,276	\$ 398,209	\$ 381,409	\$ 396,323	-0.5%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 5.6% due to reductions in memberships & subscriptions.



Magistrate Court

Overview

Services rendered by Magistrate Court include 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, taking applications for and issuing marriage licenses, and performing weddings. Services rendered by the Court are governed by rules set by the Arizona Supreme Court and guided by statutes enacted by the Arizona Legislature.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Magistrate Judge	1.00	1.00	1.00	1.00	-
Court Administrator	1.00	1.00	1.00	1.00	-
Courtroom Clerk	1.00	1.00	1.00	1.00	-
Senior Court Clerk	3.00	3.00	3.00	3.00	-
Court Clerk	2.00	2.00	2.00	2.00	-
Bailiff	1.00	1.00	1.00	1.00	-
Total FTEs	9.00	9.00	9.00	9.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 609,417	\$ 632,377	\$ 632,377	\$ 648,455	2.5%
Operations & Maintenance	119,133	121,395	112,545	133,170	9.7%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 728,550	\$ 753,772	\$ 744,922	\$ 781,625	3.7%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Court Costs	\$ 165,537	\$ 235,000	\$ 222,000	\$ 230,000	-2.1%
Public Defender Fees	7,260	6,300	4,000	4,000	-36.5%
Fines	202,144	195,000	210,000	190,000	-2.6%
Total Revenues	\$ 374,941	\$ 436,300	\$ 436,000	\$ 424,000	-2.8%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 9.7% due to required software upgrades and changes to the Intergovernmental Agreement with Pima County.

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 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Received approval for destroying completed files after they are scanned, saving filing space and taking another step towards paperless - Staff attended Court Management seminars, working toward Court Management Certification - Annual customer Access and Fairness Survey conducted with satisfactory results - Staff was cross trained in all court functions to promote a continuance of operations in support of disaster planning - Court received an excellent rating from the Supreme Court after a full Court Operation Review - Court fine enforcement clerk was awarded the 2010 Award of Excellence for the Arizona Court Association for her payment plan program 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Continuously seek out opportunities for staff to attend leadership training ■ Survey the community on customer service and jury participation ■ Be a leader in the community embracing advanced court technology <p>Focus Area: Financial and Economic Development</p> <ul style="list-style-type: none"> ■ Provide opportunities for defendants to perform community restitution for the Town, reducing the need to pay for additional resources ■ Purchase advanced jury software to capture additional statistical information ■ Increase efficiency by moving toward e-filing of pleadings

Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Variance between total cases completed and total cases filed (goal is +/-10%)	15.29%	13.50%	10.00%
▶ Percentage of court visitors rating fairness of the court as excellent or good (goal is 75%)	74.0%	79.4%	80.0%
▶ Percentage of court visitors rating promptness and courteousness as excellent or good (goal is 80%)	79.0%	86.7%	88.0%
▶ Compliant with the Administrative Office of the Court (AOC) Minimum Accounting Standards	Yes	Yes	Yes

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of total cases filed	7,519	6,317	6,500
▶ Number of DUI cases filed	249	189	200
▶ Number of protective orders filed	131	132	130

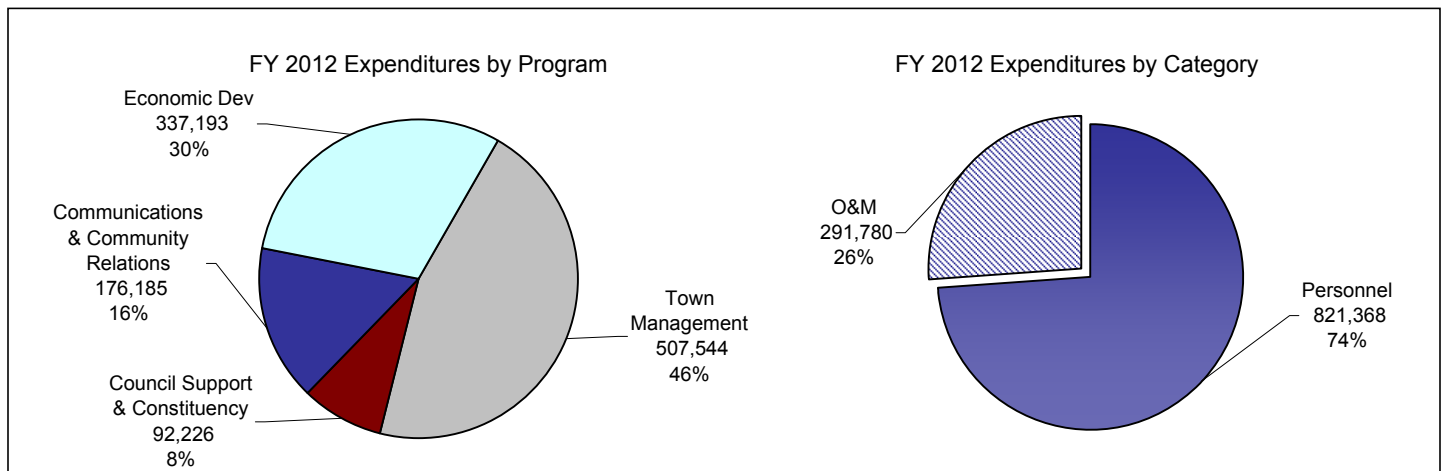


Overview

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 promotion of economic development, intergovernmental programs, communications, and for coordination of the administrative functions of the various departments, divisions, boards, and services of the Town government. The Town of Oro Valley is made up of the following departments and/or offices: Manager; Clerk; Human Resources; Finance; Legal; Police; Water Utility; Development and Infrastructure Services; Parks, Recreation, Library, and Cultural Resources; Information Technology; and Magistrate Court.

Total FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
9.90	10.50	8.50	9.10

	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Town Management	\$ 492,649	\$ 510,563	\$ 451,215	\$ 507,544	-0.6%
Council Support and Constituency	108,952	93,233	93,233	92,226	-1.1%
Communications and Community Rel.	271,025	297,899	268,622	176,185	-40.9%
Economic Development	487,280	432,080	459,628	337,193	-22.0%
	\$ 1,359,906	\$ 1,333,775	\$ 1,272,698	\$ 1,113,148	-16.5%



Mission

To execute the policies and programs established by the Town Council and to provide administrative leadership and management of municipal operations.

FY 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Celebrated grand opening of BASIS Oro Valley charter school - Negotiated a Financial Participation Agreement (FPA) for expansion of Ventana Medical Systems - Launched Innovations Team to expand employee participation - Developed new 2011 Strategic Plan - Developed new 2011 Community Economic Development Strategy (CEDS) - Held first-ever Economic Summits with local business leaders, community leaders and residents - Awarded Outstanding Achievement in Local Government Innovation Award for the Town's energy efficiency and solar project 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Build trust through effective public outreach and communication ■ Create an environment conducive to effective dialogue among the Council and staff ■ Maintain strong intergovernmental relationships <p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Maintain a balanced budget ■ Develop diverse sources of revenues ■ Cultivate relationships with the business community and create a business-friendly environment

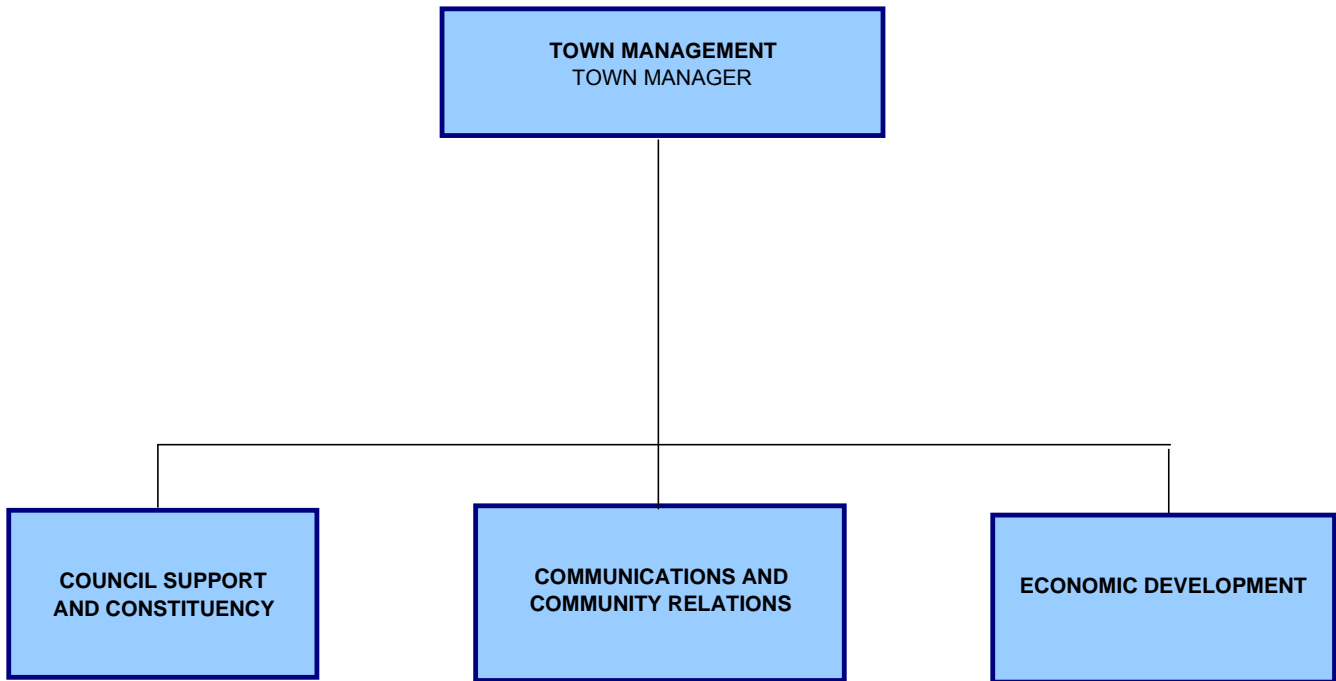
Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Average time to fulfill constituent requests (days)	2.58	3.38	2.50
▶ Percentage of business retention site visit participants rating satisfaction with site visit as excellent or good	N/A *	90%	90%
▶ Average monthly unique visitors to the Business Navigator website (online Oro Valley business locator)	N/A *	891	980
▶ Average monthly readership of VISTA magazine online	N/A *	390	488

* New performance measure in FY 2011; prior fiscal year data not available

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of constituent requests received	344	397	389
▶ Number of business retention site visits conducted	20	14	14



Town Management Program Overview

The Town Manager’s office is responsible for the fiscal health of the Town government, and for direction and coordination of the administrative functions of the various departments, divisions, boards, and services of the Town Government. The Town Manager’s office provides staff support to the Town Council, handles 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 federal appropriation requests. The Town Manager’s office also maintains citizen and community relations, as well as Oro Valley representation on regional boards and quasi-governmental councils to keep our needs considered in regional decision-making.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Town Manager	-	1.00	1.00	1.00	-
Assistant Town Manager	1.00	1.00	1.00	1.00	-
Assistant to the Town Manager	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	0.75	0.75	0.75	-
Senior Office Specialist	-	0.25	0.25	0.25	-
Management Intern	0.40	-	-	-	-
Total FTEs	3.40	4.00	4.00	4.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 448,979	\$ 485,763	\$ 426,415	\$ 476,245	-2.0%
Operations & Maintenance	31,412	24,800	24,800	31,299	26.2%
Contingency	12,258	-	-	-	0.0%
Total Expenditures	\$ 492,649	\$ 510,563	\$ 451,215	\$ 507,544	-0.6%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 26.2% due to increases in travel & training.

Council Support and Constituency Program Overview

The Council Support & Constituent Services Division provides administrative support to the Town Council through a one-stop constituent “office” (Constituent Services Office) where concerns, complaints, inquiries, referrals and information requests are addressed with stellar customer service and a common sense approach. The Constituent Services Coordinator (CSC) facilitates public education efforts, coordinates departmental responses, and ensures that constituent voices and perspectives are consistently captured and transmitted to Town leadership. The Constituent Services Office also conducts the Council on Your Corner program and provides outreach to homeowner associations. Constituent issues are tracked to monitor changing community needs and desires, allowing the Town Manager's office to adjust policies and budget options in order to better serve town residents.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Constituent Services Coordinator	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	0.25	0.25	0.25	-
Executive Assistant	-	0.25	0.25	0.25	-
Total FTEs	2.00	1.50	1.50	1.50	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 107,166	\$ 92,233	\$ 92,233	\$ 91,476	-0.8%
Operations & Maintenance	1,786	1,000	1,000	750	-25.0%
Total Expenditures	\$ 108,952	\$ 93,233	\$ 93,233	\$ 92,226	-1.1%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 25% due to reductions in miscellaneous operating costs.

Communications and Community Relations Program Overview

The Communications & Community Relations division manages and facilitates all media relations on behalf of the organization. The communications administrator is responsible for the oversight of communication, branding, marketing-related programs, activities and project management. In addition, the division plans, develops and produces publications and services designed to facilitate communication between Town leadership and residents in order to keep residents informed about Town services, activities and programs.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Communications Administrator	1.00	1.00	-	1.00	-
Public Information Officer	1.00	1.00	-	-	(1.00)
Communications Specialist	1.00	1.00	1.00	1.00	-
Communications Intern	0.10	0.10	0.10	0.10	-
Senior Office Specialist	-	0.50	0.50	0.50	-
Total FTEs	3.10	3.60	1.60	2.60	(1.00)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 258,377	\$ 278,289	\$ 249,012	\$ 159,685	-42.6%
Operations & Maintenance	12,648	19,610	19,610	16,500	-15.9%
Total Expenditures	\$ 271,025	\$ 297,899	\$ 268,622	\$ 176,185	-40.9%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 42.6% due to one vacant position that will not be refilled and one position budgeted at a lower salary.

Operations & Maintenance

Operations & Maintenance decreased 15.9% due to reductions in several line items, including outside professional services, travel & training, and memberships & subscriptions.

Economic Development Program Overview

The Economic Development Division provides services such as business recruitment and retention, relocation assistance, liaison to regional tourism and economic development organizations, development project team leadership, and economic analysis and projections. The economic development manager 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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Economic Development Manager	1.00	1.00	1.00	1.00	-
Intern	0.40	0.40	0.40	-	(0.40)
Total FTEs	1.40	1.40	1.40	1.00	(0.40)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 70,015	\$ 74,729	\$ 81,432	\$ 93,962	25.7%
Operations & Maintenance	417,265	357,351	378,196	243,231	-31.9%
Total Expenditures	\$ 487,280	\$ 432,080	\$ 459,628	\$ 337,193	-22.0%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 25.7% due to a salary market adjustment.

Operations & Maintenance

Operations & Maintenance decreased 31.9% due to a bed tax rebate that ends September 30, 2011.



Parks, Recreation, Library & Cultural Resources

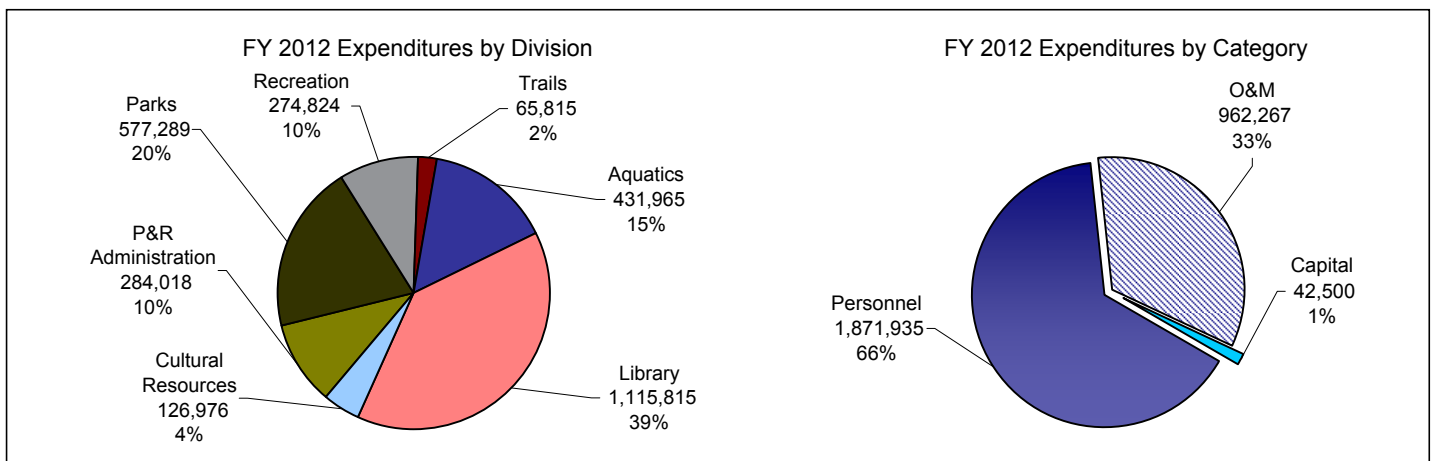
Overview

This department represents municipal services in six areas, including parks, recreation, trails, aquatics, library and cultural and historic resources. This department is further responsible to provide staff support to the Parks and Recreation Advisory Board, the Historic Preservation Commission, the Oro Valley Public Library Family Advisory Board, the Oro Valley Public Library Teen Advisory Board, and the Friends of the Oro Valley Public Library.

Total FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
45.95	42.31	42.31	40.94

	Expenditures by Division				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Parks & Rec Administration	\$ 294,611	\$ 277,809	\$ 286,541	\$ 284,018	2.2%
Parks	742,723	565,482	530,642	577,289	2.1%
Recreation	335,929	344,539	324,539	274,824	-20.2%
Trails	70,555	65,483	65,956	65,815	0.5%
Aquatics	547,386	451,601	451,601	431,965	-4.3%
Library	1,204,617	1,159,028	1,144,028	1,115,815	-3.7%
Cultural Resources	84,963	992,773	849,963	126,976	-87.2%
	\$ 3,280,784	\$ 3,856,715	\$ 3,653,270	\$ 2,876,702	-25.4%

	Revenue Sources				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Charges for Services	\$ 346,400	\$ 352,000	\$ 314,000	\$ 322,750	-8.3%
Other Intergovernmental Revenue	633,450	607,781	600,281	591,160	-2.7%
State Grants	75,600	-	-	25,000	0.0%
Federal Grants	-	250,000	-	-	-100.0%
Pima County Bond Proceeds	45,012	275,000	243,100	-	-100.0%
Other Financing Sources	470,000	-	-	-	0.0%
	\$ 1,570,462	\$ 1,484,781	\$ 1,157,381	\$ 938,910	-36.8%



Mission

To enhance the quality of life for all Oro Valley residents by providing exceptional community facilities and programs for all ages.

FY 2011 Highlights	FY 2012 Goals and Objectives
<p>Parks & Recreation Administration</p> <ul style="list-style-type: none"> - Upgraded to RecTrac version 10.3 for the WebClient functionality establishing RecTrac usage at the municipal pool, processing daily visits, passes and activity registrations on site - Streamlined racquetball and tennis memberships to function on a fiscal year basis - Adjusted ramada reservations to an hourly rental basis <p>Aquatics</p> <ul style="list-style-type: none"> - Pool Users Working Group created - Oro Valley Municipal Pool Feasibility Study completed and accepted by the Town Council - New pool ramada constructed to hold solar panels which will help heat the pool water and reduce expenses during the winter months - New aquatics program, Amphibious Athletes, was introduced for the 2011 summer season - New scuba diving program was introduced and offered at the Oro Valley Municipal Pool - Hosted the World's Largest Swim Lesson for the second year and successfully helped break the Guinness world record <p>Trails</p> <ul style="list-style-type: none"> - Coordinated with Development & Infrastructure Services staff to hold the Town's first alternate modes contest as part of the Town's solar parking lot project - Submitted several grant applications and award nominations - Held the Town's third annual Bike to Work Day as part of the Regional Bike Fest <p>Recreation</p> <ul style="list-style-type: none"> - Received Arizona Parks & Recreation Association Leisure and Benefits Branch Outstanding Program Award - Awarded the Arizona Parks & Recreation Association Outstanding Program Award for Community or Neighborhood Special Events - Partnered with the Aquatics division to host "Amphibious Athletes" summer program at James D. Kriegh Park and the Municipal Pool - Partnering with the Aquatics division to expand the Recreation Fair into the First Annual Summer Kickoff Event - Partnered with Pusch Ridge Christian Academy for use of their facility for programs 	<p>Focus Area: Leadership and Communication</p> <p>Parks & Recreation Administration</p> <ul style="list-style-type: none"> ■ To enhance customer service by simplifying the registration process and developing a more convenient and user friendly online activity registration <p>Trails</p> <ul style="list-style-type: none"> ■ Expand the Town's Bike to Work Day and alternate modes usage through publicity and coordination with Development & Infrastructure Services staff <p>Recreation</p> <ul style="list-style-type: none"> ■ Continue cooperation with outside agencies <p>Library</p> <ul style="list-style-type: none"> ■ Library employees heavily invested in new Innovation Team squads ■ Send another librarian to Supervisors Academy, AZ Library Association convention, Internet Librarian Conference and any State Library workshops and trainings ■ Continue outreach and foster community partnerships with local area schools and organizations, such as Mature Worker Connection, Northern Pima County Chamber of Commerce and Oro Valley Business Club <p>Focus Area: Finance and Economic Development</p> <p>Aquatics</p> <ul style="list-style-type: none"> ■ Successful implementation of RecTrac software at the pool ■ Partner with Recreation Division and Library to implement Fall Movie Series ■ Look into possible expansion of Summer Kickoff Event ■ Host a successful Centennial event at the pool <p>Trails</p> <ul style="list-style-type: none"> ■ Continue to seek grant funding for bicycle, pedestrian, and trails, as well as for other Parks programs and facilities, including Steam Pump Ranch

Highlights & Goals (Continued)

Parks, Recreation, Library & Cultural Resources

FY 2011 Highlights (Continued)	FY 2012 Goals and Objectives (Continued)
<p>Parks</p> <ul style="list-style-type: none"> - Obtained \$25,000 grant from the Keg Steakhouse & Bar to construct an accessible playground at James D. Kriegh Park - Installed new "ocotillo" ramada on CDO Linear Park multi-use trail south of Marketplace and on the west side of the new pedestrian bridge over CDO wash - Installed new night lights to illuminate the dog park at James D. Kriegh Park - Installed new nature trail educational signs at West Lambert Lane Park, James D. Kriegh Park and CDO Linear Park - Designed and installed xeriscape at 680 W. Calle Concordia - Designed and installed xeriscape at Town Hall campus in the parking lot and west of the Development & Infrastructure Services building in conjunction with the solar car-port project - All light fixtures at James D. Kriegh Park and Riverfront Park were replaced with new more efficient fixtures by APS Energy Services - 9/11 "Guardian Angel" was installed at the newly dedicated "Green Field" at James D. Kriegh Park <p>Library</p> <ul style="list-style-type: none"> - Held Volunteer Recruitment Community Day - Held Live Green Oro Valley Community Day highlighting Town's energy efficiency project - Job Search Program assisted citizens in finding employment - Grant received to foster local history - Grant received for virtual author visits and videotaped teen book talks - Two librarians graduated from Supervisors Academy - Website expanded to include "staff picks" for books - Celebrated National Family Literacy Month in November by honoring Mayor Hiremath with a photo of him reading to his son - Honored Dr. Bill Fry during "Love of Reading" month in February with a poster and ceremony - Instituted monthly Family Movie Night - Participated in National Night Out in August - Secured a private donor to replace carpet in program room - Youth Services librarian served as co-author liaison for the 2010 Arizona Library Association's annual conference - Library hosted annual Wilson K-8 school's visit to the Town campus for Community Days - Made local resident, Bill Adler, a "Diamond" member of the Friends of the Oro Valley Library to express our gratitude for his many donations to the Library - New electric car charging station located near library for patron convenience and education 	<p>Focus Area: Finance and Economic Development</p> <p>Recreation</p> <ul style="list-style-type: none"> ■ Continue to seek out signature events ■ Expand recreational programming ■ Partner with Aquatics and Library to launch outdoor movie events ■ Continue improving cost recovery rates on all programs ■ Host Centennial Celebration Events around Oro Valley and at Steam Pump Ranch <p>Library</p> <ul style="list-style-type: none"> ■ Increasing use of volunteers as gate count rises ■ Partnership with Oro Valley Business Club ■ Friends add a second book shop location ■ Actively pursue multiple grants <p>Focus Area: Community Infrastructure</p> <p>Library</p> <ul style="list-style-type: none"> ■ Enhance job search program with the help of a state grant funded computer and software ■ Host two more Community Days, one on job search and one devoted to local authors ■ Host University of Arizona Art Museum series on southwest art

Measures & Indicators

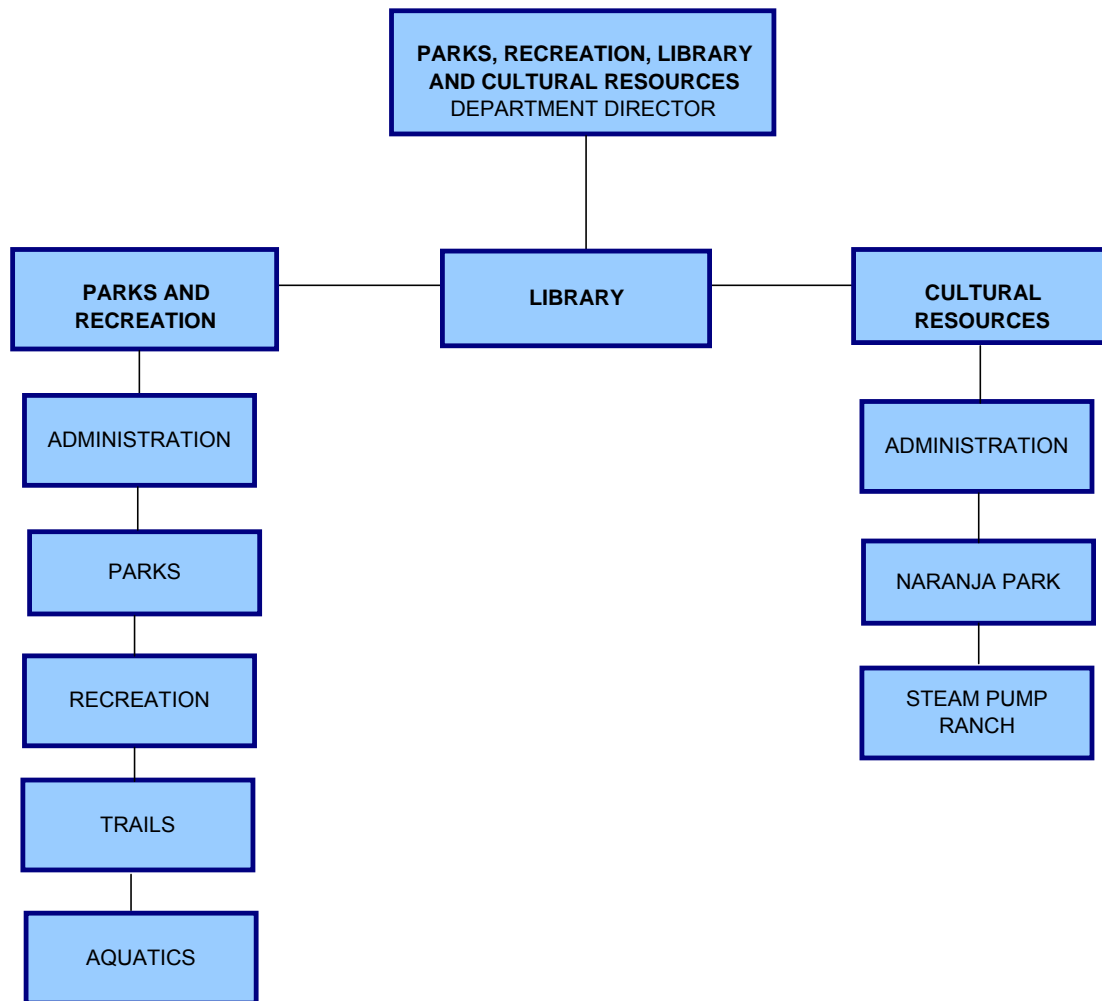
Parks, Recreation, Library & Cultural Resources

Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
<i>Parks and Recreation</i>			
▶ Park acres per 1,000 residents	9.17	9.17	10.63
▶ Parks and Recreation FTEs per 1,000 population	0.60	0.52	0.52
▶ Percentage cost recovery for Aquatics division	22%	25%	26%
▶ Percentage cost recovery for recreation programs	52%	60%	63%
<i>Library</i>			
▶ Operating and maintenance (O&M) expenditures per capita	\$7.43	\$7.58	\$7.43
▶ O&M expenditures per registered borrower	\$16.91	\$9.85	\$8.97
▶ Number of FTEs per 1,000 town residents	0.43	0.45	0.44
▶ Volunteer hours per 1,000 town residents	336	337.5	405

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
<i>Parks and Recreation</i>			
▶ Number of park acres maintained	376	376	436
▶ Annual swimming pool attendance	120,000	120,000	120,000
▶ Number of summer camp attendees	390	0	0
▶ Number of spring and fall camp attendees	70	80	85
▶ Hours of ball field usage	8,000	8,200	8,200
<i>Library</i>			
▶ Number of library visitors	228,920	226,480	249,128
▶ Number of circulation transactions (check-outs and check-ins)	816,262	770,892	847,892
▶ Number of youth services programs held and number of attendees	497 / 11,920	584 / 13,045	585 / 13,045
▶ Number of adult services programs held and number of attendees	523 / 5,405	666 / 9,342	667 / 9,342
▶ Number of library visits per capita	5.26	5.5	7.2



Administration Program Overview

The Parks and Recreation Administration Division is responsible for program registrations, processing fees and making deposits, coordinating facility reservations, responding to 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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
PRL&CR Director	1.00	0.90	0.90	0.90	-
Senior Office Specialist	1.00	0.90	0.90	0.90	-
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Total FTEs	3.00	2.80	2.80	2.80	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 219,813	\$ 211,309	\$ 211,309	\$ 212,955	0.8%
Operations & Maintenance	60,240	66,500	75,232	71,063	6.9%
Capital	14,558	-	-	-	0.0%
Total Expenditures	\$ 294,611	\$ 277,809	\$ 286,541	\$ 284,018	2.2%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 6.9% to provide capacity for a mower rental.

Parks Program 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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Parks Maintenance Manager	1.00	0.80	0.80	0.80	-
Parks Maintenance Crew Lead	1.00	0.80	0.80	0.80	-
Senior Parks Maint Worker	2.00	1.80	1.80	1.80	-
Parks Maintenance Worker	3.00	2.80	2.80	2.80	-
Park Monitor	0.70	0.70	0.70	0.70	-
Total FTEs	7.70	6.90	6.90	6.90	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 403,737	\$ 321,332	\$ 321,332	\$ 321,922	0.2%
Operations & Maintenance	338,986	244,150	209,310	230,367	-5.6%
Capital	-	-	-	25,000	0.0%
Total Expenditures	\$ 742,723	\$ 565,482	\$ 530,642	\$ 577,289	2.1%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 5.6% due to reductions in utilities costs.

Capital

The \$25,000 budgeted in capital expenditures is for new playground equipment at James D. Kreigh Park, contingent upon grant funding.

Recreation Program Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Recreation Manager	1.00	0.90	0.90	0.90	-
Assistant Recreation Manager	1.00	0.90	0.90	0.90	-
Recreation Leader	0.40	0.40	0.40	0.40	-
Recreation Aide	3.05	2.70	2.70	1.50	(1.20)
Total FTEs	5.45	4.90	4.90	3.70	(1.20)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 166,342	\$ 179,649	\$ 179,649	\$ 147,314	-18.0%
Operations & Maintenance	169,587	164,890	144,890	127,510	-22.7%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 335,929	\$ 344,539	\$ 324,539	\$ 274,824	-20.2%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 18% due to a reduction in recreation aides.

Operations & Maintenance

Operations & Maintenance decreased 22.7% due to the shifting of certain recreation programs from contract to in-house.

Trails Program Overview

The Trails Division is responsible for insuring that the Town's Trails Plan, as well as the Pedestrian & Bicycle Plan, are implemented and followed. This section handles grant writing for the department, addresses 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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Multimodal Planner	1.00	0.90	0.90	0.90	-
Total FTEs	1.00	0.90	0.90	0.90	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 69,616	\$ 64,053	\$ 64,053	\$ 63,475	-0.9%
Operations & Maintenance	939	1,430	1,903	2,340	63.6%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 70,555	\$ 65,483	\$ 65,956	\$ 65,815	0.5%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 63.6% due to increases in travel & training.

Aquatics Program 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 is open year-round and hosts over 120,000 visitors per year.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Aquatics Manager	1.00	1.00	1.00	1.00	-
Water Safety Instructor	9.30	6.15	6.15	6.32	0.17
Total FTEs	10.30	7.15	7.15	7.32	0.17

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 298,244	\$ 231,956	\$ 231,956	\$ 239,586	3.3%
Operations & Maintenance	249,142	219,645	219,645	174,879	-20.4%
Capital	-	-	-	17,500	0.0%
Total Expenditures	\$ 547,386	\$ 451,601	\$ 451,601	\$ 431,965	-4.3%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.3% due to a slight increase in water safety instructors.

Operations & Maintenance

Operations & Maintenance decreased 20.4% due to reductions in utilities costs.

Library Program Overview

The Library Division 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. The Library had almost a quarter of a million visitors last year and processed about 800,000 circulation transactions.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Library Services Manager	1.00	1.00	1.00	1.00	-
Librarian	4.00	4.00	4.00	4.00	-
Library Associate	4.95	4.95	4.95	4.48	(0.47)
Library Page	3.05	3.05	3.05	3.00	(0.05)
Customer Service Rep	4.50	4.36	4.36	4.54	0.18
Office Specialist	1.00	1.00	1.00	1.00	-
Total FTEs	18.50	18.36	18.36	18.02	(0.34)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 841,081	\$ 815,768	\$ 815,768	\$ 804,627	-1.4%
Operations & Maintenance	358,111	343,260	328,260	311,188	-9.3%
Capital	5,425	-	-	-	0.0%
Total Expenditures	\$ 1,204,617	\$ 1,159,028	\$ 1,144,028	\$ 1,115,815	-3.7%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 9.3% due to reductions in utilities costs.

Administration Program Overview

Cultural Resources Administration provides administrative oversight for the division, staff support for the Historic Preservation Commission, and handles all public inquiries. Additionally, Administration writes and manages grants, coordinates with other Town divisions and departments, and facilitates partnerships with outside agencies.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
PRL&CR Director	-	0.10	0.10	0.10	-
Multimodal Planner	-	0.10	0.10	0.10	-
Senior Office Specialist	-	0.10	0.10	0.10	-
Total FTEs	-	0.30	0.30	0.30	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 26,111	\$ 26,111	\$ 26,520	1.6%
Operations & Maintenance	-	-	-	2,000	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 26,111	\$ 26,111	\$ 28,520	9.2%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 1.6% due to a change in benefits coverage of an employee.

Operations & Maintenance

Operations & Maintenance budgeted for FY 2012 will cover costs associated with Arizona centennial celebrations.

Naranja Park Program Overview

This program area provides for the maintenance and management of this 213-acre passive park. Additionally, the Town has received donated funding for the park's future development.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Parks Maintenance Manager	-	0.10	0.10	0.10	-
Parks Maintenance Crew Lead	-	0.10	0.10	0.10	-
Senior Parks Maint Worker	-	0.10	0.10	0.10	-
Parks Maintenance Worker	-	0.10	0.10	0.10	-
Total FTEs	-	0.40	0.40	0.40	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 21,556	\$ 21,556	\$ 21,935	1.8%
Operations & Maintenance	-	2,500	2,500	1,920	-23.2%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ 24,056	\$ 24,056	\$ 23,855	-0.8%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 23.2% due to reduced waste disposal costs at the park.

Steam Pump Ranch Program Overview

Expenditures for Steam Pump Ranch consist of building and infrastructure assessment of the historic site and related staff costs. The project represents Oro Valley's efforts to preserve the history and culture of the Town.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Parks Maintenance Manager	-	0.10	0.10	0.10	-
Parks Maintenance Crew Lead	-	0.10	0.10	0.10	-
Senior Parks Maint Worker	-	0.10	0.10	0.10	-
Parks Maintenance Worker	-	0.10	0.10	0.10	-
Recreation Manager	-	0.10	0.10	0.10	-
Assistant Recreation Manager	-	0.10	0.10	0.10	-
Total FTEs	-	0.60	0.60	0.60	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ 33,606	\$ 33,606	\$ 33,601	0.0%
Operations & Maintenance	29,310	43,000	18,000	41,000	-4.7%
Capital	55,653	499,000	381,190	-	-100.0%
Other Financing Uses	-	367,000	367,000	-	-100.0%
Total Expenditures	\$ 84,963	\$ 942,606	\$ 799,796	\$ 74,601	-92.1%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 4.7% due to reductions in utilities and grounds repair & maintenance costs.

Capital

Capital decreased 100% due to completion of site stabilization. No capital outlay is planned for FY 2012.

Other Financing Uses

Other Financing Uses decreased 100%. Steam Pump Ranch expenditures had previously been budgeted in a separate Steam Pump Ranch Fund, with transfers from the General Fund budgeted as needed. For FY 2012, costs related to Steam Pump Ranch have been collapsed into the General Fund. Thus, transfers from the General Fund are no longer required.



Overview

The Oro Valley Police Department (OVPD) 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:

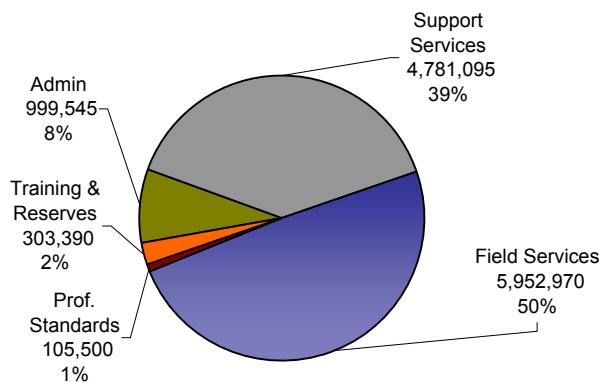
Seek Excellence Remain Vigilant Involve Community Enforcement

Total FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
128.60	129.08	124.73	129.63

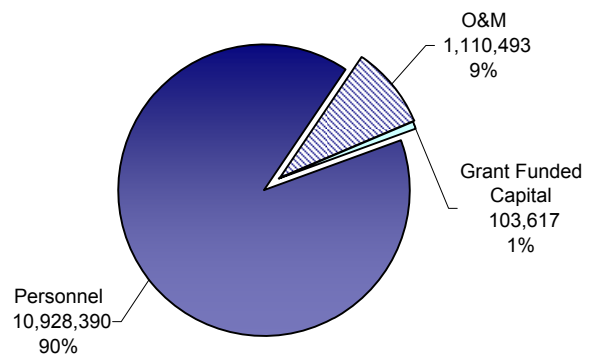
	Expenditures by Division				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Administration	\$ 1,441,561	\$ 1,021,690	\$ 1,097,158	\$ 999,545	-2.2%
Support Services	4,259,198	4,488,373	4,360,275	4,781,095	6.5%
Field Services	5,699,008	5,694,028	5,589,224	5,952,970	4.5%
Training & Reserves	260,855	316,482	235,132	303,390	-4.1%
Professional Standards	107,240	103,204	104,326	105,500	2.2%
	\$ 11,767,862	\$ 11,623,777	\$ 11,386,115	\$ 12,142,500	4.5%

	Revenue Sources				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Federal Grants	\$ 434,789	\$ 717,039	\$ 647,756	\$ 655,533	-8.6%
State Grants	117,223	130,700	199,983	248,500	90.1%
Report Copying	20,354	18,150	27,884	20,000	10.2%
Impound Processing	55,210	60,000	50,000	50,000	-16.7%
Other	8,431	8,000	8,000	8,000	0.0%
	\$ 636,007	\$ 933,889	\$ 933,623	\$ 982,033	5.2%

FY 2012 Expenditures by Division



FY 2012 Expenditures by Category



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 2011 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - Thousands of pounds of prescription medicine collected by the Dispose-A-Med program. The pills were disposed of in an environmentally sound manner and kept out of the hands of unintended users. - Two School Resource Officers received "SRO of the Year" by the Arizona School Resource Officer Association - OVPD Citizen Volunteer Assistance Program members contributed 16,964 volunteer hours - OVPD received nearly \$300,000 in grants to purchase equipment and provide service to the community - Chaplaincy program has been formalized and implemented - One member of Command Staff attended and graduated the FBI National Academy - School Resource Officers provided 874 hours of teaching and classroom instruction to students in Oro Valley schools. This is an increase of 122 hours over the prior year. - Oro Valley Explorers placed 1st, 2nd, 3rd, 3rd, 4th, 4th, and 5th out of 8 competitive exercises during the 2011 Explorer Competition in Colorado - Adopt-A-Business program presented at the Northern Pima County Chamber of Commerce. There are 130 businesses in the program involving 41 officers. - Completed Employee Awards Ceremony whereby 30 awards were presented to employees, volunteers and citizens. Eleven members received separate life saving awards. - OVPD Honor Guard along with Golder Ranch Fire Presented Colors at the 2011 MLB All-Star game at Chase Field in Phoenix at a pre-game tribute to the families of the January 8, 2011 shooting - The OVPD Traffic Unit addressed traffic complaints nearly 700 separate times as reported into the traffic hotline - OVPD received a "Special Recognition Award" from Pima County Sheriff's Department on April 14, 2011 for assisting in the January 8th incident - The OVPD opened a new substation at the Oro Valley Marketplace on Tangerine Road 	<p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Comprehensive approach to staffing and force management <ul style="list-style-type: none"> □ Implement Data Driven Approach to Crime and Traffic Statistics (DDACTS) program. ■ Expand law and legal training to commissioned personnel <ul style="list-style-type: none"> □ Provide legal update training from a subject matter expert ■ Employee recognition <ul style="list-style-type: none"> □ Continue the annual employee awards banquet to recognize outstanding performance from OVPD employees <p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Partner with the business community on crime prevention and social harm resiliency/prevention <ul style="list-style-type: none"> □ OVPD will continue to foster relationships with local businesses through programs such as Adopt-A-Business and Dispose-A-Med. Business partnership projects such as Threat, Vulnerability, Risk Assessments of critical infrastructure and key resources will be formalized and implemented. ■ Review existing business practices to ensure budgeted funds are utilized in the most effective and responsible manner <ul style="list-style-type: none"> □ OVPD will evaluate partnership options with neighboring jurisdictions for fleet maintenance <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Develop Town of Oro Valley Office of Emergency Management/Homeland Security <ul style="list-style-type: none"> □ Transition duties of the OVPD Regional Emergency Response Planner whose duties included the updating of the TOV Emergency Response Plan into an Emergency Manager. Future duties include quarterly emergency exercise and planning across all departments within the Town. ■ Efficient and effective facilities <ul style="list-style-type: none"> □ Pursue lease/purchase options of substation facilities rather than rent-only facilities ■ Evaluate emergency response plans for schools <ul style="list-style-type: none"> □ Revise and modify all emergency plans for every school in the town

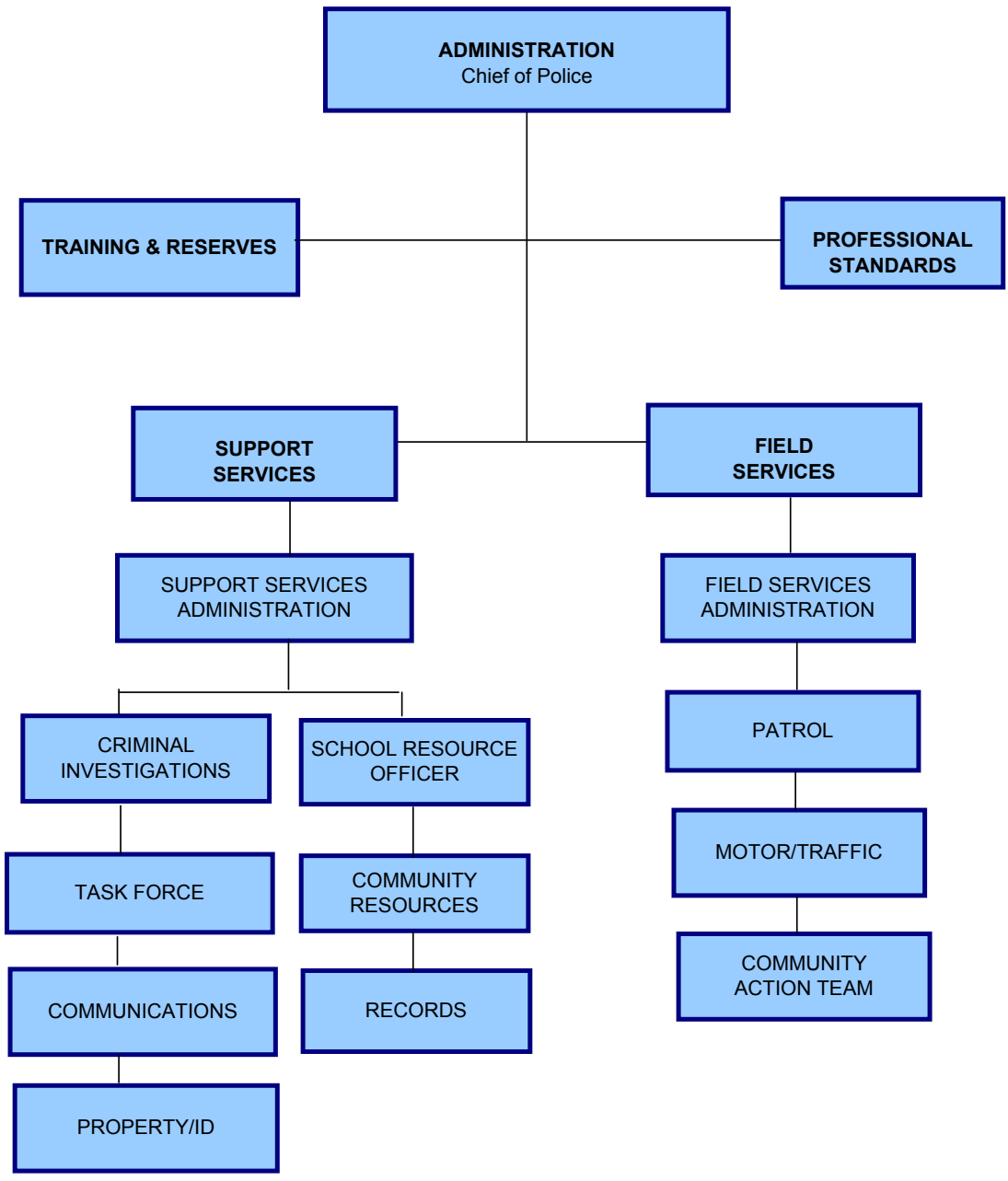
Performance Measures

	CY 2010 Actual	CY 2011 Estimate	CY 2012 Projected
▶ Percentage of Priority I calls responded to in less than five minutes	84%	90%	90%
▶ Percentage of Priority II calls responded to in less than eight minutes	90%	90%	90%
▶ Percentage of residents on OVPD Citizen Satisfaction Survey that rated neighborhood walking safety during the day as reasonably safe or above	97%	***	***
▶ Percentage of residents on OVPD Citizen Satisfaction Survey that rated neighborhood walking safety during the night as reasonably safe or above	83%	***	***
▶ Percentage of residents on OVPD Citizen Satisfaction Survey rating their police services above average (of those who indicated they had contact with the Police Department during the last 12 months)	94%	***	***

*** Unable to estimate or project opinions of citizens

Workload Indicators

	CY 2010 Actual	CY 2011 Estimate	CY 2012 Projected
▶ Calls for service	17,186	16,843	16,978
▶ Number of incoming emergency and non-emergency phone calls answered by police dispatchers	63,380	59,377	57,901
▶ Number of Priority I calls	260	262	277
▶ Number of Priority II calls	833	600	491
▶ Reported traffic accidents	506	496	493



Administration Program Overview

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	-
Administrative Services Mgr	1.00	1.00	1.00	1.00	-
Total FTEs	4.00	4.00	4.00	4.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 514,418	\$ 524,998	\$ 524,998	\$ 525,037	0.0%
Operations & Maintenance	554,046	496,692	572,160	474,508	-4.5%
Capital	350,769	-	-	-	0.0%
Contingency	22,328	-	-	-	0.0%
Total Expenditures	\$ 1,441,561	\$ 1,021,690	\$ 1,097,158	\$ 999,545	-2.2%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 4.5%. This is due to reduced utility costs expected in FY 2012 as a result of energy efficiency upgrades completed in FY 2011, as well as reductions in telecommunications.

Training and Reserves Program Overview

Training and Reserves (formerly the Professional Development Unit) 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. Training and Reserves focuses on developing the skills, abilities, knowledge, and talents of the OVPD to maintain professional and expert service. This program is also responsible for new-hire recruit officer orientation. This orientation is provided to prepare new officers for the stresses of attending a police academy along with orienting them to Oro Valley.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Reserve Officer	1.90	2.38	0.48	2.38	-
Training Officer	1.00	1.00	1.00	1.00	-
Total FTEs	2.90	3.38	1.48	3.38	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 168,837	\$ 214,782	\$ 146,554	\$ 209,533	-2.4%
Operations & Maintenance	92,018	101,700	88,578	93,857	-7.7%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 260,855	\$ 316,482	\$ 235,132	\$ 303,390	-4.1%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 7.7% due to a reduction in field supplies and travel & training, as well as the transfer of rental expenditures to Police Administration.

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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 102,705	\$ 101,004	\$ 101,004	\$ 100,000	-1.0%
Operations & Maintenance	4,535	2,200	3,322	5,500	150.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 107,240	\$ 103,204	\$ 104,326	\$ 105,500	2.2%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance increased 150% due to an increase in outside professional services costs necessary for the hiring of highly qualified candidates.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Commander	1.00	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 FTEs	4.00	4.00	4.00	4.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 425,878	\$ 434,209	\$ 434,209	\$ 431,314	-0.7%
Operations & Maintenance	9,529	9,700	9,700	4,300	-55.7%
Capital	-	-	-	-	0.0%
Contingency	18,406	-	-	-	0.0%
Total Expenditures	\$ 453,813	\$ 443,909	\$ 443,909	\$ 435,614	-1.9%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 55.7% due to a reduction in travel and training.

Criminal Investigations Unit Program Overview

The Criminal Investigations Unit (CIU) is the primary investigative arm of the OVPD and is responsible for investigating all major crimes that occur in Oro Valley. These crimes 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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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 FTEs	7.00	7.00	7.00	7.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 631,110	\$ 637,314	\$ 637,314	\$ 622,925	-2.3%
Operations & Maintenance	8,399	15,708	15,708	13,725	-12.6%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 639,509	\$ 653,022	\$ 653,022	\$ 636,650	-2.5%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 2.3% due to refilling of a position at a lower salary.

Operations & Maintenance

Operations & Maintenance decreased 12.6% due to a reduction in travel and training.

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 and staff, parents, students, *and* the schools surrounding the Oro Valley community. An SRO provides this service in many ways while always taking a personal interest in students' lives, activities, and problems. Officers are assigned to: Canyon del Oro High School, Ironwood Ridge High School, Copper Creek Elementary, Painted Sky Elementary, and Wilson K-8.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
SRO Officer	7.00	7.00	7.00	7.00	-
Total FTEs	8.00	8.00	8.00	8.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 672,542	\$ 689,027	\$ 689,027	\$ 690,990	0.3%
Operations & Maintenance	4,048	4,170	4,170	-	-100.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 676,590	\$ 693,197	\$ 693,197	\$ 690,990	-0.3%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 100%, mostly due to travel and training, which is not budgeted for this program area in FY 2012.

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 municipal law enforcement agencies.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Officer	7.00	7.00	7.00	7.00	-
Total FTEs	8.00	8.00	8.00	8.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 729,225	\$ 789,292	\$ 789,292	\$ 748,372	-5.2%
Operations & Maintenance	-	-	-	-	0.0%
Capital	-	135,217	135,217	103,617	-23.4%
Total Expenditures	\$ 729,225	\$ 924,509	\$ 924,509	\$ 851,989	-7.8%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 5.2% due to regular reassignment of officers with differing salaries among program areas.

Capital

Capital decreased 23.4% due to grant funded vehicles that were budgeted in FY 2011. Capital expenditures within this program area are generally considered contingent upon grant funding and vary widely from year to year.

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 tenants.

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

This program provides the opportunity for citizens to serve their community by assisting the Police department. The volunteers become an extra set of eyes and ears and assist in many different areas. Volunteers patrol residential neighborhoods, business complexes, shopping centers and assist with scene security at accidents or crime scenes.

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 CRU during special events.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Sergeant	1.00	1.00	1.00	1.00	-
Officer	2.00	2.00	1.00	1.00	(1.00)
Total FTEs	3.00	3.00	2.00	2.00	(1.00)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 254,914	\$ 256,133	\$ 203,304	\$ 176,214	-31.2%
Operations & Maintenance	47,210	46,670	46,670	34,483	-26.1%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 302,124	\$ 302,803	\$ 249,974	\$ 210,697	-30.4%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 31.2% due to an officer reassignment.

Operations & Maintenance

Operations & Maintenance decreased 26.1% due to a reduction in travel & training and utilities costs, as well as the transfer of rental expenditures to Police Administration.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	9.00	9.00	9.00	9.00	-
Total FTEs	13.00	13.00	13.00	13.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 780,822	\$ 789,159	\$ 737,990	\$ 814,174	3.2%
Operations & Maintenance	4,501	5,350	5,220	3,350	-37.4%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 785,323	\$ 794,509	\$ 743,210	\$ 817,524	2.9%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.2% due to a change in overtime capacity.

Operations & Maintenance

Operations & Maintenance decreased 37.4% due to a reduction in travel and training.

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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Records Supervisor	1.00	1.00	1.00	1.00	-
Records Specialist	6.00	6.00	5.00	5.00	(1.00)
Office Assistant	1.70	1.70	1.25	1.25	(0.45)
Total FTEs	8.70	8.70	7.25	7.25	(1.45)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 437,046	\$ 432,037	\$ 412,705	\$ 344,477	-20.3%
Operations & Maintenance	7,309	8,953	8,953	1,950	-78.2%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 444,355	\$ 440,990	\$ 421,658	\$ 346,427	-21.4%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 20.3% due to positions that became vacant during FY 2011 and will not be refilled.

Operations & Maintenance

Operations & Maintenance decreased 78.2% due to a reduction in travel & training and the transfer of rental expenditures to Police Administration.

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 and FY 2011, ITU program costs were budgeted in the Town's Information Technology Department.**

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Detective/IT Manager	-	-	-	1.00	1.00
Total FTEs	-	-	-	1.00	1.00

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ -	\$ -	\$ 94,172	0.0%
Operations & Maintenance	-	-	-	7,925	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ -	\$ -	\$ 102,097	0.0%

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 and FY 2011, fleet maintenance costs for all departments were budgeted in a separate Fleet Maintenance Internal Service Fund. Beginning FY 2012, the Police Department's fleet maintenance costs will be budgeted in the Police Department.**

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Fleet Maintenance Mechanic II	-	-	-	1.00	1.00
Total FTEs	-	-	-	1.00	1.00

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ -	\$ -	\$ 59,150	0.0%
Operations & Maintenance	-	-	-	407,500	0.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ -	\$ -	\$ 466,650	0.0%

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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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 FTEs	3.00	3.00	3.00	3.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 203,477	\$ 200,934	\$ 197,796	\$ 191,107	-4.9%
Operations & Maintenance	24,782	34,500	33,000	31,350	-9.1%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 228,259	\$ 235,434	\$ 230,796	\$ 222,457	-5.5%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 4.9% due to the refilling of a position at a lower salary.

Operations & Maintenance

Operations & Maintenance decreased 9.1% due to reductions in travel & training and supplies.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Commander	1.00	1.00	1.00	1.00	-
Lieutenant	2.00	2.00	2.00	2.00	-
Emergency Response Planner	-	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	1.00	1.00	1.00	-
Total FTEs	5.00	6.00	6.00	6.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 313,499	\$ 564,947	\$ 564,947	\$ 551,461	-2.4%
Operations & Maintenance	3,469	3,280	2,050	2,150	-34.5%
Capital	-	-	-	-	0.0%
Contingency	300	-	-	-	0.0%
Total Expenditures	\$ 317,268	\$ 568,227	\$ 566,997	\$ 553,611	-2.6%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 34.5% due to a reduction in travel & training.

Patrol Program Overview

The Patrol Division consists of six (6) Squads, supplemented by one (1) Motorcycle Squad. The Patrol Division focuses on providing 24 hours, 7 days a week police service to the citizens, schools, business owners, employees and visitors of Oro Valley. OVPD divides the Town into four (4) separate geographical patrol areas. Patrol deployment methods are based on a variety of factors with the most significant factors being response times, call loads, crime statistics, and neighborhood issues. The Patrol Division focuses on high visibility patrol and strict enforcement to deter crime from our community. Programs like Adopt-A-Business allow patrol officers to work cooperatively with a segment of our community in a proactive manner to solve issues before they become problems. K-9 officers and DUI officers are incorporated within the Patrol Division providing service 7 days a week.

K-9

Three K-9 teams (handler/canine) are deployed throughout the week. Two 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. Two separate canine breeds are used: German Shepard and Belgium Malinois.

DUI

OVPD has two (2) DUI officers dedicated to actively seeking impaired drivers. These officers have developed special skills in the area of Standard Field Sobriety Tests, Drug Recognition and Phlebotomy. The "rotational assignment" program has allowed OVPD to maintain two (2) Drug Recognition Experts (DREs) and six (6) phlebotomists. DUI officers assume the lead investigative role in impairment investigations initiated by patrol officers. The OVPD is a proud participant in the Southern Arizona DUI Task Force and participates in at least 13 DUI deployments each year.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Personnel					
Sergeant	6.00	6.00	6.00	6.00	-
Lead Officer	6.00	5.00	6.00	6.00	1.00
K-9 Officer	4.00	4.00	3.00	3.00	(1.00)
DUI Officer	2.00	2.00	2.00	2.00	-
Officer	27.00	27.00	29.00	29.00	2.00
Total FTEs	45.00	44.00	46.00	46.00	2.00

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 3,946,387	\$ 3,647,686	\$ 3,760,106	\$ 4,009,346	9.9%
Operations & Maintenance	19,996	21,905	19,519	13,395	-38.8%
Capital	1,938	-	-	-	0.0%
Total Expenditures	\$ 3,968,321	\$ 3,669,591	\$ 3,779,625	\$ 4,022,741	9.6%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs increased 9.9%. The FY 2012 budget includes capacity for a lead officer position, which was not budgeted in FY 2011. In addition, overtime capacity has increased, one frozen officer position was filled due to available grant funding, and one officer was reassigned from another program area.

Operations & Maintenance

Operations & Maintenance decreased 38.8% due to reductions in travel & training and field supplies.

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 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	1.00	-
Motorcycle Officer	7.00	7.00	6.00	7.00	-
Total FTEs	10.00	10.00	9.00	10.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 906,409	\$ 893,131	\$ 716,782	\$ 881,101	-1.3%
Operations & Maintenance	12,530	19,550	19,000	16,500	-15.6%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 918,939	\$ 912,681	\$ 735,782	\$ 897,601	-1.7%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 15.6% due to reductions in travel & training and field supplies.

Community Action Team Program Overview

The Community Action Team (C.A.T.) serves as one of OVPD's 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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	4.00	4.00	3.00	3.00	(1.00)
Total FTEs	6.00	6.00	5.00	5.00	(1.00)

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 491,746	\$ 542,529	\$ 505,820	\$ 479,017	-11.7%
Operations & Maintenance	2,734	1,000	1,000	-	-100.0%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 494,480	\$ 543,529	\$ 506,820	\$ 479,017	-11.9%

FY 2011/2012 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 11.7% due to an officer vacancy.

Operations & Maintenance

Operations & Maintenance decreased 100% due to travel and training, which is not budgeted for this program area in FY 2012.



Water Utility

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.

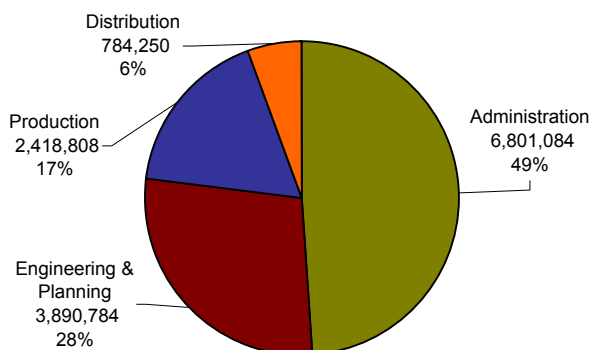
Total FTEs			
FY 2010 Actual	FY 2011		FY 2012 Budget
	Budget	Projected	
35.00	36.00	34.00	36.00

	Expenditures by Division				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Administration	\$ 4,695,726	\$ 6,706,253	\$ 6,330,816	\$ 6,801,084	1.4%
Engineering & Planning	2,261,927	4,820,678	2,045,953	3,890,784	-19.3%
Production	2,300,276	2,659,108	2,395,700	2,418,808	-9.0%
Distribution	817,099	792,110	790,825	784,250	-1.0%
	\$10,075,028	\$14,978,149	\$ 11,563,294	\$13,894,926	-7.2%

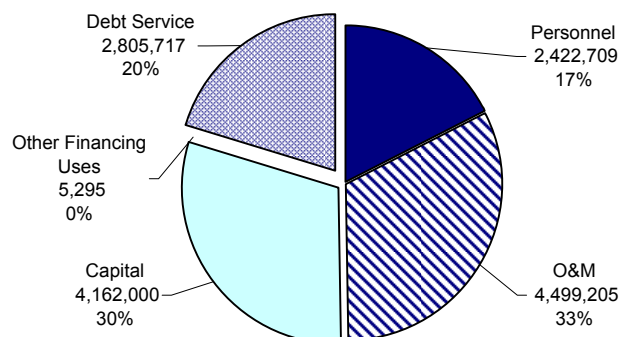
Does not include non-cash outlays for depreciation and amortization

	Revenue Sources				
	FY 2010 Actual	FY 2011		FY 2012 Budget	% to Budget
		Budget	Projected		
Charges for Services	\$ 525,227	\$ 458,700	\$ 463,075	\$ 445,200	-2.9%
State Grants	-	35,000	-	-	-100.0%
Interest	27,275	44,000	13,600	16,300	-63.0%
Miscellaneous	1,804	-	-	-	0.0%
WIFA Loan Proceeds	-	1,800,000	570,000	700,000	-61.1%
Water Sales	12,071,031	11,689,300	11,682,799	11,682,799	-0.1%
Other Financing Sources	-	100,000	-	100,000	0.0%
	\$12,625,337	\$14,127,000	\$ 12,729,474	\$12,944,299	-8.4%

FY 2012 Expenditures by Division



FY 2012 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.

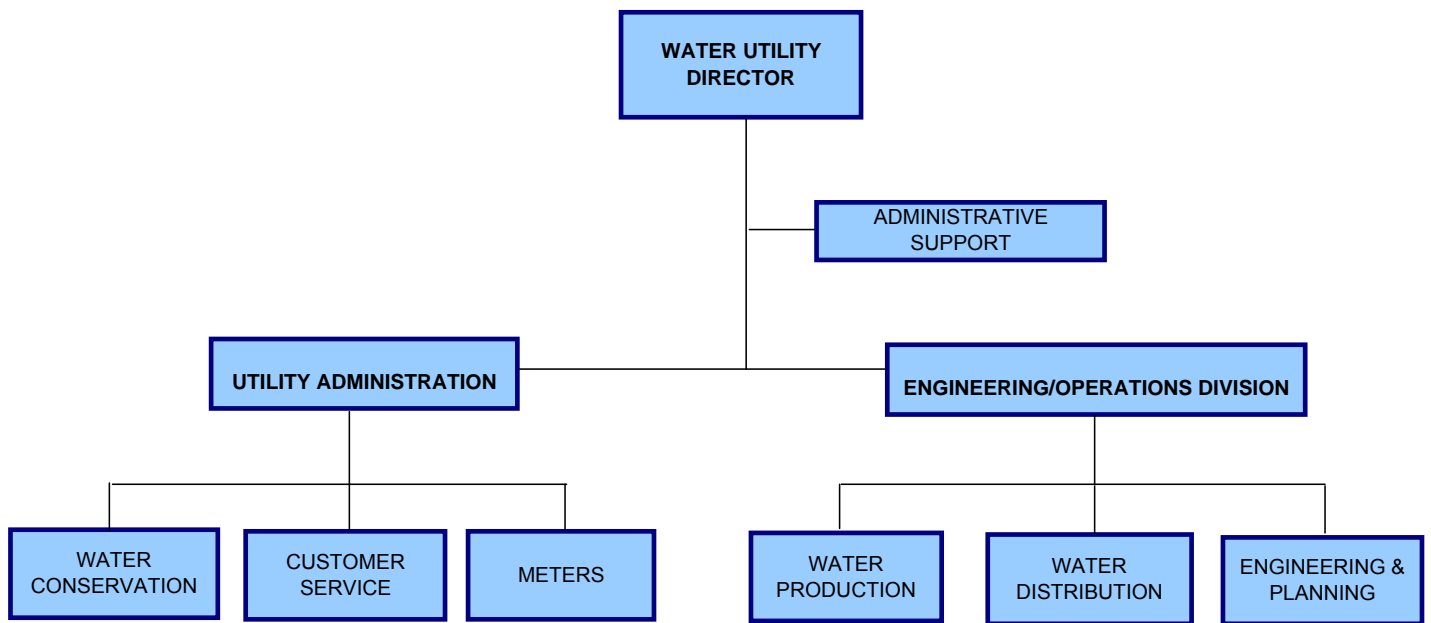
CY 2010 Highlights	FY 2012 Goals and Objectives
<ul style="list-style-type: none"> - The Utility took 5,891 water quality samples with all results meeting federal, state, and local water quality regulations - Increased customer base by 73 new connections for a total of 18,474 connections as of 12/31/10 - Potable water deliveries were 2,358,509,000 gallons - Reclaimed water deliveries were 637,690,000 gallons - The Utility performed 178 residential water use audits; customers continue to save water as a result of these audits - Replaced 505 water meters of varying sizes - Recharged 4,000 acre feet of Central Arizona Project (CAP) water - Reduced debt service by making final payment for Central Arizona Water Conservation District (CAWCD) water rights loan - Installed additional water system security features and updated the Emergency Response Plan - In cooperation with the Northwest Water Providers, the Utility has continued to study water quality, distribution, delivery and recharge and recovery for our CAP water delivery system - Pursued an Intergovernmental Agreement for the interim delivery of our CAP water through the Tucson Water system - Capital improvements during the past year include the equipping of Well E-1B, La Canada 24-inch water main, and continued construction of the La Canada 3 MG Reservoir - Design of Lambert Lane main replacement, chlorine storage and Campo Bello water main improvements 	<p>Focus Area: Finance and Economic Development</p> <ul style="list-style-type: none"> ■ Review water rates, fees and charges to ensure costs incurred by the Utility to provide services are being recovered through the rates and fees charged ■ Reduce debt when feasible ■ 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 <p>Focus Area: Community Infrastructure</p> <ul style="list-style-type: none"> ■ Maintain a high quality, safe and reliable drinking water supply ■ Construct potable water facilities to meet demands and enhance system reliability ■ Install additional security equipment to protect the safety of the potable water supply ■ Construct and inspect water facilities in accordance with approved plans and specifications ■ Energy efficiency improvements ■ Conduct water resource planning for existing and future needs ■ Interim delivery of CAP water through the Tucson Water System ■ Long-term planning for treatment and delivery of Central Arizona Project water <p>Focus Area: Leadership and Communication</p> <ul style="list-style-type: none"> ■ Continue to provide excellent customer service ■ Continue to promote water conservation through water use audits, public education and outreach

Performance Measures

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Number of voluntary water conservation audits	182	139	140
▶ Debt service coverage (annual net operating revenue divided by annual debt service) for water revenue bonds (goal 1.3 minimum)	1.9	1.7	1.8
▶ Number of years worth of reserves contained in groundwater storage accounts (data for calendar year)	3.6	3.3	3.0
▶ Compliant with Arizona Department of Water Resources assured water supply requirements for service area	Yes	Yes	Yes
▶ Compliant with all Arizona Department of Environmental Quality and Arizona Department of Water Resources regulations	Yes	Yes	Yes
▶ Percentage of critical broken valves replaced within 45 days after they are identified as being broken	100%	100%	100%
▶ Percentage of broken fire hydrants repaired or replaced within 7 days after they are identified as being broken	100%	100%	100%

Workload Indicators

	FY 2010 Actual	FY 2011 Estimate	FY 2012 Projected
▶ Percentage of valves in distribution system exercised	20%	20%	20%
▶ Number of metered connections	18,441	18,502	18,537
▶ Number of water plans approved	12	14	15
▶ Feet of pipeline inspected	8,100	3,200	23,250
▶ Number of water plans inspected	9	7	12
▶ Percentage of unplanned service outages as a percentage of total annual customer hours	0.002%	0.001%	0.003%
▶ Number of water meters replaced	579	533	2,300
▶ Number of operating wells rehabilitated (out of 20 well sites)	3	2	2
▶ Number of reservoirs cleaned and inspected (out of 18 reservoir sites)	5	5	5



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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	1.00	-
Water Utility Operator I	4.00	5.00	4.00	5.00	-
Customer Service Rep.	4.00	4.00	4.00	4.00	-
Water Conservation Specialist	1.00	1.00	1.00	1.00	-
Total FTEs	14.00	15.00	14.00	15.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 960,934	\$ 969,728	\$ 969,728	\$ 966,592	-0.3%
Operations & Maintenance	2,307,341	2,000,005	1,624,568	2,158,480	7.9%
Capital	164,343	558,197	558,197	865,000	55.0%
Other Financing Uses	83,835	95,642	95,642	5,295	-94.5%
Debt Service	1,179,273	3,082,681	3,082,681	2,805,717	-9.0%
Total Expenditures	\$ 4,695,726	\$ 6,706,253	\$ 6,330,816	\$ 6,801,084	1.4%

Does not include non-cash outlays for depreciation and amortization

FY 2011/2012 Expenditure and Staffing Changes

Capital

Capital increased 55% due to a relatively large meter replacement project budgeted for FY 2012.

Other Financing Uses

Other financing uses decreased 94.5% due to fleet costs that are now budgeted as operations & maintenance.

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

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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 FTEs	6.00	6.00	6.00	6.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 480,135	\$ 489,027	\$ 489,027	\$ 484,408	-0.9%
Operations & Maintenance	127,193	141,651	116,026	121,376	-14.3%
Capital	1,654,599	4,190,000	1,440,900	3,285,000	-21.6%
Total Expenditures	\$ 2,261,927	\$ 4,820,678	\$ 2,045,953	\$ 3,890,784	-19.3%

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 14.3% due to decreases in outside professional services and memberships & subscriptions.

Capital

Capital decreased 21.6% due to completion of several capital projects.

Operations Division - Production Overview

Production programs within this division are 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. Production programs include:

- Disinfection
- Security
- Preventative Maintenance

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	4.00	5.00	-
Total FTEs	7.00	7.00	6.00	7.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 424,592	\$ 457,471	\$ 409,802	\$ 434,399	-5.0%
Operations & Maintenance	1,862,455	2,177,637	1,975,898	1,972,409	-9.4%
Capital	13,229	24,000	10,000	12,000	-50.0%
Total Expenditures	\$ 2,300,276	\$ 2,659,108	\$ 2,395,700	\$ 2,418,808	-9.0%

Does not include non-cash outlays for depreciation and amortization

FY 2011/2012 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 9.4% due to decreases in electricity costs, equipment repair & maintenance costs and purchases of reclaimed water.

Capital

Capital decreased 50% due to decreases in security equipment purchases.

Operations Division - Distribution Overview

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

- Water Quality Sampling
- Backflow Prevention
- Preventative Maintenance

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 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	4.00	4.00	4.00	-
Water Utility Operator I	2.00	-	-	-	-
Total FTEs	8.00	8.00	8.00	8.00	-

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Personnel	\$ 535,166	\$ 544,035	\$ 544,035	\$ 537,310	-1.2%
Operations & Maintenance	277,498	248,075	246,790	246,940	-0.5%
Capital	4,435	-	-	-	0.0%
Total Expenditures	\$ 817,099	\$ 792,110	\$ 790,825	\$ 784,250	-1.0%



Water Utility

Alternative Water Resource Development

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 resources (Central Arizona Project and reclaimed water) to the Town.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ 113,768	\$ 313,660	\$ 334,440	\$ 214,775	-31.5%
Capital	95,593	-	-	515,000	0.0%
Debt Service	996,299	2,785,918	2,781,912	1,789,978	-35.7%
Other Financing Uses	-	100,000	-	100,000	0.0%
Total Expenditures	\$ 1,205,660	\$ 3,199,578	\$ 3,116,352	\$ 2,619,753	-18.1%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Groundwater Preservation Fee	\$ 1,769,142	\$ 2,298,285	\$ 2,016,440	\$ 2,423,500	5.4%
Impact Fees	475,973	468,308	413,000	219,200	-53.2%
WIFA Loan Proceeds	-	-	-	-	0.0%
Interest	6,388	8,000	2,754	2,684	-66.5%
Total Revenues	\$ 2,251,503	\$ 2,774,593	\$ 2,432,194	\$ 2,645,384	-4.7%

FY 2011/2012 Expenditure Changes

Operations & Maintenance

Operations & Maintenance decreased 31.5% due to a decrease in outside professional services.

Capital

FY 2012 budgeted capital will be used for a transmission/distribution main.

Debt Service

Debt service decreased 35.7% due to payoff of an outstanding loan in FY 2011.



Water Utility

Potable Water Systems Development

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.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Capital	\$ -	\$ 3,430,000	\$ 2,740,000	\$ 740,000	-78.4%
Debt Service	513,855	639,671	639,671	639,920	0.0%
Other Financing Uses	-	-	-	-	0.0%
Miscellaneous	-	-	-	-	0.0%
Total Expenditures	\$ 513,855	\$ 4,069,671	\$ 3,379,671	\$ 1,379,920	-66.1%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Single Family Connections	\$ 196,227	\$ 169,422	\$ 126,431	\$ 89,845	-47.0%
Multi - Family Connections	-	-	-	-	0.0%
Commercial Connections	63,710	41,120	67,820	10,280	-75.0%
Irrigation Connections	23,980	32,700	10,780	10,900	-66.7%
TURF Connections	-	-	-	-	0.0%
Fire Flow Connections	9,690	6,460	9,690	3,230	-50.0%
Interest	36,666	33,500	16,034	13,323	-60.2%
Total Revenues	\$ 330,273	\$ 283,202	\$ 230,755	\$ 127,578	-55.0%

FY 2011/2012 Expenditure Changes

Capital

Capital decreased 78.4% due to a large reservoir project undertaken in FY 2011.



Capital Asset Replacement Fund

Overview

The Capital Asset Replacement Fund was established to allow the Town to accumulate the money needed to replace its fleet of General Fund cars, trucks and other equipment, as well as computers, telephone systems and other technology-related equipment. Town departments pay into the fund based on a percent of their annual fixed asset depreciation. Replacement equipment is purchased according to an established replacement schedule and paid for from this fund.

Beginning FY 2012, these expenditures are budgeted directly in the General Fund within the applicable department(s).

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Capital	\$ -	\$ 444,938	\$ 314,938	\$ -	-100.0%
Total Expenditures	\$ -	\$ 444,938	\$ 314,938	\$ -	-100.0%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Other Financing Sources	\$ -	\$ -	\$ -	\$ -	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ -	0.0%

FY 2011/2012 Expenditure Changes

Capital

Capital decreased 100%, as these expenditures will be budgeted directly in the General Fund beginning FY 2012.



Municipal Debt Service Fund

Overview

The Municipal Debt Service Fund allocates money for principal and interest payments on the issuance of Municipal Property Bonds. The Town has issued bonds for the acquisition of land and construction of buildings to support Town services. This fund also allocates money for principal and interest payments on the Town's new Clean Renewable Energy Bonds (CREBS). Repayment of debt is pledged with excise sales tax, state shared revenue and other permit and fee revenues.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ 26,570	\$ 10,000	\$ 10,000	\$ 10,000	0.0%
Debt Service	7,444,052	459,759	489,140	619,521	34.7%
Total Expenditures	\$ 7,470,622	\$ 469,759	\$ 499,140	\$ 629,521	34.0%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Other Financing Sources	\$ 9,240,679	\$ 136,754	\$ 136,754	\$ 228,647	67.2%
Misc Fed Grants	-	15,605	15,605	85,777	449.7%
Interest Income	106	-	383	-	0.0%
Total Revenues	\$ 9,240,785	\$ 152,359	\$ 152,742	\$ 314,424	106.4%

FY 2011/2012 Expenditure Changes

Debt Service

Debt service increased 34.7% due to capacity for principal and interest payments on the Town's newly issued Clean Renewable Energy Bonds (CREBS). Utility savings, utility rebates, and a federal interest subsidy will pay the debt service on the bonds.



Oracle Road Improvement District

Overview

The Oracle Road Improvement District Debt Service Fund allocates money for principal and interest payments on the issuance of Improvement District Bonds. The Town issued bonds in 2005 to finance the widening of Oracle Road along the Rooney Ranch development. The bonds are repaid by the assessments levied on the property owners in the improvement district.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ 294	\$ 1,600	\$ 6,095	\$ 1,600	0.0%
Debt Service	367,203	366,203	366,203	364,703	-0.4%
Total Expenditures	\$ 367,497	\$ 367,803	\$ 372,298	\$ 366,303	-0.4%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Interest Repayments	\$ 152,483	\$ 141,203	\$ 141,203	\$ 129,703	-8.1%
Principal Repayments	213,327	225,000	225,000	235,000	4.4%
Penalty	2,340	-	-	-	0.0%
Total Revenues	\$ 368,150	\$ 366,203	\$ 366,203	\$ 364,703	-0.4%



Roadway Development Impact Fee Fund

Overview

This Fund is used to manage all roadway Capital Improvement Projects (CIP) from the planning stage through design and construction. This process includes consultant selection and preparation of the Request for Proposal (RFP) process, review of traffic control plans, and contract administration. This fund is managed by Development & Infrastructure Services staff.

	FY 2010 Actual	FY 2011 Budget	FY 2011 Projected	FY 2012 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ -	\$ -	\$ -	\$ -	0.0%
Capital	1,728,168	15,694,000	2,339,435	7,998,000	-49.0%
Debt Service	-	6,255,760	5,700,000	2,615,467	-58.2%
Total Expenditures	\$ 1,728,168	\$ 21,949,760	\$ 8,039,435	\$ 10,613,467	-51.6%

	Revenue Sources				Variance to Budget
	FY 2010 Actual	FY 2011		FY 2012 Budget	
		Budget	Projected		
Federal Grants	\$ -	\$ 500,000	\$ -	\$ 500,000	0.0%
State Grants	1,196,084	8,974,000	7,701,000	7,443,000	-17.1%
Other Financing Sources	-	10,000,000	-	400,000	-96.0%
Development Impact Fees	341,034	384,839	92,616	413,078	7.3%
Interest	9,322	15,000	4,068	4,000	-73.3%
Miscellaneous	181,817	18,000	52,740	18,000	0.0%
Total Revenues	\$ 1,728,257	\$ 19,891,839	\$ 7,850,424	\$ 8,778,078	-55.9%

FY 2011/2012 Expenditure Changes

Capital

Capital decreased 49% due to the completion of several road projects, as well as modifications to the construction schedule and associated budget capacity for the widening of Lambert Lane.

Debt Service

Debt service decreased 58.2% due to lower principal and interest payments due in FY 2012.

CAPITAL IMPROVEMENT PROGRAM

Program Overview
Projects by Fund
Map of Projects
Project Descriptions



Town of Oro Valley

Caring for our heritage, our community, our future.



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.

As a result of economic conditions and a further decline in state shared revenues projected in FY 11/12, the CIP process was limited to evaluating projects currently in the planning stages or under construction with existing funding sources along with new projects that are fully funded with dedicated revenue sources. An internal, cross-departmental review of such projects was completed in order to prepare the proposed Five-Year Capital Improvement Plan rather than convening the CIP Technical Advisory Committee as has been standard practice in prior fiscal years.

The following information details the standard CIP process that has typically been followed in prior years to solicit, rank and recommend new projects for inclusion into the CIP.



Capital Improvement Program Overview

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
March:	Present draft CIP to CIPTAC CIPTAC finalizes CIP and recommends for Council adoption
April - May:	Budget study sessions to present Budget and CIP to Mayor and Council
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

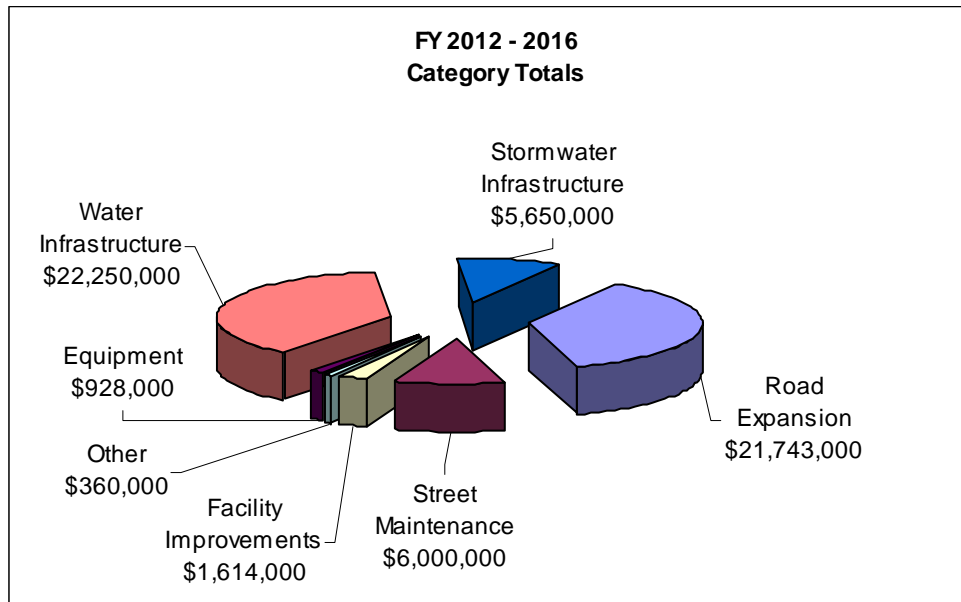
Only projects funded by the General Fund are subject to the evaluation criteria. Projects funded from the remaining Town Funds (ex. Highway, Development Impact Fee and Water Utility) are deemed vital and necessary to the Town's infrastructure. Furthermore, these funds are either self sustaining, receive 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.



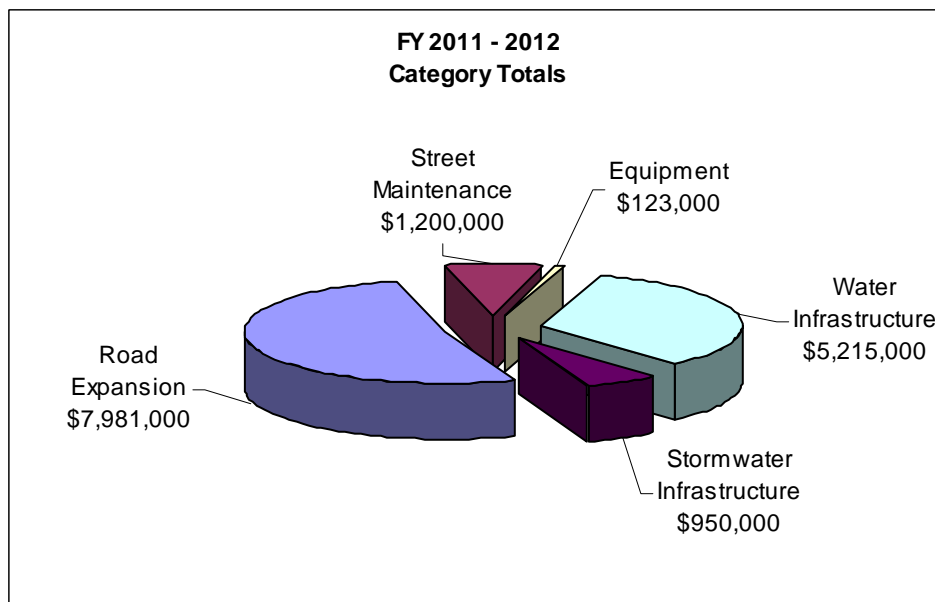
Capital Improvement Program Overview

Capital Improvement Program Summary

The cumulative 5-year capital budget for the Town of Oro Valley totals \$58,545,000 for fiscal years 2011-12 through 2015-16. The five year outlook is concentrated on roadway expansion, stormwater infrastructure and water infrastructure. The graph below shows the allocations by category for the given years:



The amount allocated for CIP projects in the FY 11/12 proposed budget is \$15,469,000. The graph below shows the allocations by category for FY 11/12. The projects included in the FY 11/12 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.





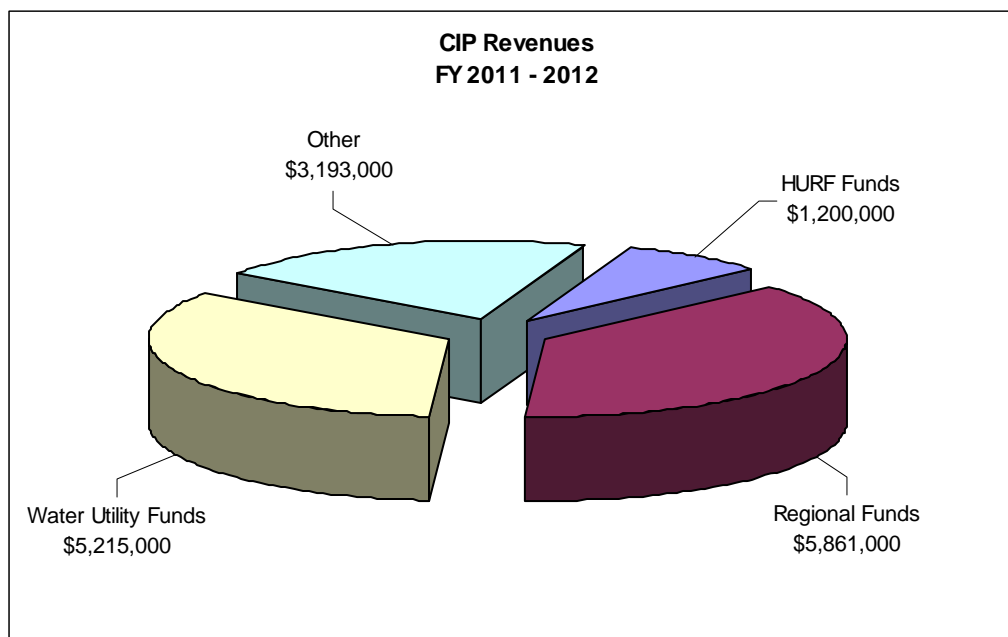
Capital Improvement Program Overview

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 are 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 2011 - 2012 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 has severely declined due to the economic recession.

MULTI-YEAR CAPITAL PROJECTS – HISTORIC PRESERVATION AND TOWN FACILITIES

Due to the recessionary economy and the need for the Town to prioritize its resources and allocation of funds, many of the multi-year capital projects have been suspended, eliminated or re-prioritized.



Capital Improvement Program Overview

Impact on the Operating Budget

The Town of Oro Valley's operating budget is directly affected by the CIP. When certain types of capital projects are developed and completed, they also have ongoing financial impacts upon the Town's operating budgets. For example, if the Town were to construct a new park or ball field, the operating budget for the Parks Department would increase to include the routine field maintenance of the new park or field. Also, the Town would need to include capacity in the operating budget to account for any new staff and equipment that would be necessary to maintain and operate the new facility.

In the FY 2012 – 2016 CIP, the individual projects include an estimated future operating budget impact, if it is possible to identify the cost at this time in the project's lifecycle. These costs are estimates provided by the professionals in each department that are responsible for the completion of the project.

The Town carefully considers these operating costs when deciding which projects move forward in the CIP as it is not sustainable for the Town to fund concurrently several large-scale projects that have significant operating budget impacts. Current economic conditions place an even greater emphasis on the desire for self-sustaining projects with neutral operating impacts.

The table below summarizes the projected impact of the funded CIP on the town's operating budget for the next five years:

Project	Impact	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Vehicle Wash Rack	Increased utility costs	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Lomas De Oro Wash	Reduced maintenance costs	\$0	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)
Side Cast Broce Broom	Increased maintenance & fuel costs	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
N. La Canada 3.0 MG Reservoir	Utility & maintenance costs	\$0	\$2,500	\$2,500	\$2,500	\$2,500
Sheraton D-Zone Booster	Increased utility costs	\$2,000	\$8,000	\$8,000	\$8,000	\$8,000
E. Lambert Lane Main Relocation	Increased maintenance costs	\$0	\$1,000	\$1,000	\$1,000	\$1,000
Campo Bello Main Replacement	Increased maintenance costs	\$0	\$1,000	\$1,000	\$1,000	\$1,000
La Canada 24-inch Main	Increased maintenance costs	\$0	\$1,000	\$1,000	\$1,000	\$1,000
Totals		\$8,500	\$17,500	\$17,500	\$17,500	\$17,500

Note: The list above represents the projects that were approved for funding in FY 11/12 that have an impact on the Town's operating budget(s). For the complete list of funded projects, please see the Project Descriptions section of this document.



Capital Improvement Program Overview

CIPTAC Recommendations

During the annual CIP process the CIPTAC provides recommendations related to the continued improvement of the process along with project funding recommendations. The CIPTAC was not convened in FY 11/12 as a result of the reduced scope of the CIP process.

Summary

Projects included in the FY 2011 – 2012 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 2011 – 2012 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.

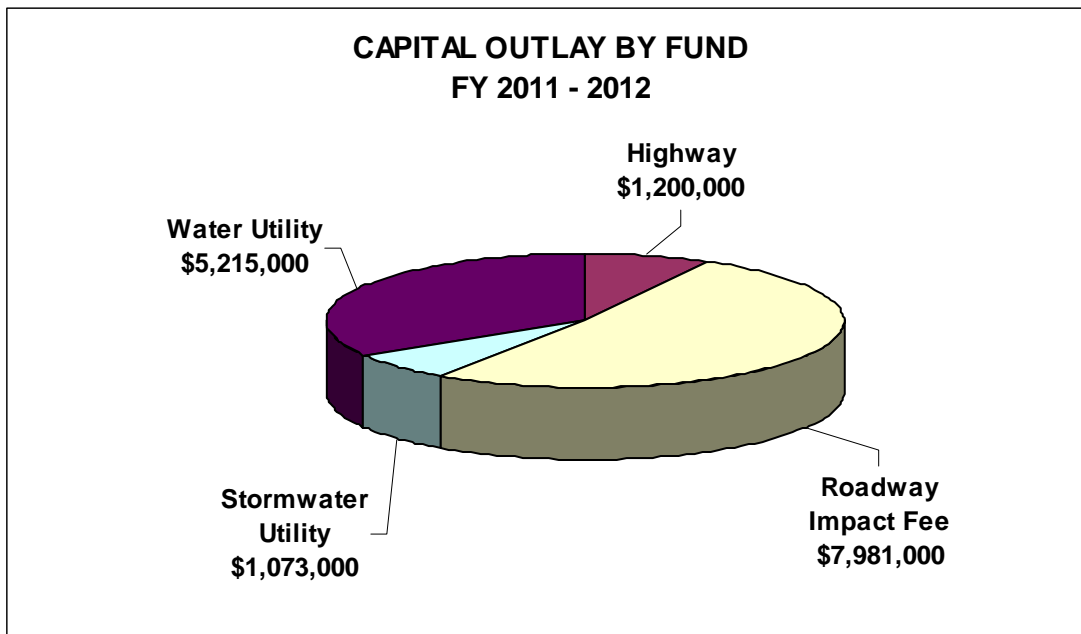


Capital Improvement Program Overview

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

Table 1

<u>Fund</u>	<u>Fiscal Year</u>				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
General	\$ -	\$ 524,000	\$ 600,000	\$ 400,000	\$ 450,000
Highway	\$ 1,200,000	\$ 1,200,000	\$ 1,305,000	\$ 1,200,000	\$ 1,325,000
Roadway Impact Fee	\$ 7,981,000	\$ 6,000,000	\$ -	\$ 2,860,000	\$ 4,902,000
Stormwater Utility	\$ 1,073,000	\$ 780,000	\$ 920,000	\$ 875,000	\$ 2,700,000
Water Utility	\$ 5,215,000	\$ 2,395,000	\$ 2,560,000	\$ 6,200,000	\$ 5,880,000
Total All Funds	\$ 15,469,000	\$ 10,899,000	\$ 5,385,000	\$ 11,535,000	\$ 15,257,000



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Projects by Fund

Table 2 below identifies the General Fund Projects for Fiscal Years 2012 – 2016:

Table 2

General Fund

Project Name	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
New Command Post	\$ -	\$ -	\$ 300,000	\$ -	\$ -
Town Hall Campus Security	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -
New Restroom at JDK Park	\$ -	\$ -	\$ -	\$ 250,000	\$ -
Tasor Replacements	\$ -	\$ -	\$ -	\$ -	\$ -
Q-Tel Property and ID System	\$ -	\$ 60,000	\$ -	\$ -	\$ -
Replace Playground Equipment at JDK Park	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Replace Field Lights at JDK Park	\$ -	\$ -	\$ 150,000	\$ -	\$ -
New Scoreboards at JDK Park	\$ -	\$ -	\$ -	\$ -	\$ 50,000
New Dog Park at Riverfront Park	\$ -	\$ -	\$ -	\$ 100,000	\$ -
Expand Dog Park at JDK Park	\$ -	\$ -	\$ -	\$ 50,000	\$ -
New Racquetball Courts at JDK Park	\$ -	\$ -	\$ -	\$ -	\$ 400,000
New Carpet in Library	\$ -	\$ 114,000	\$ -	\$ -	\$ -
Totals	\$ -	\$ 524,000	\$ 600,000	\$ 400,000	\$ 450,000

Table 3 below identifies the Highway Fund Projects for Fiscal Years 2012 – 2016:

Table 3

Highway Fund

Project Name	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Oro Valley Surface Treatments	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Purchase a skidsteer tractor w/attachments	\$ -	\$ -	\$ 60,000	\$ -	\$ -
Backhoe - 50% split with SW	\$ -	\$ -	\$ 45,000	\$ -	\$ -
Loader - 50% split with SW	\$ -	\$ -	\$ -	\$ -	\$ 125,000
Totals	\$ 1,200,000	\$ 1,200,000	\$ 1,305,000	\$ 1,200,000	\$ 1,325,000



Projects by Fund

Table 4 below identifies the Stormwater Fund Projects for Fiscal Years 2012 – 2016:

Table 4

Stormwater Fund

Project Name	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Highland Wash Basin Improvements	\$ 450,000	\$ -	\$ -	\$ -	\$ -
Sidecast Broce Broom	\$ 75,000	\$ -	\$ -	\$ -	\$ -
Vehicle Wash Rack - Rollover	\$ 48,000	\$ -	\$ -	\$ -	\$ -
Lomas de Oro Wash - Rollover	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Pegler Wash Basin Mgmt. Study	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Lambert Road Box Culvert	\$ -	\$ 600,000	\$ -	\$ -	\$ -
Un-named Wash Basin Mgmt. Study	\$ -	\$ -	\$ 75,000	\$ -	\$ -
Arroyo Grande Basin Improvements	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Moore Road Box Culverts	\$ -	\$ -	\$ 800,000	\$ -	\$ -
Carmack Wash Basin Mgmt. Study	\$ -	\$ -	\$ -	\$ 75,000	\$ -
Pegler Wash Drainage Improvements	\$ -	\$ -	\$ -	\$ 500,000	\$ -
Un-named Wash Improvements	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Villages Wash Basin Mgmt. Study	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Street Sweeper	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Vehicle Wash Rack Enclosure	\$ -	\$ 105,000	\$ -	\$ -	\$ -
Backhoe - 50% split with HF	\$ -	\$ -	\$ 45,000	\$ -	\$ -
Loader - 50% split with HF	\$ -	\$ -	\$ -	\$ -	\$ 125,000
Totals	\$ 1,073,000	\$ 780,000	\$ 920,000	\$ 875,000	\$ 2,700,000

Table 5 below identifies the Roadway Impact Fee Fund Projects for Fiscal Years 2012 – 2016:

Table 5

Roadway Impact Fee Fund

Project Name	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Lambert Lane (La Canada to Pusch View Lane) - Rollover	\$ 4,920,000	\$ 6,000,000	\$ -	\$ -	\$ -
Naranja - (Shannon to La Canada) - Rollover	\$ -	\$ -	\$ -	\$ 1,785,000	\$ 402,000
CDO Shared Use Path - Rollover	\$ 1,293,000	\$ -	\$ -	\$ -	\$ -
Rancho Vistoso Blvd./Big Wash Bridge Barrier - Rollover	\$ 418,000	\$ -	\$ -	\$ -	\$ -
Naranja - (La Cholla to Ironwood Ridge) - Phase I	\$ 1,350,000	\$ -	\$ -	\$ -	\$ -
Lambert Lane Phase II (La Canada to La Cholla)	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 4,500,000
Tangerine - (Shannon to La Canada)	\$ -	\$ -	\$ -	\$ 75,000	\$ -
Totals	\$ 7,981,000	\$ 6,000,000	\$ -	\$ 2,860,000	\$ 4,902,000



Projects by Fund

Table 6 below identifies the Existing System Improvement Projects for the Water Utility for Fiscal Years 2012 – 2016:

Table 6

Existing System Improvements

<u>Project Name</u>	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
East Lambert Lane. 16" Main Relocation (DPW)	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -
Campo Bello - 8 Inch Main Replacement - Rollover	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Sheraton D-Zone Booster - Rollover	\$ 700,000	\$ -	\$ -	\$ -	\$ -
North La Canada 3.0 MG, 20% - Rollover	\$ 170,000	\$ -	\$ -	\$ -	\$ -
Big Wash E-D PRV	\$ 60,000	\$ -	\$ -	\$ -	\$ -
RTA Utility Relocation (allowance) - Rollover	\$ 50,000	\$ -	\$ -	\$ -	\$ -
10KW Solar Power Pilot @ WP 13	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Countryside Meter Replacement Project - AMR	\$ 730,000	\$ -	\$ -	\$ -	\$ -
Tangerine Hills - 8 Inch Main Replacement	\$ -	\$ 1,250,000	\$ 1,000,000	\$ -	\$ -
Well Drill & Equip Steam Pump	\$ -	\$ -	\$ 650,000	\$ 1,000,000	\$ -
Well E-8 Development	\$ -	\$ -	\$ 60,000	\$ -	\$ -
Redrill Well E-3	\$ -	\$ -	\$ -	\$ 600,000	\$ 1,000,000
Crimson Canyon Booster	\$ -	\$ -	\$ -	\$ -	\$ 300,000
High Mesa G-Zone Booster	\$ -	\$ -	\$ -	\$ 550,000	\$ -
High Mesa F-Zone Booster	\$ -	\$ -	\$ -	\$ 550,000	\$ -
Access Road & Wall - Well D-6	\$ -	\$ 100,000	\$ -	\$ -	\$ -
RV Chlorine Storage	\$ -	\$ 400,000	\$ -	\$ -	\$ -
Tangerine Booster	\$ -	\$ -	\$ -	\$ -	\$ 150,000
CDO Booster - possible demolition	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Deer Run Booster	\$ -	\$ -	\$ -	\$ -	\$ 1,280,000
Rancho Verde Main Replacement	\$ -	\$ -	\$ -	\$ 500,000	\$ -
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	\$ -	\$ -	\$ -
Totals	\$ 3,960,000	\$ 1,880,000	\$ 1,860,000	\$ 3,200,000	\$ 2,880,000

Table 7 below identifies the Expansion Related Improvement Projects for the Water Utility for Fiscal Years 2012– 2016:

Table 7

Expansion Related Improvements

<u>Project Name</u>	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
North La Canada 3.0 MG, 50% - Rollover	\$ 680,000	\$ -	\$ -	\$ -	\$ -
La Canada 24 Inch Main - Rollover	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Totals	\$ 740,000	\$ -	\$ -	\$ -	\$ -

Table 8 below identifies the CAP Improvements scheduled for Fiscal Year 2012 – 2016:

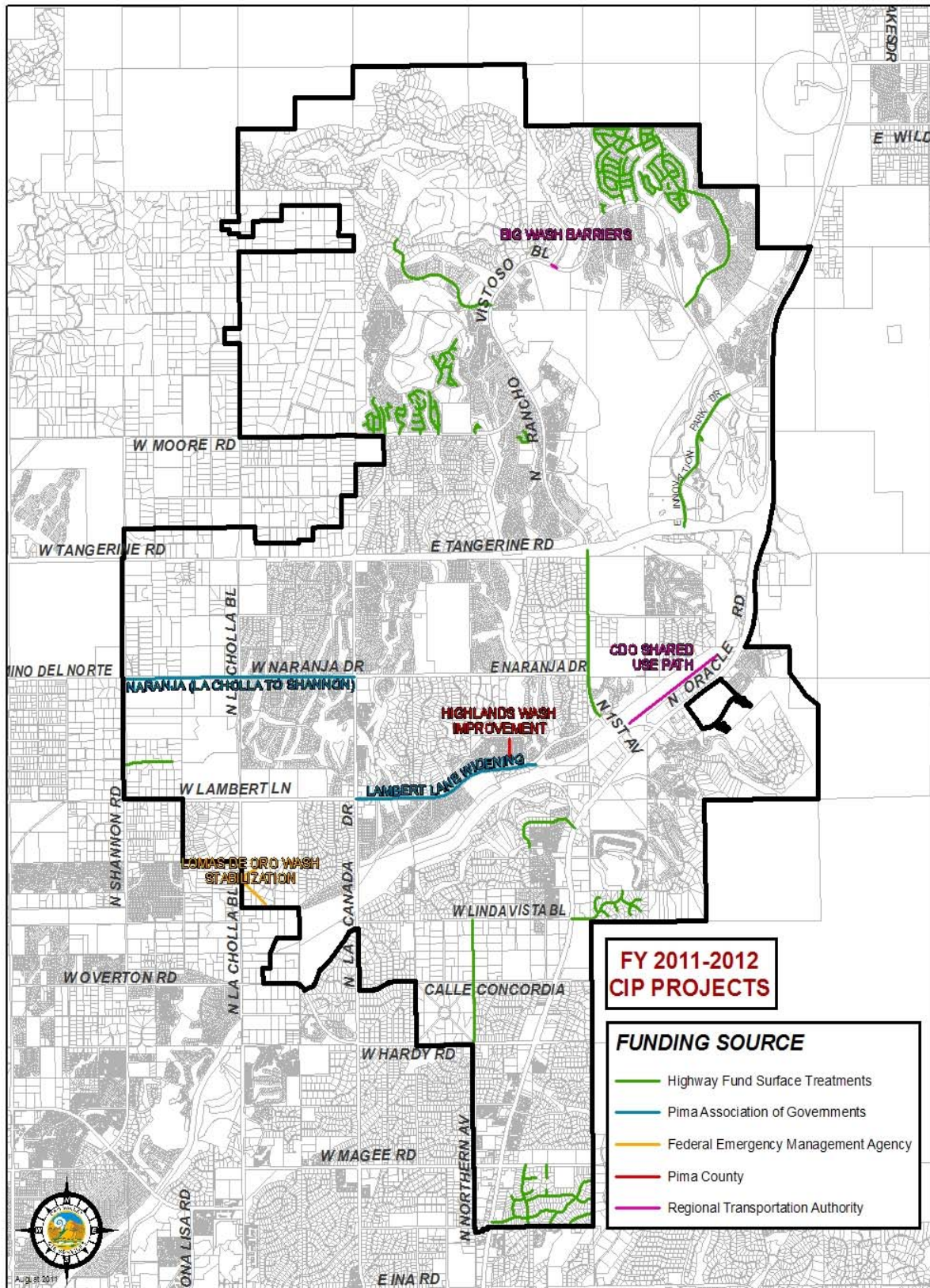
Table 8

CAP Water Improvements

<u>Project Name</u>	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
Wheeling Tucson Water 1000 AF/Year	\$ 515,000	\$ -	\$ -	\$ -	\$ -
Wheeling Tucson Water 1500 AF/Year	\$ -	\$ 515,000	\$ -	\$ -	\$ -
Wheeling Tucson Water 3000 AF/Year	\$ -	\$ -	\$ 700,000	\$ 3,000,000	\$ 3,000,000
Totals	\$ 515,000	\$ 515,000	\$ 700,000	\$ 3,000,000	\$ 3,000,000

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The Town of Oro Valley map below identifies the location of the major projects scheduled for FY 2012:



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Project Descriptions

The following are detailed descriptions of all of the projects identified for Fiscal Year 2011-2012 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:	Oro Valley Surface Treatments				
DEPARTMENT:	Public Works, Street Division				
PROJECT COST:	\$1,200,000				
PRIMARY FUNDING:	Highway Fund				
ADDITIONAL FUNDING:	None				
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>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	Varies depending on pavement preservation application type				

PROJECT TITLE:	Vehicle wash rack - Rollover				
DEPARTMENT:	Public Works, Operations Division				
PROJECT COST:	\$48,000				
PRIMARY FUNDING:	Stormwater Utility Fund				
ADDITIONAL FUNDING:	None				
PROJECT DESCRIPTION:	Purchase of vehicle wash rack				
PROJECT JUSTIFICATION:	Bring Town into compliance with Federal and State regulations				
OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	1,500	1,500	1,500	1,500	1,500
Operating Savings	-	-	-	-	-

PROJECT TITLE:	Highlands Wash Basin Improvements				
DEPARTMENT:	Public Works, Operations Division				
PROJECT COST:	\$450,000				
PRIMARY FUNDING:	Pima County Flood Control District				
ADDITIONAL FUNDING:	None				
PROJECT DESCRIPTION:	Drainage improvements at Highlands Wash Basin				
PROJECT JUSTIFICATION:	Improvements will provide increased channel capacity				
OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Lomas de Oro Construction - Rollover Project
DEPARTMENT: Public Works, Street Division
PROJECT COST: \$500,000
PRIMARY FUNDING: FEMA/ADEM
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>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	2,500	2,500	2,500	2,500

PROJECT TITLE: Sidecast Broce Broom
DEPARTMENT: Public Works, Street Division
PROJECT COST: \$75,000
PRIMARY FUNDING: Stormwater Utility Fees
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Purchase new broce broom
PROJECT JUSTIFICATION: Replacement of aging equipment currently used

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	5,000	5,000	5,000	5,000	5,000
Operating Savings	-	-	-	-	-

PROJECT TITLE: Lambert Lane Widening (La Canada to Pusch View Lane) - Rollover Project
DEPARTMENT: Public Works
PROJECT COST: \$4,920,000
PRIMARY FUNDING: Pima Association of Governments Regional Funds
ADDITIONAL FUNDING: HELP Loan Proceeds
PROJECT DESCRIPTION: Widen Lambert Lane between La Canada and Pusch View Lane to 4 lanes
PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Naranja (La Cholla to Ironwood Ridge)
DEPARTMENT: Public Works
PROJECT COST: \$1,350,000
PRIMARY FUNDING: Pima Association of Government Regional Funds
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>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: CDO Shared Use Path - Final Phase
DEPARTMENT: Public Works
PROJECT COST: \$1,293,000
PRIMARY FUNDING: Regional Transportation Authority (RTA) Funds
ADDITIONAL FUNDING: Federal Transportation Enhancement Grant
PROJECT DESCRIPTION: Construct new 12' linear trail along CDO multi-use path
PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG
OPERATING IMPACT:

	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Rancho Vistoso Boulevard/Big Wash Bridge Barrier
DEPARTMENT: Public Works
PROJECT COST: \$418,000
PRIMARY FUNDING: Regional Transportation Authority (RTA) Funds
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Removing & replacing barrier walls on the bridge over Big Wash
PROJECT JUSTIFICATION: Per Transportation Improvement Program as set by PAG
OPERATING IMPACT:

	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE:	N. La Canada 3.0 MG Reservoir - Rollover				
DEPARTMENT:	Water				
PROJECT COST:	\$850,000				
PRIMARY FUNDING:	Water Utility Fund (20%), Potable Water System Development Impact Fee Fund (80%)				
ADDITIONAL FUNDING:	2003 Bond Proceeds				
PROJECT DESCRIPTION:	3.0 million gallon concrete reservoir located at King Air and Moore Road				
PROJECT JUSTIFICATION:	Provide reliable storage for fire flow and future system demand				
OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	2,500	2,500	2,500	2,500
Operating Savings	-	-	-	-	-

PROJECT TITLE:	Sheraton D-Zone Booster Station - Rollover				
DEPARTMENT:	Water				
PROJECT COST:	\$700,000				
PRIMARY FUNDING:	Water Utility Fund				
ADDITIONAL FUNDING:	WIFA Loan				
PROJECT DESCRIPTION:	Re-design booster pump facility				
PROJECT JUSTIFICATION:	Existing booster pump facility undersized to meet customer demand				
OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	2,000	8,000	8,000	8,000	8,000
Operating Savings	-	-	-	-	-

PROJECT TITLE:	East Lambert Lane 16 inch Main Relocation - Rollover				
DEPARTMENT:	Water				
PROJECT COST:	\$1,200,000				
PRIMARY FUNDING:	Water Utility Fund				
ADDITIONAL FUNDING:	None				
PROJECT DESCRIPTION:	Relocate existing water main - Autumn Hills to First Avenue				
PROJECT JUSTIFICATION:	To accommodate Public Works Road Improvement Project				
OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	1,000	1,000	1,000	1,000
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Campo Bello - 8 Inch Main Replacement
DEPARTMENT: Water
PROJECT COST: \$1,000,000
PRIMARY FUNDING: Water Utility Fund
ADDITIONAL FUNDING: None
PROJECT DESCRIPTION: Install new 8 Inch pipe and new fire hydrants
PROJECT JUSTIFICATION: Current system undersized and costly to maintain

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	1,000	1,000	1,000	1,000
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>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: La Canada 24-inch Main - Rollover
DEPARTMENT: Water
PROJECT COST: \$60,000
PRIMARY FUNDING: Potable Water System Development Impact Fee Fund
ADDITIONAL FUNDING: 2003 Bond Proceeds
PROJECT DESCRIPTION: Install 24-inch main in the vicinity of Moore Road and King Air
PROJECT JUSTIFICATION: New main needed to connect to La Canada reservoir

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	1,000	1,000	1,000	1,000
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Big Wash E-D PRV
 DEPARTMENT: Water
 PROJECT COST: \$60,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: To provide additional water to D-Zone
 PROJECT JUSTIFICATION: Several wells losing capacity in D-Zone. E-Zone water will supplement lost capacity

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: 10 KW Solar Power Pilot at Water Pump 13
 DEPARTMENT: Water
 PROJECT COST: \$50,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: To install 10kw solar system on lid of concrete reservoir
 PROJECT JUSTIFICATION: Complements Town's energy efficiency upgrades

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

PROJECT TITLE: Wheeling Tucson Water
 DEPARTMENT: Water
 PROJECT COST: \$515,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Recharge Oro Valley's CAP water in TW recharge basin
 PROJECT JUSTIFICATION: Uses CAP water the soonest and reduces groundwater pumpage

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	-	-	-	-	-
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-



Project Descriptions

PROJECT TITLE: Countryside Meter Replacement Project - AMR
 DEPARTMENT: Water
 PROJECT COST: \$730,000
 PRIMARY FUNDING: Water Utility Fund
 ADDITIONAL FUNDING: None
 PROJECT DESCRIPTION: Replace outdated meters with Automated Meter Readers
 PROJECT JUSTIFICATION: Current meters inefficient and under registering

OPERATING IMPACT:	Fiscal Years				
	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>
Operating Revenue	Additional revenue anticipated due to increased accuracy in meter reading				
Operating Costs	-	-	-	-	-
Operating Savings	-	-	-	-	-

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APPENDIX

Community Profile
Oro Valley History
Resolution Adoption
Auditor General Statements
Personnel Schedule
Debt Service Schedules
Glossary



Town of Oro Valley

Caring for our heritage, our community, our future.



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 Department 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	2010
Oro Valley	6,670	29,700	41,011
Pima County	666,880	843,746	980,263
Arizona	3,665,228	5,130,632	6,392,017

Source: Arizona Department of Commerce and US Census Bureau

Age & Gender Composition

Male	47.5%
Female	52.5%
Median Age	48.0
Under 5 years	5.1%
5 to 9 years	4.5%
10 to 14 years	6.0%
15 to 19 years	6.7%
20 to 34 years	10.7%
35 to 44 years	12.8%
45 to 54 years	14.4%
55 to 64 years	15.5%
65 + years	24.3%

Source: US Census Bureau, 2005-2009 American Community Survey

Labor Force

	1990	2000	2010
Civilian Labor Force	3,201	13,741	18,489
Unemployed	102	353	974
Unemployment Rate	3.2%	2.6%	5.3%

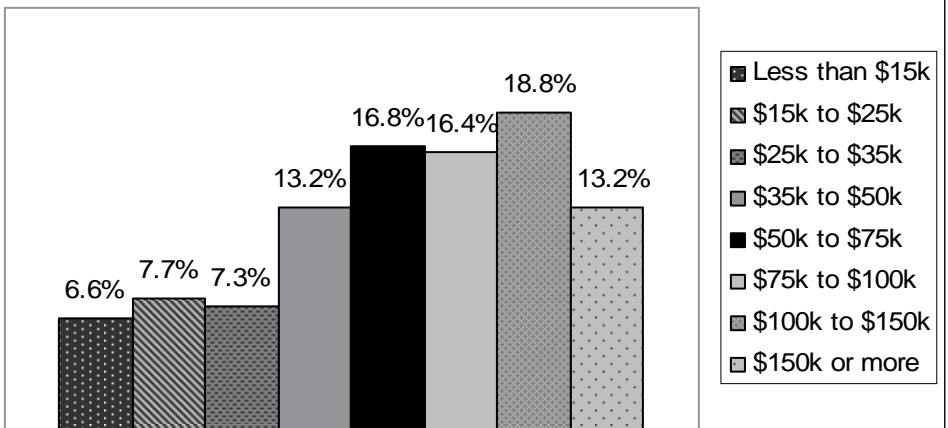
Source: Arizona Department of Commerce and US Census Bureau, 2005-2009 American Community Survey

Marital Status

Single	19.1%
Married	63.6%
Separated	0.8%
Widowed	6.7%
Divorced	9.9%

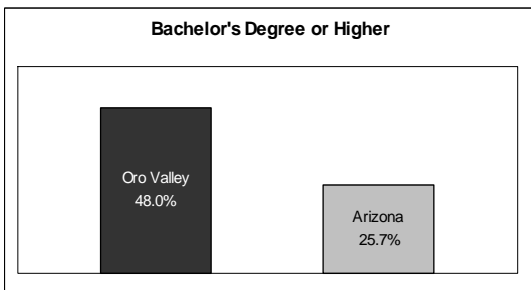
Source: US Census Bureau, 2005-2009 American Community Survey

Household Income



Source: US Census Bureau, 2005-2009 American Community Survey

Education Attainment



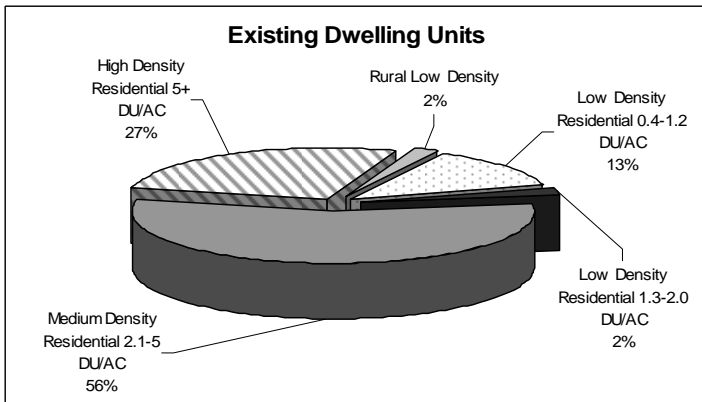
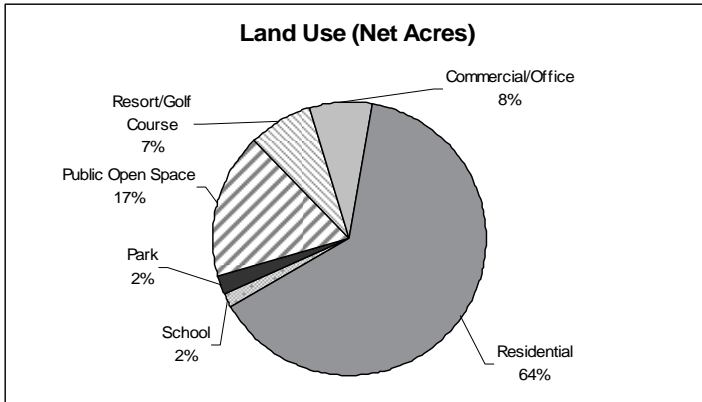
Source: US Census Bureau, 2005-2009 American Community Survey

Principal Employers

Ventana Medical Systems	Town of Oro Valley
Honeywell	Wal-Mart Supercenter
Amphitheater School District	Fry's Food & Drug Store
Oro Valley Hospital	Home Depot
Hilton El Conquistador Golf & Tennis Resort	Long Realty



Community Profile



Source: Town of Oro Valley

Home Values

Less than \$50k	0.6%
\$50k to \$99k	1.2%
\$100k to \$199k	13.9%
\$200k to \$299k	27.7%
\$300k to \$499k	38.4%
\$500k to \$999k	17.0%
\$1M or more	1.2%

Source: US Census Bureau, 2005-2009 American Community Survey

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 Departments:

Golder Ranch Fire District, Mountain Vista Fire District, Rural/Metro Law Enforcement: Town of Oro Valley

Medical

Northwest Medical Center, Northwest Urgent Care, Oro Valley Hospital

Hotel & Lodging

Number of Rooms: 430

Source: AZ Dept of Commerce and Oro Valley Business Navigator

Taxes

Property Tax Rate (per \$100 assessed valuation)

Elementary/High Schools	\$5.05
Countywide	\$6.27
Fire District	\$1.73
Town of Oro Valley	\$0.00
Total	\$13.05

Source: Pima County Treasurer's Office, 2010

Sales Tax

City/Town	2.0%
County	0.5%
State	6.6%

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

Service Statistics

Police:

Sworn Personnel:	97.00
Non-Sworn Personnel:	<u>32.63</u>
Total Police Personnel	129.63
Officers per 1,000 residents:	2.37
Avg. Emergency Response Time:	
Priority 1 calls < 5 minutes	85% of the time
Priority 2 calls < 8 minutes	95% of the time
Priority 3 calls < 15 minutes	97% of the time
Priority 4 calls < 30 minutes	99% of the time

Transit:

Registered riders:	1,915
Avg. Daily Ridership:	60

Parks and Recreation:

# of Parks:	4
Park Acres Maintained:	376
Miles of Trails & Paths:	78
Recreation Programs Offered:	35

Public Works:

Total Town Lane Miles:	680
FY 2010/2011 Lane Miles resurfaced:	30

Water:

Customer Base:	18,502
Conservation Audits:	139
Meter Reads:	222k
Billing Collection Rate:	99.9%



Town of Oro Valley

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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

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RESOLUTION NO. (R)11-45

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 2011-2012.

WHEREAS, the Town of Oro Valley is a political subdivision of the State of Arizona vested with all associated rights, privileges and benefits and is entitled to the immunities and exemptions granted municipalities and political subdivisions under the Constitution and laws of the State of Arizona and the United States; and

WHEREAS, on May 18, 2011, in accordance with Arizona Revised Statutes §§ 42-17101 and 42-17102, the Town authorized an estimate of the different amounts required to meet the public expenditures for the ensuing year, an estimate of revenues from sources other than direct taxation and the amount to be raised by taxation upon real and personal property of the Town of Oro Valley; and

WHEREAS, after notice of a public hearing in accordance with Arizona Revised Statutes §§ 42-17103, 42-17104 and 42-17105, the Council met on June 15, 2011 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 2011-2012; and

WHEREAS, the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed the primary property tax levy limits as calculated in accordance with Arizona Revised Statutes § 42-17051(A); and

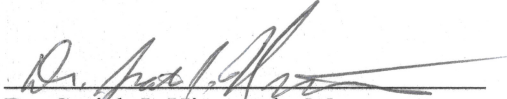
WHEREAS, it is in the best interest of the Town of Oro Valley to approve the estimates and expenditures/expenses shown on the accompanying schedules for the Fiscal Year 2011-2012.

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 and approved as the budget of the Town of Oro Valley for the Fiscal Year 2011-2012 in the amount of \$94,219,647.

BE IT FURTHER RESOLVED that the Mayor and Council of the Town of Oro Valley are hereby authorized to take such steps as are necessary to execute and implement the budget for the Fiscal Year 2011-2012.

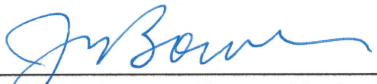
PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona this 15th day of June, 2011.

TOWN OF ORO VALLEY, ARIZONA



Dr. Satish I. Hiremath, Mayor

ATTEST:



Julie K. Bower, Town Clerk

Date: 6/21/11

APPROVED AS TO FORM:



Tobin Rosen, Town Attorney

Date: 6/15/11



Town of Oro Valley

Caring for our heritage, our community, our future.

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CITY/TOWN OF Oro Valley
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2012

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2011	ACTUAL EXPENDITURES/EXPENSES ** 2011	FUND BALANCE/NET ASSETS*** July 1, 2011**	PROPERTY TAX REVENUES 2012 Primary: Secondary:	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2012	OTHER FINANCING 2012		INTERFUND TRANSFERS 2012		TOTAL FINANCIAL RESOURCES AVAILABLE 2012	BUDGETED EXPENDITURES/EXPENSES 2012
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 36,191,650	\$ 24,430,982	\$ 9,561,226		\$ 25,008,018	\$	\$	\$ 1,125,926	\$ 223,352	\$ 35,471,818	\$ 35,471,818
2. Special Revenue Funds	10,370,426	4,766,823	4,952,261		4,613,790				1,525,926	8,040,125	8,040,125
3. Debt Service Funds Available	2,439,619	871,438	1,577,142		450,480			228,647		2,256,269	2,256,269
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	2,439,619	871,438	1,577,142		450,480			228,647		2,256,269	2,256,269
6. Capital Projects Funds	41,543,409	17,707,976	11,132,229		11,463,473			400,000	100,000	22,895,702	22,895,702
7. Permanent Funds											
8. Enterprise Funds Available	24,788,713	13,440,682	10,473,958		13,850,799		700,000	100,000	5,295	25,119,462	25,119,462
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	24,788,713	13,440,682	10,473,958		13,850,799		700,000	100,000	5,295	25,119,462	25,119,462
11. Internal Service Funds	874,968	874,968			436,271					436,271	436,271
12. TOTAL ALL FUNDS	\$ 116,208,785	\$ 62,092,869	\$ 37,696,816	\$	\$ 55,822,831	\$	\$ 700,000	\$ 1,854,573	\$ 1,854,573	\$ 94,219,647	\$ 94,219,647

EXPENDITURE LIMITATION COMPARISON

	2011	2012
1. Budgeted expenditures/expenses	\$ 116,208,785	\$ 94,219,647
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	116,208,785	94,219,647
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 116,208,785	\$ 94,219,647
6. EEC or voter-approved alternative expenditure limitation	\$ 116,208,785	\$ 94,219,647

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 incurrent 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 not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

CITY/TOWN OF Oro Valley
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 12,564,250	\$ 11,266,458	\$ 11,901,316
Cable Franchise Tax	500,000	500,000	500,000
Licenses and permits			
Licenses	165,310	165,310	170,698
Permits	1,099,930	667,337	946,196
Fees	11,270	10,503	10,000
Intergovernmental			
State/County Shared	8,360,415	8,360,415	8,187,264
State Grants	145,700	230,543	288,500
Federal Grants	881,239	811,956	805,533
Other	607,781	600,281	591,160
Charges for services			
Reimbursements	241,300	226,000	234,000
Fees	533,677	462,716	442,160
Other	246,738	205,038	561,691
Fines and forfeits			
Fines	195,000	210,000	190,000
Interest on investments			
Interest Income	151,374	21,333	22,000
Contributions			
Voluntary contributions			
Miscellaneous			
Miscellaneous	145,000	191,625	157,500
Total General Fund	\$ 25,848,984	\$ 23,929,515	\$ 25,008,018

* 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 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Local Sales Tax	\$ 630,188	\$ 398,807	\$ 367,400
Highway User Fuel Tax	2,669,767	2,669,767	2,376,464
Permits	50,192	50,192	42,000
Grants	317,000	145,689	487,000
Interest Income	53,205	10,679	10,700
Charges for Services			15,000
Other	12,686	14,992	10,000
Total Highway User Revenue Fund	\$ 3,733,038	\$ 3,290,126	\$ 3,308,564
Public Transportation Fund			
Local Transportation Assistance	\$	\$	\$
Grants		109,706	
Charges for Services	34,545	50,400	
Interest Income	1,800	164	
Other	18,500	634	
Total Public Transportation Fund	\$ 54,845	\$ 160,904	\$
Bed Tax Fund			
Local Sales Tax	\$ 261,569	\$ 251,569	\$ 899,626
Interest Income	9,000	1,808	1,800
Total Bed Tax Fund	\$ 270,569	\$ 253,377	\$ 901,426
Seizures & Forfeitures - State Fund			
	\$ 102,800	\$ 102,500	\$ 102,500
Total Seizures & Forfeitures - State Fund	\$ 102,800	\$ 102,500	\$ 102,500
Seizures & Forfeitures - Federal Fund			
	\$ 253,600	\$ 251,300	\$ 251,300
Total Seizures & Forfeitures - Fed Fund	\$ 253,600	\$ 251,300	\$ 251,300
Impound Fee Fund			
Fees	\$ 60,000	\$ 50,000	\$ 50,000
Total Impound Fee Fund	\$ 60,000	\$ 50,000	\$ 50,000
Total Special Revenue Funds	\$ 4,474,852	\$ 4,108,207	\$ 4,613,790

* 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 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
DEBT SERVICE FUNDS			
Municipal Debt Service Fund			
Federal Grants	\$ 15,605	\$ 15,988	\$ 85,777
Total Municipal Debt Service Fund	\$ 15,605	\$ 15,988	\$ 85,777
Oracle Road Improvement District Fund			
Special Assessments	\$ 366,203	\$ 366,203	\$ 364,703
Total Oracle Road Improve Dist Fund	\$ 366,203	\$ 366,203	\$ 364,703
Total Debt Service Funds	\$ 381,808	\$ 382,191	\$ 450,480
CAPITAL PROJECTS FUNDS			
Alternative Water Resources Development Impact Fee Fund			
Development Impact Fees	\$ 468,308	\$ 413,000	\$ 219,200
Charges for Services	2,298,285	2,016,440	2,423,500
Interest Income	8,000	2,754	2,684
Total AWRDIF Fund	\$ 2,774,593	\$ 2,432,194	\$ 2,645,384
Potable Water System Development Impact Fee Fund			
Development Impact Fees	\$ 249,702	\$ 214,721	\$ 114,255
Interest Income	33,500	16,034	13,323
Total PWS DIF Fund	\$ 283,202	\$ 230,755	\$ 127,578
Townwide Roadway Development Impact Fee Fund			
State Grants	\$ 8,974,000	\$ 7,701,000	\$ 7,443,000
Federal Grants	500,000		500,000
Development Impact Fees	384,839	92,616	413,078
Interest Income	15,000	4,068	4,000
Other	18,000	52,740	18,000
Total TRDIF Fund	\$ 9,891,839	\$ 7,850,424	\$ 8,378,078
Regional Transportation Authority Fund			
RTA Reimbursements	\$ 50,000	\$ 1,725	\$ 50,000
Total RTA Fund	\$ 50,000	\$ 1,725	\$ 50,000
Steam Pump Ranch Fund			
State/County Shared	\$ 275,000	\$ 243,100	
Federal Grants	250,000		
Total Steam Pump Ranch Fund	\$ 525,000	\$ 243,100	
Parks & Recreation Impact Fee Fund			
Development Impact Fees	\$ 202,425	\$ 91,544	\$ 127,640
Total Parks & Rec Impact Fee Fund	\$ 202,425	\$ 91,544	\$ 127,640

CITY/TOWN OF Oro Valley
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
Library Impact Fee Fund			
Development Impact Fees	\$ 52,050	\$ 23,545	\$ 32,831
Total Library Impact Fee Fund	\$ 52,050	\$ 23,545	\$ 32,831
Police Impact Fee Fund			
Development Impact Fees	\$ 46,483	\$ 18,258	\$ 34,477
Total Police Impact Fee Fund	\$ 46,483	\$ 18,258	\$ 34,477
General Government Impact Fee Fund			
Development Impact Fees	\$ 74,880	\$ 14,530	\$ 67,485
Total General Govt Impact Fee Fund	\$ 74,880	\$ 14,530	\$ 67,485
Total Capital Projects Funds	\$ 13,900,472	\$ 10,906,075	\$ 11,463,473

* 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 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
ENTERPRISE FUNDS			
Oro Valley Water Utility Fund			
Water Sales	\$ 11,689,300	\$ 11,682,799	\$ 11,682,799
Charges for Services	458,700	463,075	445,200
State Grants	35,000		
Other	44,000	13,600	16,300
Total Oro Valley Water Utility Fund	\$ 12,227,000	\$ 12,159,474	\$ 12,144,299
Stormwater Utility Fund			
Federal Grants	\$ 1,188,500	\$ 876,500	\$ 380,000
State Grants	930,100	413,840	575,000
Charges for Services	743,500	743,700	751,000
Other	1,500	1,500	500
Total Stormwater Utility Fund	\$ 2,863,600	\$ 2,035,540	\$ 1,706,500
Total Enterprise Funds	\$ 15,090,600	\$ 14,195,014	\$ 13,850,799

* 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 2012

SOURCE OF REVENUES	ESTIMATED REVENUES 2011	ACTUAL REVENUES* 2011	ESTIMATED REVENUES 2012
INTERNAL SERVICE FUNDS			
Fleet Maintenance Fund			
Charges for Services	\$	\$	\$ 436,271
Total Fleet Maintenance Fund	\$	\$	\$ 436,271
Total Internal Service Funds	\$	\$	\$ 436,271
TOTAL ALL FUNDS	\$ 59,696,716	\$ 53,521,002	\$ 55,822,831

* 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 2012

FUND	OTHER FINANCING 2012		INTERFUND TRANSFERS 2012	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Transfer to Municipal Debt Service Fund	\$	\$	\$	\$ 223,352
Transfer from Bed Tax Fund			1,125,926	
Total General Fund	\$	\$	\$ 1,125,926	\$ 223,352
SPECIAL REVENUE FUNDS				
Bed Tax Fund	\$	\$	\$	\$ 1,125,926
Highway Fund				400,000
Total Special Revenue Funds	\$	\$	\$	\$ 1,525,926
DEBT SERVICE FUNDS				
Municipal Debt Service Fund	\$	\$	\$ 228,647	\$
Total Debt Service Funds	\$	\$	\$ 228,647	\$
CAPITAL PROJECTS FUNDS				
Alternative Water Rscs Dev Impact Fee Fund	\$	\$	\$	\$ 100,000
Townwide Roadway Dev Impact Fee Fund			400,000	
Total Capital Projects Funds	\$	\$	\$ 400,000	\$ 100,000
ENTERPRISE FUNDS				
Oro Valley Water Utility Fund	\$ 700,000	\$	\$ 100,000	\$ 5,295
Total Enterprise Funds	\$ 700,000	\$	\$ 100,000	\$ 5,295
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 700,000	\$	\$ 1,854,573	\$ 1,854,573

CITY/TOWN OF Oro Valley
 Summary by Department of Expenditures/Expenses Within Each Fund Type
 Fiscal Year 2012

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2011	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2011	ACTUAL EXPENDITURES/ EXPENSES* 2011	BUDGETED EXPENDITURES/ EXPENSES 2012
GENERAL FUND				
Council	\$ 220,610	\$ (3,000)	\$ 197,610	\$ 220,573
Clerk	378,581		374,081	456,089
Development & Infrastructure Services	3,084,586		2,735,661	3,340,679
Finance	727,613		721,613	722,199
General Administration	2,469,851		2,265,400	2,141,767
Human Resources	484,189		455,657	482,649
Information Technology	1,120,106		1,098,106	1,252,797
Legal	842,785		740,785	841,832
Magistrate Court	753,772		744,922	781,625
Manager	974,906		892,553	877,167
Parks, Rec, Library & Cultural Resources	2,947,715		2,887,080	2,876,702
Police	11,566,573	3,000	11,199,698	12,096,513
Contingency Reserve	10,620,363		117,816	9,381,226
Total General Fund	\$ 36,191,650	\$	\$ 24,430,982	\$ 35,471,818
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 7,674,342	\$	\$ 3,772,839	\$ 6,308,485
Public Transportation Fund	456,852		427,420	
Seizures and Forfeitures - State Fund	307,262		51,701	344,420
Seizures and Forfeitures - Federal Fund	562,628		87,000	696,661
Bed Tax Fund	1,303,218		380,146	638,276
Impound Fee Fund	66,124		47,717	52,283
Total Special Revenue Funds	\$ 10,370,426	\$	\$ 4,766,823	\$ 8,040,125
DEBT SERVICE FUNDS				
Municipal Debt Service Fund	\$ 2,061,607	\$	\$ 499,140	\$ 1,885,937
Oracle Road Improvement District Fund	378,012		372,298	370,332
Total Debt Service Funds	\$ 2,439,619	\$	\$ 871,438	\$ 2,256,269
CAPITAL PROJECTS FUNDS				
Regional Transportation Authority Fund	\$ 50,000	\$	\$ 1,725	\$ 50,000
Townwide Roadway Dev Impact Fee Fund	21,957,121		8,039,435	10,861,424
Capital Asset Replacement Fund	499,639		314,938	
Steam Pump Ranch Fund	645,304		399,190	
Honey Bee Village Fund	8,229			
Naranja Park Fund	258,821			258,821
Alternative Water Rscs Dev Impact Fee Fund	4,291,729		3,116,352	3,513,774
Potable Water System Dev Impact Fee Fund	10,568,100		3,379,671	7,434,228
Parks & Recreation Impact Fee Fund	410,401			425,126
Library Impact Fee Fund	105,551			109,354
Police Impact Fee Fund	99,161			97,985
General Government Impact Fee Fund	149,353			144,990
Solar Photovoltaic Fund	2,500,000		2,456,665	
Total Capital Projects Funds	\$ 41,543,409	\$	\$ 17,707,976	\$ 22,895,702
ENTERPRISE FUNDS				
Oro Valley Water Utility Fund	\$ 21,731,311	\$	\$ 11,467,652	\$ 23,015,231
Stormwater Utility Fund	3,057,402		1,973,030	2,104,231
Total Enterprise Funds	\$ 24,788,713	\$	\$ 13,440,682	\$ 25,119,462
INTERNAL SERVICE FUNDS				
Fleet Maintenance Fund	\$ 874,968	\$	\$ 874,968	\$ 436,271
Total Internal Service Funds	\$ 874,968	\$	\$ 874,968	\$ 436,271
TOTAL ALL FUNDS	\$ 116,208,785	\$	\$ 62,092,869	\$ 94,219,647

* 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 2012

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2011	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2011	ACTUAL EXPENDITURES/ EXPENSES * 2011	BUDGETED EXPENDITURES/ EXPENSES 2012
Development & Infrastructure Svcs:				
General Fund	\$ 3,084,586	\$	\$ 2,735,661	\$ 3,340,679
Highway Fund	7,674,342		3,772,839	6,308,485
Public Transportation Fund	456,852		427,420	
Townwide Roadway Dev Impact Fee Fund	21,957,121		8,039,435	10,861,424
Stormwater Utility Fund	3,057,402		1,973,030	2,104,231
Regional Transportation Authority Fund	50,000		1,725	50,000
Fleet Maintenance Fund	874,968		874,968	436,271
Department Total	\$ 37,155,271	\$	\$ 17,825,078	\$ 23,101,090
Water Utility:				
Oro Valley Water Utility Fund	\$ 21,731,311	\$	\$ 11,467,652	\$ 23,015,231
Alternative Water Rscs Dev Impact Fee Fund	4,291,729		3,116,352	3,513,774
Potable Water System Dev Impact Fee Fund	10,568,100		3,379,671	7,434,228
Department Total	\$ 36,591,140	\$	\$ 17,963,675	\$ 33,963,233
General Administration:				
General Fund	\$ 2,469,851	\$	\$ 2,265,400	\$ 2,141,767
Capital Asset Replacement Fund	499,639		314,938	
Municipal Debt Service Fund	2,061,607		499,140	1,885,937
Oracle Road Improvement District Fund	378,012		372,298	370,332
General Government Impact Fee Fund	149,353			144,990
Solar Photovoltaic Fund	2,500,000		2,456,665	
Department Total	\$ 8,058,462	\$	\$ 5,908,441	\$ 4,543,026
Manager:				
General Fund	\$ 974,906	\$	\$ 892,553	\$ 877,167
Bed Tax Fund	315,348	43,521	380,146	235,981
Department Total	\$ 1,290,254	\$ 43,521	\$ 1,272,699	\$ 1,113,148
Parks, Rec, Library & Cultural Resources:				
General Fund	\$ 2,947,715	\$	\$ 2,887,080	\$ 2,876,702
Parks & Recreation Impact Fee Fund	410,401			425,126
Library Impact Fee Fund	105,551			109,354
Steam Pump Ranch Fund	645,304		399,190	
Naranja Park Fund	258,821			258,821
Honey Bee Village Fund	8,229			
Department Total	\$ 4,376,021	\$	\$ 3,286,270	\$ 3,670,003
Police:				
General Fund	\$ 11,566,573	\$ 3,000	\$ 11,196,698	\$ 12,096,513
Seizures & Forfeitures - State Fund	307,262		51,701	344,420
Seizures & Forfeitures - Federal Fund	562,628		87,000	696,661
Police Impact Fee Fund	99,161			97,985
Impound Fee Fund	66,124		47,717	52,283
Department Total	\$ 12,601,748	\$ 3,000	\$ 11,383,116	\$ 13,287,862

* 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

Caring for our heritage, our community, our future.

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Personnel Schedule

	FY 2009	FY 2010	FY 2011		FY 2012	+/- to Budget
	Actual		Budget	Projected	Budget	
Council						
Mayor	1.00	1.00	1.00	1.00	1.00	-
Council Member	6.00	6.00	6.00	6.00	6.00	-
Total Council	7.00	7.00	7.00	7.00	7.00	-
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	-
Assistant to the Town Clerk	1.00	1.00	1.00	1.00	1.00	-
Licensing & Customer Service Clerk	1.60	1.00	1.00	1.00	1.00	-
Office Assistant	-	-	0.63	0.63	0.63	-
Total Clerk	4.60	4.00	4.63	4.63	4.63	-
Development & Infrastructure Svcs. (DIS)						
Director, Dev. & Infrastructure Svcs.	-	-	1.00	1.00	1.00	-
Town Engineer	1.00	1.00	1.00	1.00	1.00	-
Division Manager, Permitting	-	-	1.00	1.00	1.00	-
Division Manager, Planning	-	-	1.00	1.00	1.00	-
Division Manager, Inspection & Compliance	-	-	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	-
Conservation & Sustainability Administrator	-	-	1.00	1.00	1.00	-
Senior Civil Engineer	1.00	1.00	2.00	2.00	2.00	-
Principal Planner	-	-	1.00	1.00	1.00	-
Civil Engineer	2.00	3.00	3.00	3.00	3.00	-
Stormwater Engineer	1.00	1.00	1.00	1.00	1.00	-
Transit Services Administrator	1.00	1.00	1.00	1.00	1.00	-
Construction Manager	1.00	-	-	-	-	-
Senior Planner	-	-	3.00	3.00	3.00	-
Civil Engineering Designer	2.00	2.00	2.00	2.00	2.00	-
Engineering Design Reviewer	-	-	1.00	1.00	1.00	-
Special Projects Coordinator	-	-	1.00	1.00	-	(1.00)
Plans Examiner II	-	-	2.00	2.00	2.00	-
Building Inspector II	-	-	4.00	4.00	4.00	-
Plans Examiner I	-	-	1.00	1.00	1.00	-
Senior Civil Engineering Tech	1.00	1.00	1.00	1.00	1.00	-
Streets & Drainage Senior Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Senior Traffic Technician	1.00	1.00	1.00	1.00	1.00	-
Code Compliance Coordinator	-	-	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	1.00	-
Civil Engineering Technician	1.00	1.00	2.00	1.00	1.00	(1.00)
Facilities Maintenance Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Fleet Maintenance Mechanic III	-	1.00	1.00	1.00	1.00	-
Pavement Management Specialist	1.00	1.00	1.00	1.00	1.00	-
Traffic Signs/Markings Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Heavy Equipment Mechanic	1.00	-	-	-	-	-
Streets & Drainage Crew Leader	2.00	2.00	2.00	2.00	2.00	-
Traffic Technician	1.00	1.00	1.00	1.00	1.00	-
Zoning Plans Examiner	-	-	1.00	1.00	1.00	-
Zoning Technician	-	-	1.00	1.00	1.00	-
Development Coordinator	-	-	1.00	1.00	1.00	-
Facilities Maintenance Technician	1.00	1.00	1.00	1.00	1.00	-
Fleet Maintenance Mechanic II	-	1.00	1.00	1.00	-	(1.00)
Senior Heavy Equipment Operator	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	-	-	1.00	-	-	(1.00)
Senior Traffic Signs/Markings Worker	1.00	1.00	1.00	1.00	1.00	-
Building Permit Technician	-	-	2.00	2.00	2.00	-
Heavy Equipment Operator	5.00	4.00	4.00	4.00	4.00	-
Office Specialist/Ombudsperson	-	-	1.00	1.00	1.00	-
Office Specialist	1.00	1.00	1.00	1.00	2.00	1.00



Personnel Schedule

	FY 2009	FY 2010	FY 2011		FY 2012	+/- to Budget
	Actual		Budget	Projected	Budget	
Traffic Signs/Markings Worker	1.00	1.00	1.00	1.00	1.00	-
Lead Transit Driver	1.00	1.00	1.00	1.00	1.00	-
Transit Dispatcher	1.00	1.00	1.00	1.00	1.00	-
Construction Clerk	1.00	-	-	-	-	-
Senior Office Assistant	1.63	1.01	3.00	2.00	2.96	(0.04)
Transit Driver	5.99	4.74	4.74	7.11	7.11	2.37
Maintenance Worker	2.00	2.00	2.00	2.00	2.00	-
Office Assistant	-	-	-	-	-	-
Stormwater Intern	0.30	-	-	-	-	-
Total DIS	46.92	43.75	73.74	73.11	73.07	(0.67)
Building Safety						
Building Safety Director	1.00	1.00	-	-	-	-
Assistant Building Official	1.00	-	-	-	-	-
Chief Building Inspector	1.00	1.00	-	-	-	-
Plans Examiner II	4.00	4.00	-	-	-	-
Plans Examiner I	-	-	-	-	-	-
Building Inspector II	6.00	5.00	-	-	-	-
Building Inspector I	-	-	-	-	-	-
Senior Building Permit Technician	-	-	-	-	-	-
Building Permit Technician	2.00	2.00	-	-	-	-
Office Specialist	1.00	-	-	-	-	-
Senior Office Assistant	-	1.00	-	-	-	-
Total Building Safety	16.00	14.00	-	-	-	-
Development Review						
Development Review Division Manager	1.00	1.00	-	-	-	-
Senior Civil Engineer	1.00	1.00	-	-	-	-
Civil Engineer	1.00	-	-	-	-	-
Engineering Design Reviewer	1.00	1.00	-	-	-	-
Civil Engineering Tech	2.00	1.00	-	-	-	-
Total Development Review	6.00	4.00	-	-	-	-
Planning & Zoning						
Planning & Zoning Director	1.00	-	-	-	-	-
Assistant Planning & Zoning Director	1.00	1.00	-	-	-	-
Principal Planner	1.00	1.00	-	-	-	-
Senior Planner	3.00	3.00	-	-	-	-
Special Projects Coordinator	1.00	1.00	-	-	-	-
Planner	1.00	1.00	-	-	-	-
Zoning Program Supervisor	1.00	1.00	-	-	-	-
Zoning Inspector	1.00	1.00	-	-	-	-
Planning Technician	1.00	1.00	-	-	-	-
Development Coordinator	2.00	1.00	-	-	-	-
Zoning Inspector Technician	1.00	-	-	-	-	-
Senior Office Specialist	1.00	1.00	-	-	-	-
Senior Office Assistant	1.00	1.00	-	-	-	-
Office Assistant	1.00	-	-	-	-	-
Total Planning & Zoning	17.00	13.00	-	-	-	-
Finance						
Finance Director	1.00	1.00	1.00	1.00	1.00	-
Procurement Administrator	1.00	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	-
Finance Analyst	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	-	-	-	-	-
Payroll Specialist	1.00	-	-	-	-	-
Accounting Clerk	1.00	1.00	1.00	1.00	1.00	-
Total Finance	9.00	7.00	7.00	7.00	7.00	-



Personnel Schedule

	FY 2009	FY 2010	FY 2011		FY 2012	+/- to Budget
	Actual		Budget	Projected	Budget	
Human Resources						
Human Resource Director	1.00	1.00	1.00	1.00	1.00	-
Safety & Risk Manager	-	1.00	1.00	1.00	1.00	-
Employee and Org. Dev. Analyst	1.00	-	1.00	1.00	1.00	-
Human Resource Specialist	2.00	2.00	2.00	2.00	2.00	-
Total Human Resources	4.00	4.00	5.00	5.00	5.00	-
Information Technology						
IT Director	1.00	1.00	1.00	1.00	1.00	-
Network Administrator	1.00	1.00	1.00	1.00	1.00	-
Network Manager	-	1.00	1.00	1.00	-	(1.00)
Systems Analyst	1.00	1.00	1.00	1.00	1.00	-
Data Base Analyst	1.00	1.00	1.00	1.00	1.00	-
GIS Analyst	2.00	2.00	2.00	2.00	2.00	-
IT Technician	1.00	1.00	1.00	1.00	1.00	-
Total Information Technology	7.00	8.00	8.00	8.00	7.00	(1.00)
Legal						
Town Attorney	1.00	1.00	1.00	1.00	1.00	-
Town 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	-
Civil Attorney	1.00	-	-	-	-	-
Senior Paralegal	1.00	1.00	1.00	1.00	1.00	-
Paralegal II	1.00	1.00	1.00	1.00	1.00	-
Paralegal I	1.00	-	-	-	-	-
Legal Secretary	1.00	1.00	1.00	1.00	1.00	-
Office Assistant	1.00	1.00	1.00	1.00	1.00	-
Total Legal	10.00	8.00	8.00	8.00	8.00	-
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	3.00	3.00	3.00	3.00	3.00	-
Court Clerk	2.00	2.00	2.00	2.00	2.00	-
Bailiff	1.00	1.00	1.00	1.00	1.00	-
Total Magistrate Court	9.00	9.00	9.00	9.00	9.00	-
Manager						
Town Manager	1.00	-	1.00	1.00	1.00	-
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	-
Assistant to the Town Manager	1.00	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Management Intern	0.40	0.40	-	-	-	-
Economic Development Manager	1.00	1.00	1.00	1.00	1.00	-
Economic Development Intern	0.40	0.40	0.40	0.40	-	(0.40)
Communications Administrator	1.00	1.00	1.00	-	1.00	-
Public Information Officer	-	1.00	1.00	-	-	(1.00)
Communications Specialist	1.00	1.00	1.00	1.00	1.00	-
Communications Intern	0.10	0.10	0.10	0.10	0.10	-
Constituent Services Coordinator	1.00	1.00	1.00	1.00	1.00	-
Total Manager	9.90	9.90	10.50	8.50	9.10	(1.40)
Parks, Recreation, Library & Cultural Rscs.						
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	-



Personnel Schedule

	FY 2009	FY 2010	FY 2011		FY 2012	+/- to Budget
	Actual		Budget	Projected	Budget	
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	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	0.34	0.40	0.40	0.40	0.40	-
Assistant Pool Manager	0.50	-	-	-	-	-
Park Maintenance Worker	3.00	3.00	3.00	3.00	3.00	-
Park Monitor	1.40	0.70	0.70	0.70	0.70	-
Recreation Aide	3.04	3.05	2.70	2.70	1.50	(1.20)
Water Safety Instructor	8.30	9.30	6.15	6.15	6.32	0.17
Library Services Manager	1.00	1.00	1.00	1.00	1.00	-
Librarian	4.00	4.00	4.00	4.00	4.00	-
Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Library Associate	5.17	4.95	4.95	4.95	4.48	(0.47)
Customer Service Representative	2.96	4.50	4.36	4.36	4.54	0.18
Library Page	4.55	3.05	3.05	3.05	3.00	(0.05)
Total Parks, Rec, Library & Cultural Rscs.	46.26	45.95	42.31	42.31	40.94	(1.37)
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	1.00	-
Commander	2.00	2.00	2.00	2.00	2.00	-
Lieutenant	5.00	5.00	5.00	5.00	5.00	-
Sergeant	13.00	13.00	13.00	13.00	13.00	-
Detective	6.00	5.00	5.00	5.00	6.00	1.00
Patrol Officer	53.00	49.00	48.00	49.00	49.00	1.00
Motorcycle Officer	5.00	7.00	7.00	6.00	7.00	-
School Resource Officer	7.00	7.00	7.00	7.00	7.00	-
K-9 Officer	4.00	4.00	4.00	3.00	3.00	(1.00)
DUI Officer	2.00	2.00	2.00	2.00	2.00	-
Training Officer	1.00	1.00	1.00	1.00	1.00	-
Reserve Officer	2.38	1.90	2.38	0.48	2.38	-
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	9.00	9.00	9.00	9.00	9.00	-
Records Supervisor	1.00	1.00	1.00	1.00	1.00	-
Records Specialist	6.50	6.00	6.00	5.00	5.00	(1.00)
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	-	-	-	-	-
Public Information Officer	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	-
Emergency Response Planner	-	-	1.00	1.00	1.00	(A)
Fleet Maintenance Mechanic II	-	-	-	-	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	-	-	-	-	-
Office Assistant	1.50	1.70	1.70	1.25	1.25	(0.45)
Total Police	135.38	128.60	129.08	124.73	129.63	0.55
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	1.00	1.00	-



Personnel Schedule

	FY 2009	FY 2010	FY 2011		FY 2012	+/- to Budget
	Actual		Budget	Projected	Budget	
Engineering Design Reviewer	1.00	1.00	1.00	1.00	1.00	-
Water Conservation Specialist	1.00	1.00	1.00	1.00	1.00	-
Lead Water Utility Operator	4.00	4.00	4.00	4.00	4.00	-
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	7.00	7.00	9.00	8.00	9.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00	-
Water Utility Operator I	7.00	6.00	5.00	4.00	5.00	-
Customer Service Representative	4.00	4.00	4.00	4.00	4.00	-
Water Conservation Assistant	0.50	-	-	-	-	-
Total Water Utility	36.50	35.00	36.00	34.00	36.00	-
Total Personnel	364.56	341.20	340.26	331.28	336.37	(3.89)

(A) Position contingent upon Department of Justice Homeland Security grant funding

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Town of Oro Valley

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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>
2012	780,000	358,896	1,138,896
2013	893,750	322,902	1,216,652
2014	942,500	276,996	1,219,496
2015-2017	3,402,750	554,571	3,957,321
2018-2020	2,869,750	173,886	3,043,636
Total	<u>\$8,888,750</u>	<u>\$1,687,251</u>	<u>\$10,576,001</u>

\$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>
2012	1,400,000	1,123,185	2,523,185
2013	1,445,000	1,067,923	2,512,923
2014	980,000	1,017,280	1,997,280
2015-2019	5,560,000	4,372,950	9,932,950
2020-2024	7,075,000	2,805,625	9,880,625
2025-2029	7,550,000	981,000	8,531,000
Total	<u>\$24,010,000</u>	<u>\$11,367,963</u>	<u>\$35,377,963</u>



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>
2012	255,000	200,369	455,369
2013	265,000	189,613	454,613
2014	275,000	177,819	452,819
2015-2018	1,220,000	602,725	1,822,725
2019-2022	1,420,000	393,544	1,813,544
2023-2026	1,665,000	142,691	1,807,691
Total	\$5,100,000	\$1,706,760	\$6,806,760

\$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>
2012	235,000	135,578	370,578
2013	250,000	123,828	373,828
2014	260,000	111,328	371,328
2015-2018	1,155,000	327,410	1,482,410
2019-2021	1,020,000	97,158	1,117,158
Total	\$2,920,000	\$795,300	\$3,715,300



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>
2012	115,000	740,581	855,581
2013	120,000	735,588	855,588
2014	125,000	730,381	855,381
2015-2019	2,870,000	3,376,625	6,246,625
2020-2024	7,805,000	2,090,281	9,895,281
2025-2027	5,475,000	358,806	5,833,806
Total	\$16,510,000	\$8,032,263	\$24,542,263

\$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>
2012	2,513,133	102,334	2,615,467
Total	\$2,513,133	\$102,334	\$2,615,467

* The Town will receive \$2.5M in 12.6% funding in FY 2012 for the principal payment



Debt Service Schedules

\$4,584,652 Water Infrastructure Finance Authority Bonds

Date: August 17, 2007

Interest: Payable semiannually commencing on July 1, 2008, and semiannually thereafter on January 1 and July 1 of each year.

Purpose: 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>
2012	179,266	137,608	316,875
2013	185,605	131,157	316,763
2014	192,168	124,478	316,647
2015-2019	1,067,702	513,641	1,581,343
2020-2024	1,270,302	307,459	1,577,761
2025-2028	1,086,224	73,258	1,159,482
Total	\$3,981,268	\$1,287,602	\$5,268,871

\$3,403,000 Water Infrastructure Finance Authority Bonds

Date: October 22, 2009

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

Purpose: The bonds were issued to finance existing water system infrastructure improvements.

Security: Water Revenues

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	128,404	101,927	230,331
2013	132,476	97,790	230,266
2014	136,676	93,523	230,200
2015-2018	591,442	328,647	920,089
2019-2022	670,105	248,737	918,842
2023-2026	759,230	158,198	917,429
2027-2030	860,209	55,619	915,828
Total	\$3,278,543	\$1,084,441	\$4,362,983



Debt Service Schedules

\$2,445,000
Clean Renewable Energy Bonds – Direct Payment

- Date:** July 22, 2010
- Interest:** Payable semiannually commencing on January 1, 2011, and semiannually thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued to finance the construction of solar panel covered parking structures in the parking lot of Town Hall.
- Security:** Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u> *	<u>Interest</u> *	<u>Total</u>
2012	125,000	122,689	247,689
2013	135,000	119,691	254,691
2014	135,000	115,864	250,864
2015-2018	540,000	410,521	950,521
2019-2022	570,000	300,217	870,217
2023-2026	615,000	163,114	778,114
2027-2028	325,000	21,502	346,502
Total	\$2,445,000	\$1,253,597	\$3,698,597

* Debt Service is subsidized by electricity rebates from Tucson Electric Power Co. and a 70% interest subsidy from the U.S. Treasury Department

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Town of Oro Valley

Caring for our heritage, our community, our future.

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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.

AMORTIZATION: The systematic and rational distribution of the cost of an intangible capital asset over its estimated useful life.

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 five 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 expenditures.

CENTRAL ARIZONA PROJECT (CAP): The system of aqueducts, tunnels, pumping plants and pipelines responsible for bringing Colorado River water to Arizona's Pima, Pinal, and Maricopa counties.

CENTRAL ARIZONA WATER CONSERVATION DISTRICT (CAWCD): a state agency with the primary responsibility of managing the Central Arizona Project (CAP).

CLEAN RENEWABLE ENERGY BONDS (CREBS): Bonds issued to finance certain renewable energy or "clean coal" facilities. Projects funded with CREBS must generate electricity and must be created from clean and/or renewable sources.

CONTINGENCY: Monies set aside as carryover to the following fiscal year, but which can be used to finance unforeseen expenditures of the various operating funds.

DEBT SERVICE: Principal and interest payments on outstanding bonds.

DEBT SERVICE FUND: Fund used to account for accumulation of resources that will be used to pay general long-term debt.

DEPARTMENT: A major administrative division of the Town that indicates overall management responsibility for an operation or group of related operations within a functional area.

DEPRECIATION: The systematic and rational distribution of the cost of a tangible capital asset (less salvage value) over its estimated useful life.

DIVISION: A functional unit of a department.

ENTERPRISE FUND: Accounts for expenses of programs or services, which are intended to be self-sustaining 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.



Glossary of Terms

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 2010.

FISCAL YEAR: Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Oro Valley this period begins July 1 and ends June 30.

FULL ACCRUAL: Basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

FULL TIME EQUIVALENT (FTE): A position, permanent or temporary, based on 2,080 hours per year. Part-time positions are converted for budget purposes to a decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time employee working 20 hours per week would be equivalent to a 0.5 FTE.

FUND: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources.

FUND BALANCE: 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.

GIS: Geographic Information System(s). A geographic information system is an integrated hardware, software and data system that allows for the capturing and analyzing of geographic information, in forms such as maps and globes.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

GOVERNMENTAL FUNDS: Funds generally used to account for tax-supported activities. Examples include the general fund, special revenue funds, debt service funds, and capital projects funds.

GRANT: A contribution by the state or federal government or other agency to support a particular function.

HIGHWAY 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.

INTERFUND TRANSFER: Movement of resources between two funds.

INTERNAL SERVICE FUND: Used to report any activity that provides goods or services to other funds, departments or agencies on a cost-reimbursement basis.

LONG TERM DEBT: Debt with a maturity of more than one year after date of issuance.

LTAF: Local Transportation Assistance Funds. This funding has been permanently eliminated. Funds were collected from Arizona state lottery proceeds and distributed to cities and towns on population basis. The funds were to be used for public transportation and transportation purposes.

MODIFIED ACCRUAL: Basis of accounting that reports those transactions, events, and interfund activity that affect inflows and outflows of financial resources in the near future.

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 MEASURES: Indicators that measure how well an organization is performing on progress towards organizational objectives.

PROGRAM: A group of related functions or activities performed by a division where there is a desire to budget and identify expenditures independently of other activities within the division.

PROPRIETARY FUNDS: Funds that either (1) operate largely on fees and charges for services to external customers or (2) operate on a cost recovery basis with internal customers, such as other government departments, divisions or programs. Enterprise Funds and Internal Service Funds are the two types of proprietary funds.

RESERVES: To set aside a portion of a fund balance to protect against economic downturns or emergencies.

REVENUE: Amounts estimated to be received from taxes and other sources during the fiscal year.

RTA: Regional Transportation Authority. The government entity that manages the \$2.1 billion, 20-year regional transportation plan approved by Arizona's Pima County voters on May 16, 2006.

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.

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.

WORKLOAD INDICATORS: Indicators that determine and illustrate workload or output for a department, division or program.

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