Town Manager's Office

TOWN COUNCIL REPORT

DATE: October 15, 2025

TO: Mayor and Council

FROM: Jeff Wilkins, Town Manager
David Gephart, Chief Financial Officer

SUBJECT: August 2025 Financial Update

This financial update is intended to provide an overview and status of revenues and expenditures for the Town's selected funds through August 2025 for fiscal year 2025/26. Funds included in this financial update are the General Fund, Highway Fund, Community Center Fund and Capital Fund. Also included are the two enterprise funds, Water and Stormwater. ***Please note that all amounts are preliminary, un-audited and subject to change. Additionally, figures may not include any adjusting audit entries required at year-end.***

Pages 1-15 are the financial status reports for the funds. Appendix 1 and 2 provide further details on golf activity and contractor performance. Appendix 3 is the consolidated report of all Town funds. Appendix 4 is the General Fund sales tax collections. Appendix 5 is the General Fund state shared revenues. Appendix 6 is a breakdown of the Town's outstanding debt service principal and interest payments. Appendix 7 is a summary of operating investment values and earnings by month. Appendix 8 lists the specific infrastructure projects that are eligible to receive funding from impact fees.

Financial Status Fiscal Year to Date: August 2025

Revenues

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Local Sales Tax	$ 4,066,341	$ 3,638,618	$ 32,470,107	$ (28,831,489)	11%	$ 31,877,008
State Shared Revenues	3,342,268	3,241,663	19,863,884	(16,622,221)	16%	19,863,884
Licenses & Permits	260,478	359,199	2,116,123	(1,756,924)	17%	2,116,123
Grants	22,703	56,737	466,851	(410,114)	12%	485,196
Intergovernmental	-	185,168	2,320,362	(2,135,194)	8%	2,320,362
Charges for Service	561,831	380,263	3,050,223	(2,669,960)	12%	3,050,223
Other Revenue	629,616	153,106	916,480	(763,374)	17%	916,480
Total Revenues	$ 8,883,237	$ 8,014,754	$ 61,204,030	$ (53,189,276)	13%	$ 60,629,276

Uses

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel Services	$ 4,991,647	$ 5,573,407	$ 37,473,980	$ 31,900,573	15%	$ 37,473,980
Operations and Maintenance	2,664,203	2,747,838	15,313,086	12,565,248	18%	15,313,086
Capital Outlay	25,853	84,559	211,000	126,442	40%	211,000
Transfers Out	1,888,179	3,703,829	8,831,579	5,127,750	42%	8,831,579
Total Uses	$ 9,569,882	$ 12,109,633	$ 61,829,645	$ 49,720,012	20%	$ 61,829,645

Change in Fund Balance

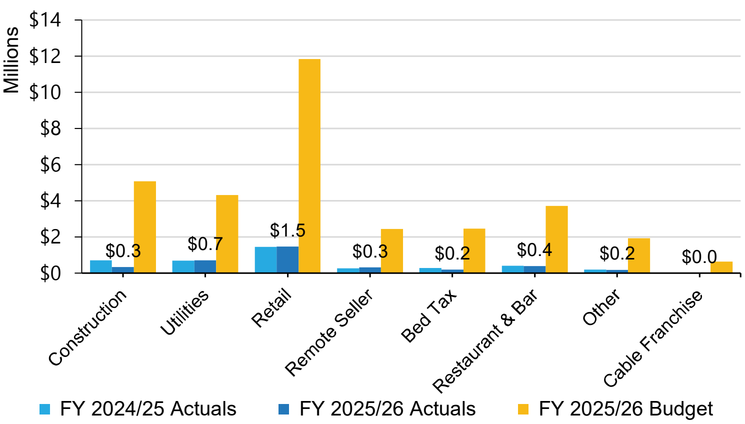
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Revenues	$ 8,883,237	$ 8,014,754	$ 61,204,030	$ 60,629,276
Total Uses	(9,569,882)	(12,109,633)	(61,829,645)	(61,829,645)
Change in Fund Balance	$ (686,645)	$ (4,094,879)	$ (625,615)	$ (1,200,369)
Beginning Fund Balance				$ 20,702,401
Estimated Ending Fund Balance				$ 19,502,032

Note: The estimated ending fund balance exceeds the Town's 30% expenditure reserve policy by a margin of $3.5 million.

Financial Status Fiscal Year to Date: August 2025

Local Sales Tax Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Construction	$ 718,761	$ 342,585	$ 5,086,266	$ (4,743,681)	7%	$ 5,086,266
Utilities	706,539	715,565	4,316,890	(3,601,325)	17%	4,316,890
Retail	1,465,452	1,471,346	11,836,368	(10,365,022)	12%	11,468,532
Remote Seller	272,675	318,599	2,444,773	(2,126,174)	13%	2,365,123
Bed Tax	287,823	204,357	2,464,858	(2,260,501)	8%	2,464,858
Restaurant & Bar	408,443	405,970	3,726,636	(3,320,666)	11%	3,625,143
Other	206,648	180,146	1,941,265	(1,761,119)	9%	1,897,145
Cable Franchise	-	50	653,051	(653,001)	0%	653,051
Local Sales Tax Total	$ 4,066,341	$ 3,638,618	$ 32,470,107	$ (28,831,489)	11%	$ 31,877,008

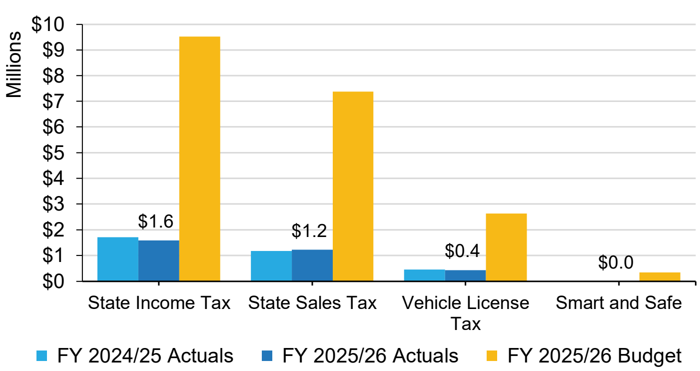


Construction sales tax is slower than in the previous year, as expected. However, we anticipate construction sales tax to catch up to budgeted levels as planned commercial construction projects begin later in the year.

Please refer to Appendix 4 for a detailed breakdown of local sales tax collections.

State Shared Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
State Income Tax	$ 1,712,850	$ 1,587,110	$ 9,522,662	$ (7,935,552)	17%	$ 9,522,662
State Sales Tax	1,176,008	1,222,922	7,376,599	(6,153,677)	17%	7,376,599
Vehicle License Tax	453,410	431,631	2,629,797	(2,198,166)	16%	2,629,797
Smart and Safe	-	-	334,826	(334,826)	-	334,826
State Shared Total	$ 3,342,268	$ 3,241,663	$ 19,863,884	$ (16,622,221)	16%	$ 19,863,884

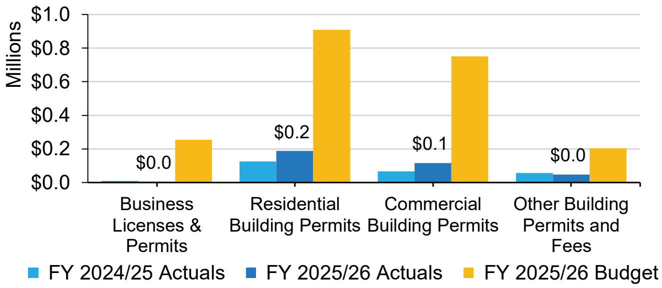


Total state shared revenues are performing as expected.

Financial Status Fiscal Year to Date: August 2025

Licenses & Permits Revenue

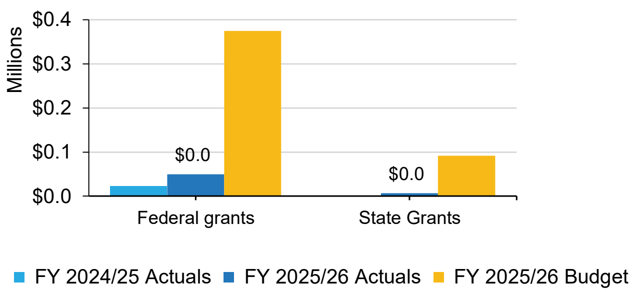
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Business Licenses & Permits	$ 10,475	$ 5,957	$ 255,000	$ (249,043)	2%	$ 255,000
Residential Building Permits	125,154	187,649	908,066	(720,417)	21%	908,066
Commercial Building Permits	66,963	117,023	750,077	(633,054)	16%	750,077
Other Building Permits and Fees	57,887	48,571	202,980	(154,409)	24%	202,980
Licenses & Permits Total	$ 260,478	$ 359,199	$ 2,116,123	$ (1,756,924)	17%	$ 2,116,123



A total of 9 Single Family Residential (SFR) permits have been issued through August (107 budgeted for the year).

Grants Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Federal grants	$ 22,703	$ 49,631	$ 375,000	$ (325,369)	13%	$ 393,345
State Grants	-	7,106	91,851	(84,745)	8%	91,851
Grants Total	$ 22,703	$ 56,737	$ 466,851	$ (410,114)	12%	$ 485,196

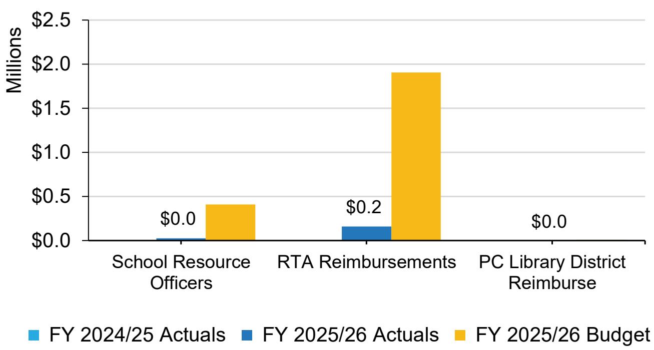


Grant revenues performing as expected.
A significant portion of the budgeted grants are allocated to the Police Department. These grants can fluctuate based on factors such as officer scheduling, overtime, and the timing of reimbursements and awards from grant programs.
About $72,000 of budgeted state grants is related to school resource officer reimbursements for Leman Academy.

Financial Status Fiscal Year to Date: August 2025

Intergovernmental Revenue

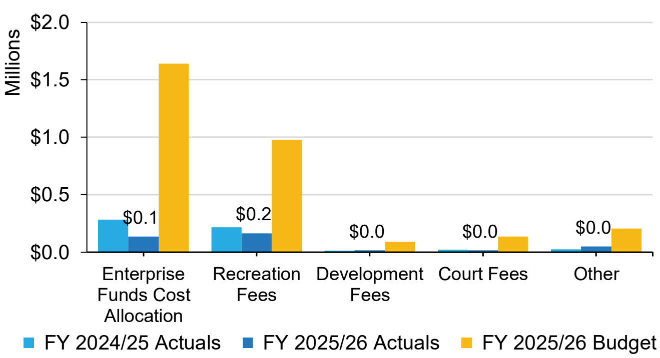
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
School Resource Officers	$ -	$ 26,390	$ 409,502	$ (383,112)	6%	$ 409,502
RTA Reimbursements	-	158,778	1,904,860	(1,746,082)	8%	1,904,860
PC Library District Reimburse	-	-	6,000	(6,000)	-	6,000
Intergovernmental Total	$ -	$ 185,168	$ 2,320,362	$ (2,135,194)	8%	$ 2,320,362



Collections for this revenue category typically lag throughout the year.

Charges for Service Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Enterprise Funds Cost Allocation	$ 283,627	$ 136,779	$ 1,641,347	$ (1,504,568)	8%	$ 1,641,347
Recreation Fees	217,393	163,795	978,950	(815,155)	17%	978,950
Development Fees	13,489	15,395	90,110	(74,715)	17%	90,110
Court Fees	22,903	16,005	135,000	(118,995)	12%	135,000
Other	24,419	48,289	204,816	(156,527)	24%	204,816
Charges for Service Total	$ 561,831	$ 380,263	$ 3,050,223	$ (2,669,960)	12%	$ 3,050,223



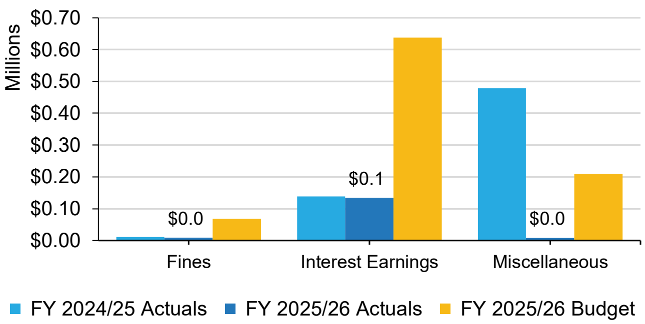
Cost allocation charges to the Town's enterprise funds for shared services, along with Parks & Recreation fees, represent the majority of this revenue category. The enterprise fund allocations are budgeted amounts distributed evenly across all 12 months. The year-over-year decrease is mainly due to one-time water system monitoring upgrades in the prior year that were funded through the IT budget and charged to the Water Utility.

Recreation fees are currently lower than last year because deposits for field rentals and swim team lane reservations were received later. These revenues are expected to align in the coming months.

Financial Status Fiscal Year to Date: August 2025

Other Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Fines	$ 11,840	$ 9,063	$ 68,680	$ (59,617)	13%	$ 68,680
Interest Earnings	138,948	135,241	637,500	(502,259)	21%	637,500
Miscellaneous	478,828	8,802	210,300	(201,498)	4%	210,300
Other Revenue Total	$ 629,616	$ 153,106	$ 916,480	$ (763,374)	17%	$ 916,480

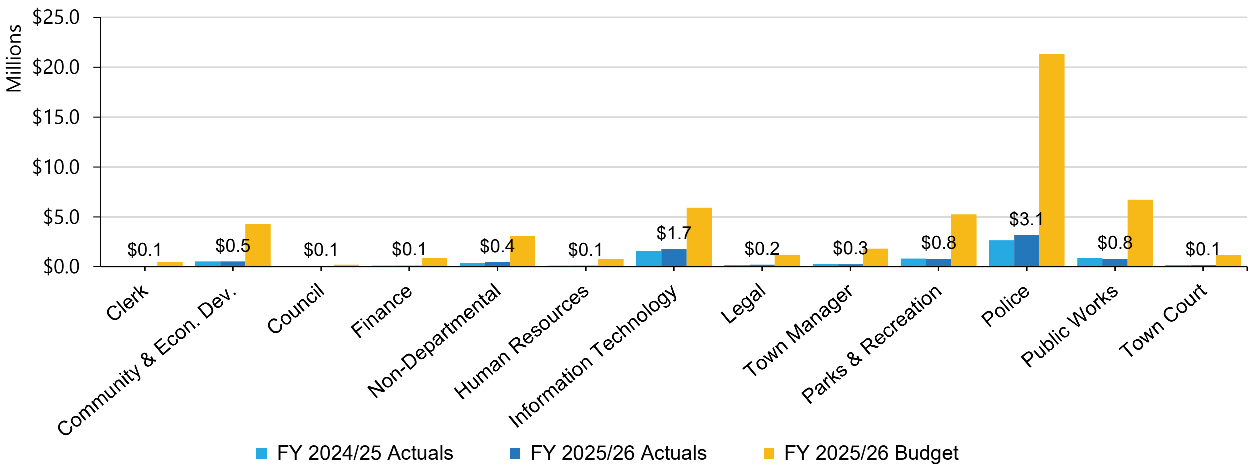


The year-over-year decrease of miscellaneous revenue is due to a one-time rebate received from the Arizona Municipal Risk Retention Pool (AMRRP) in the prior year.

Financial Status Fiscal Year to Date: August 2025

Expenditures by Department

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Clerk	$ 62,618	$ 66,384	$ 446,275	$ 379,891	15%	$ 446,275
Community & Econ. Dev.	526,621	527,496	4,275,011	3,747,515	12%	4,275,011
Council	81,455	92,422	216,163	123,741	43%	216,163
Finance	120,077	118,870	870,300	751,430	14%	870,300
Non-Departmental	374,205	449,290	3,052,282	2,602,992	15%	3,052,282
Human Resources	105,185	100,711	744,887	644,176	14%	744,887
Information Technology	1,544,702	1,744,588	5,925,996	4,181,408	29%	5,925,996
Legal	158,008	197,614	1,193,587	995,973	17%	1,193,587
Town Manager	260,214	250,207	1,812,726	1,562,519	14%	1,812,726
Parks & Recreation	799,832	789,931	5,230,510	4,440,579	15%	5,230,510
Police	2,648,084	3,143,200	21,333,810	18,190,610	15%	21,333,810
Public Works	849,038	781,139	6,714,762	5,933,623	12%	6,714,762
Town Court	151,663	143,951	1,181,757	1,037,806	12%	1,181,757
Total Department Expenditures	$ 7,681,703	$ 8,405,804	$ 52,998,066	$ 44,592,262	16%	$ 52,998,066



Non-Departmental: Significant actual expenditures through July are attributed to a budgeted payment to the Industrial Commission of Arizona's Municipal Firefighters Cancer Reimbursement Fund. This fee is levied on all Arizona cities and towns that receive state shared revenues.

Departments are currently spending as expected within budget limits for the first quarter. Please note that Council and IT typically have significant upfront costs at the beginning of the year.

Police: The year-over-year increase is primarily due to personnel costs from wage increases under the most recent Memorandum of Understanding (MOU).

Financial Status Fiscal Year to Date: August 2025

Sources

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Licenses & Permits	$ 11,287	$ 2,384	$ 30,000	$ (27,616)	8%	$ 30,000
Highway User Revenue	659,387	676,121	4,456,367	(3,780,246)	15%	4,456,367
Interest Earnings	13,130	26,729	99,000	(72,271)	27%	99,000
Miscellaneous	1,851	23,235	2,500	20,735	929%	23,998
Transfers In	-	-	2,000,000	(2,000,000)	-	2,000,000
Total Sources	$ 685,655	$ 728,469	$ 6,587,867	$ (5,859,398)	11%	$ 6,609,365

Expenditures

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 190,128	$ 199,122	$ 1,348,218	$ 1,149,096	15%	$ 1,348,218
O&M	145,676	127,644	1,317,935	1,190,291	10%	1,317,935
Capital Outlays	-	-	4,790,000	4,790,000	-	4,790,000
Total Expenditures	$ 335,804	$ 326,766	$ 7,456,153	$ 7,129,387	4%	$ 7,456,153

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Sources	$ 685,655	$ 728,469	$ 6,587,867	$ 6,609,365
Total Expenditures	(335,804)	(326,766)	(7,456,153)	(7,456,153)
Change in Fund Balance	$ 349,851	$ 401,703	$ (868,286)	$ (846,788)
Beginning Fund Balance				$ 1,598,787
Estimated Ending Fund Balance				$ 751,999

Revenues:
Highway User Revenue is trending on budget.
Miscellaneous revenue has exceeded budget due to insurance recoveries.
The planned transfers in of $2 million are from the Capital Fund for road projects. These are recorded evenly over four quarters.

Expenditures:
Budgeted capital outlays consist of the Town's annual pavement preservation program as well as several capital improvement projects. Pavement preservation road work will run from October to November.

Community Center Fund

Financial Status Fiscal Year to Date: August 2025

Revenues

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Local Sales Tax	$ 587,385	$ 593,099	$ -	$ 593,099	na	$ 593,099
Contracted Operating Revenues	609,531	743,248	5,625,078	(4,881,830)	13%	5,625,078
Town Operating Revenues	206,378	207,557	1,534,043	(1,326,486)	14%	1,534,043
Other Revenues	2,970	8,058	60,172	(52,114)	13%	60,172
Total Revenues	$ 1,406,264	$ 1,551,961	$ 7,219,293	$ (5,667,332)	21%	$ 7,812,392

Uses

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Contracted Operating Expenditures	$ 875,635	$ 896,107	$ 5,728,637	$ 4,832,530	16%	$ 5,728,637
Town Operating Expenditures	396,529	446,648	2,380,461	1,933,813	19%	2,380,461
Capital Outlay	161,716	75,791	2,443,700	2,367,909	3%	2,443,700
Debt Service	-	-	-	-	na	
Transfers Out	1,717,149	172,968	172,968	-	100%	172,968
Total Uses	$ 3,151,028	$ 1,591,513	$ 10,725,766	$ 9,134,253	15%	$ 10,725,766

Change in Fund Balance

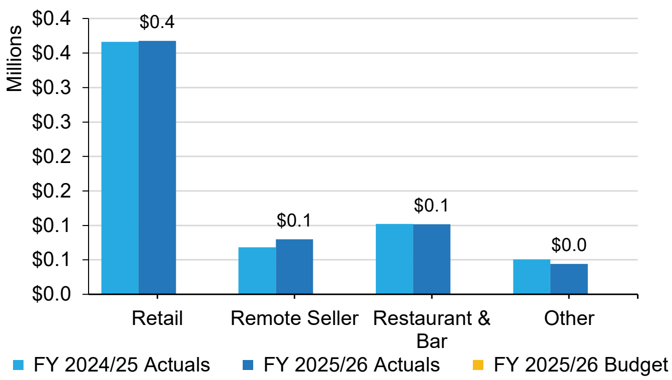
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Revenues	$ 1,406,264	$ 1,551,961	$ 7,219,293	$ 7,812,392
Total Uses	(3,151,028)	(1,591,513)	(10,725,766)	(10,725,766)
Change in Fund Balance	$ (1,744,764)	$ (39,552)	$ (3,506,473)	$ (2,913,374)
Beginning Fund Balance				$ 2,921,900
Estimated Ending Fund Balance				$ 8,526

Community Center Fund

Financial Status Fiscal Year to Date: August 2025

Local Sales Tax Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Retail	$ 366,363	$ 367,836	$ -	$ 367,836	-	$ 367,836
Remote Seller	68,169	79,650	-	$ 79,650	-	79,650
Restaurant & Bar	102,111	101,493	-	101,493	-	101,493
Other	50,742	44,120	-	44,120	-	44,120
Local Sales Tax Total	$ 587,385	$ 593,099	$ -	$ 593,099	-	$ 593,099

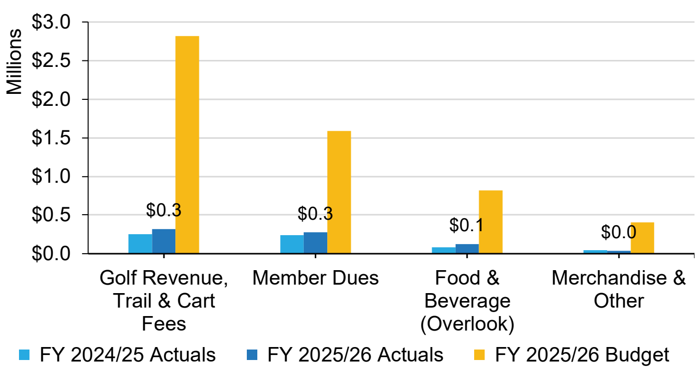


On August 13, 2025, the Town Council adopted ordinance (O)25-04, which removed the spending restrictions on the half-cent sales tax and redirected the revenues to the General Fund, effective 30 days later in September; however, the budgeted local sales tax revenue previously allocated to the Community Center Fund was transferred to the General Fund immediately, while the restriction itself remains in place through August.

Note: Estimated sales tax collections on golf operations for FY 2025/26 is $154,577.

Contracted Operating Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Golf Revenue, Trail & Cart Fees	$ 250,005	$ 313,987	$ 2,818,625	$ (2,504,638)	11%	$ 2,818,625
Member Dues	237,939	276,197	1,590,560	(1,314,363)	17%	1,590,560
Food & Beverage (Overlook)	79,481	119,228	814,633	(695,405)	15%	814,633
Merchandise & Other	42,106	33,835	401,260	(367,425)	8%	401,260
Contracted Revenue Total	$ 609,531	$ 743,248	$ 5,625,078	$ (4,881,830)	13%	$ 5,625,078



Golf revenues are trending es expected.

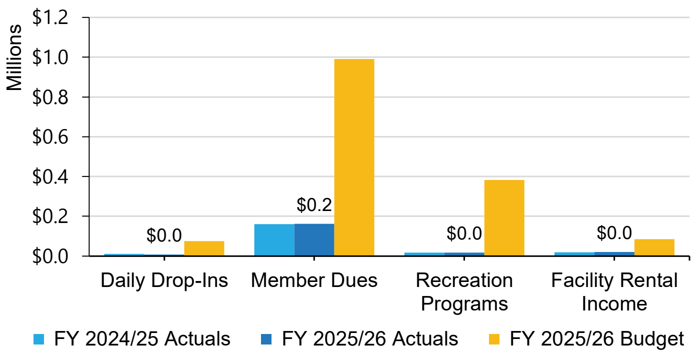
Through August, 10,021 rounds of golf had been played which is up 9% from the prior year and 15% greater than budget.

Please refer to Appendix 3 for or a more in-depth analysis of golf revenues, expenses, and historical comparisons

Financial Status Fiscal Year to Date: August 2025

Town Operating Revenue

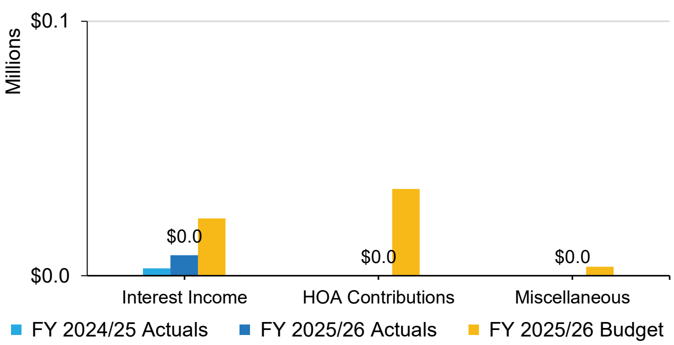
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Daily Drop-Ins	$ 10,755	$ 7,992	$ 75,625	$ (67,633)	11%	$ 75,625
Member Dues	160,402	161,536	990,420	(828,884)	16%	990,420
Recreation Programs	16,784	17,858	382,500	(364,642)	5%	382,500
Facility Rental Income	18,437	20,171	85,498	(65,327)	24%	85,498
Town Operating Revenue Total	$ 206,378	$ 207,557	$ 1,534,043	$ (1,326,486)	14%	$ 1,534,043



Town operating revenues are performing as expected. Member dues have increased 0.7% over the prior year.

Other Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Interest Income	$ 2,961	$ 8,046	$ 22,500	$ (14,454)	36%	22,500
HOA Contributions	-	-	34,050	(34,050)	-	34,050
Miscellaneous	9	12	3,622	(3,610)	0%	3,622
Other Revenue Total	$ 2,970	$ 8,058	$ 60,172	$ (52,114)	13%	$ 60,172

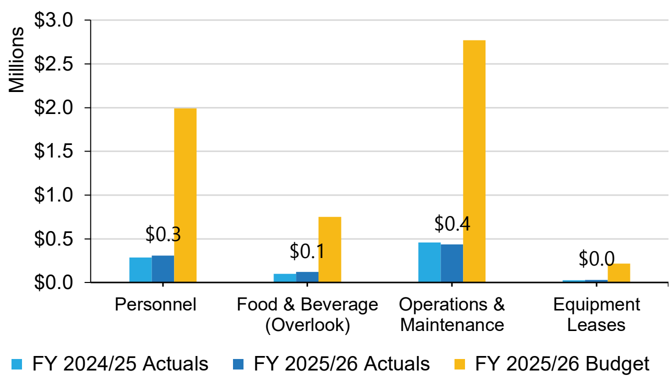


FY 2025 was the final year of agreed upon annual contributions to golf from HOAs on the 36-hole course.

Financial Status Fiscal Year to Date: August 2025

Contracted Operating Expenditures

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 287,344	$ 309,446	$ 1,992,268	$ 1,682,822	16%	$ 1,992,268
Food & Beverage (Overlook)	101,576	120,140	751,271	631,131	16%	751,271
Operations & Maintenance	459,601	435,769	2,768,538	2,332,769	16%	2,768,538
Equipment Leases	27,114	30,752	216,560	185,808	14%	216,560
Contracted Expenditures Total	$ 875,635	$ 896,107	$ 5,728,637	$ 4,832,530	16%	$ 5,728,637



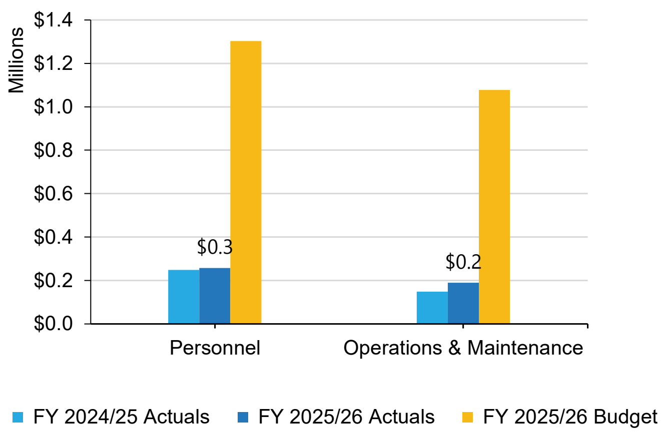
Contracted operating expenditures are trending as expected.

Community Center Fund

Financial Status Fiscal Year to Date: August 2025

Town Operating Expenditures

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 248,612	$ 256,807	$ 1,303,239	1,046,432	20%	$ 1,303,239
Operations & Maintenance	147,916	189,841	1,077,222	887,381	18%	1,077,222
Town Operating Expenditures Total	$ 396,529	$ 446,648	$ 2,380,461	$ 1,933,813	19%	$ 2,380,461



Town operating expenditures are trending as expected.

List of FY26 Capital Projects:	**FY26 Revised Budget**
Artificial Turf Installation at Community Center Entrance	150,000
Community Center Exterior Stucco Repair and Painting	190,500
Community Center Parking Lot Resurface	950,000
CRC ADA Exterior Restroom	325,000
Greenmaster Mower Replacement x2 (36-Hole)	120,000
South Pump Station (36 Hole)	510,000
Pusch Ridge Tennis Bleachers and ADA Accessibility	198,200
	2,443,700

Capital Fund

Financial Status Fiscal Year to Date: August 2025

Sources

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent
Vehicle Reserves	77,791	85,744	1,028,926	(943,182)	8%
Interest Earnings	103,338	108,233	470,000	(361,767)	23%
Miscellaneous	2,772	31,922	40,000	(8,078)	80%
Transfers In from General Fund	-	-	5,000,000	(5,000,000)	-
Total Sources	$ 183,901	$ 225,899	$ 6,538,926	$ (6,313,027)	3%

Uses

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent
Personnel	$ -	$ -	$ -	$ -	na
O&M	9,403	532	-	(532)	na
Capital Outlays	791,245	1,245,325	6,417,864	5,172,539	19%
Transfers Out	-	59,109	2,234,200	2,175,091	3%
Total Uses	$ 800,648	$ 1,304,966	$ 8,652,064	$ 7,347,098	15%

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget
Total Sources	$ 183,901	$ 225,899	$ 6,538,926
Total Uses	(800,648)	(1,304,966)	(8,652,064)
Change in Fund Balance	$ (616,747)	$ (1,079,067)	$ (2,113,138)
Beginning Fund Balance			$ 16,847,866
Estimated Ending Fund Balance			$ 14,734,728

Sources:
Transfers in from the General Fund to support CIP projects are budget-driven and occur on a quarterly basis. In addition, an annual reserve for vehicle replacement is established, calculated using the purchase price and expected lifespan of Town-owned vehicles. This reserve is allocated evenly over 12 months and charged to the General Fund each month.

Uses:
O&M costs are from the purchase of smaller, non-capitalized equipment used in police vehicle replacements.
Capital outlays through August consist primarily of planned Police vehicle replacements.
The budget includes $2 million in transfers to the Highway Fund for capital improvement projects, recorded evenly across four quarters. An additional $234,200 is allocated to the Grants Fund to cover the Town’s 20% match for transit vehicles supported by 80% grant funding. These grant transfers are recorded at year-end and may be adjusted based on actual grant awards.

Financial Status Fiscal Year to Date: August 2025

Revenues

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Water Sales	$ 3,256,180	$ 3,970,595	$ 18,511,000	$ (14,540,405)	21%	$ 18,511,000
Charges For Services	587,190	633,421	3,457,000	(2,823,579)	18%	3,460,019
Grants	-	-	-	-	-	-
Interest Earnings	45,400	48,426	100,000	(51,574)	48%	100,000
Miscellaneous	326	1,047	20,000	(18,954)	5%	21,047
Total Revenues	$ 3,889,095	$ 4,653,488	$ 22,088,000	$ (17,434,512)	21%	$ 22,092,066

Uses

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 523,005	$ 516,757	$ 3,985,725	$ 3,468,968	13%	$ 3,985,725
O&M	1,522,537	1,601,132	11,552,175	9,951,043	14%	11,552,175
Capital Outlays	381,147	107,495	2,327,639	2,220,144	5%	2,327,639
Debt Service	3,116,988	3,523,708	3,890,977	367,269	91%	3,890,977
Transfers Out	2,333	3,004	9,883,004	9,880,000	0%	9,883,004
Total Uses	$ 5,546,010	$ 5,752,097	$ 31,639,520	$ 25,887,423	18%	$ 31,639,520

Note: Excludes non-cash outlays for depreciation & amortization

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Revenues	$ 3,889,095	$ 4,653,488	$ 22,088,000	$ 22,092,066
Total Uses	(5,546,010)	(5,752,097)	(31,639,520)	(31,639,520)
Change in Fund Balance	$ (1,656,915)	$ (1,098,609)	$ (9,551,520)	$ (9,547,455)
Beginning Fund Balance				$ 16,058,321
Estimated Ending Fund Balance				$ 6,510,867

Sources:
Charges for services are expected to exceed the budget this year, driven by higher-than-anticipated engineer plan review fees. Miscellaneous revenue is projected to exceed budget due to insurance recoveries.

Uses:
Debt Service: The full annual principal payment for debt service is recorded at the start of the year. Interest payments are made twice yearly, in January and June. For a complete breakdown of outstanding debt issuances, please refer to Appendix 6.
Transfers out are primarily to the Water Resource Impact Fee fund to fund the NWRRDS capital projects and represents 40% of groundwater preservation fees. This transfer is recorded at the end of the fiscal year and may vary based on revenue collections. There is also a small transfer of $3,004 to the Debt Service Fund for debt service.

Financial Status Fiscal Year to Date: August 2025

Revenues

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Charges For Services	$ 268,856	$ 270,306	$ 1,527,000	$ (1,256,694)	18%	$ 1,527,000
Grants	-	-	239,200	(239,200)	-	239,200
Interest Earnings	6,756	8,343	20,000	(11,657)	42%	20,000
Total Revenues	$ 275,612	$ 278,650	$ 1,786,200	$ (1,507,550)	16%	$ 1,786,200

Expenses

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 145,976	$ 130,208	$ 990,258	$ 860,050	13%	$ 990,258
O&M	49,584	46,124	444,755	398,631	10%	444,755
Capital Outlays	-	-	718,000	718,000	-	718,000
Total Expenses	$ 195,560	$ 176,332	$ 2,153,013	$ 1,976,681	8%	$ 2,153,013

Note: Excludes non-cash outlays for depreciation

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Revenues	$ 275,612	$ 278,650	$ 1,786,200	$ 1,786,200
Total Expenses	(195,560)	(176,332)	(2,153,013)	(2,153,013)
Change in Fund Balance	$ 80,052	$ 102,318	$ (366,813)	$ (366,813)
Beginning Fund Balance				$ 1,447,723
Estimated Ending Fund Balance				$ 1,080,910

Revenues:
Grants budget consists of a FEMA grant for the Sierra Wash at Glover Rd Infrastructure Repair & Rehabilitation capital project.

Expenses:
Budgeted capital expenditures consist of general infrastructure maintenance as well as three CIP projects: Sierra Wash at Glover Rd Infrastructure Repair & Rehabilitation ($318,000), Sierra Wash at Via Mandarina Drainage Improvements ($50,000) and Oro Valley Drive Drainage and Pavement Improvement ($300,000).

APPENDIX 1

El Conquistador Golf Mgmt., LLC
El Conquistador Golf Course

Report Date: 8/31/2025

	Month-to-Date					Year-to-Date				
	Aug - 2025	**Budget**	**Aug - 2024**	**Bud Var**	**PY Var**	**Aug - 2025**	**Budget**	**Aug - 2024**	**Bud Var**	**PY Var**
Rounds										
Public	3,250	2,250	2,607	989	231	3,250	2,250	2,607	1,989	874
Member	3,182	3,000	3,023	182	159	6,406	5,800	5,966	606	440
Tournament	193	400	394	(207)	(201)	365	625	621	(260)	(256)
Total Rounds	**6,625**	**5,650**	**6,024**	**964**	**189**	**10,021**	**8,675**	**9,194**	**2,335**	**1,058**
Membership Fees	140,314.20	115,000.00	118,683.20	25,314.20	21,631.00	276,196.87	230,000.00	237,939.00	46,196.87	38,257.87
Total Membership Revenue	**140,314.20**	**115,000.00**	**118,683.20**	**25,314.20**	**21,631.00**	**276,196.87**	**230,000.00**	**237,939.00**	**46,196.87**	**38,257.87**
Sales - Green Fees	113,367.98	75,000.00	93,687.25	38,367.98	19,680.73	215,729.91	150,000.00	174,319.78	65,729.91	41,410.13
Sales - Tournament	3,753.48	10,000.00	12,347.96	(6,246.52)	(8,594.48)	6,384.67	15,500.00	17,791.25	(9,115.33)	(11,406.58)
Sales - Member Rounds	666.00	150.00	216.00	516.00	450.00	1,368.00	300.00	285.99	1,068.00	1,082.01
Golf Lessons	2,049.18	1,250.00	1,730.00	799.18	319.18	2,619.18	3,000.00	2,315.00	(380.82)	304.18
Range, Rental & Other Golf Related	9,901.67	3,275.00	9,157.36	6,626.67	744.31	26,354.40	6,800.00	18,121.17	19,554.40	8,233.23
Cart Fees	30,075.35	25,325.00	27,295.87	4,750.35	2,779.48	61,531.10	50,650.00	53,545.48	10,881.10	7,985.62
Golf Fees Revenue	**159,813.66**	**115,000.00**	**144,434.44**	**44,813.66**	**15,379.22**	**313,987.26**	**226,250.00**	**266,378.67**	**87,737.26**	**47,608.59**
Sales - Soft Goods	6,327.70	6,600.00	6,973.83	(272.30)	(646.13)	12,946.81	12,400.00	15,419.08	546.81	(2,472.27)
Sales - Hard Goods	7,881.89	6,000.00	7,247.54	1,881.89	634.35	16,793.55	10,250.00	11,114.29	6,543.55	5,679.26
Merchandise Revenue	**14,209.59**	**12,600.00**	**14,221.37**	**1,609.59**	**(11.78)**	**29,740.36**	**22,650.00**	**26,533.37**	**7,090.36**	**3,206.99**
Other Revenue	6,251.88	4,000.00	(135.00)	2,251.88	6,386.88	2,892.08	8,500.00	(800.41)	(5,607.92)	3,692.49
Other Revenue	**6,251.88**	**4,000.00**	**(135.00)**	**2,251.88**	**6,386.88**	**2,892.08**	**8,500.00**	**(800.41)**	**(5,607.92)**	**3,692.49**
Sales - Food	21,618.03	125.00	25,922.12	21,493.03	(4,304.09)	55,225.93	250.00	42,921.01	54,975.93	12,304.92
Sales - Beer	19,178.15	450.00	15,601.95	18,728.15	3,576.20	35,847.86	900.00	27,877.91	34,947.86	7,969.95
Sales - Wine	1,328.77	0.00	1,471.11	1,328.77	(142.34)	3,050.06	0.00	1,850.30	3,050.06	1,199.76
Sales - Liquor	4,561.08	50.00	4,694.01	4,511.08	(132.93)	9,966.52	100.00	8,425.52	9,866.52	1,541.00
Group Service Charges	7,750.74	0.00	(573.48)	7,750.74	8,324.22	16,340.57	0.00	(1,594.17)	16,340.57	17,934.74
Food & Beverage Revenue	**54,436.77**	**625.00**	**47,115.71**	**53,811.77**	**7,321.06**	**120,430.94**	**1,250.00**	**79,480.57**	**119,180.94**	**40,950.37**
TOTAL REVENUE	**375,026.10**	**247,225.00**	**324,319.72**	**127,801.10**	**50,706.38**	**743,247.51**	**488,650.00**	**609,531.20**	**254,597.51**	**133,716.31**
Expenses										
COS - Merchandise	10,100.27	8,995.00	10,589.57	(1,105.27)	489.30	18,868.97	16,105.00	19,518.47	(2,763.97)	649.50
COS - Food	11,383.24	37.50	8,756.57	(11,345.74)	(2,626.67)	25,631.80	75.00	17,144.26	(25,556.80)	(8,487.54)
COS - Beer	6,513.71	135.00	4,031.13	(6,378.71)	(2,482.58)	11,303.13	270.00	8,175.25	(11,033.13)	(3,127.88)
COS - Wine	415.15	0.00	291.63	(415.15)	(123.52)	948.30	0.00	356.20	(948.30)	(592.10)
COS - Liquor	1,758.43	15.00	1,487.53	(1,743.43)	(270.90)	3,779.59	30.00	2,169.05	(3,749.59)	(1,610.54)
Cost of Sales	**30,170.80**	**9,182.50**	**25,156.43**	**(20,988.30)**	**(5,014.37)**	**60,531.79**	**16,480.00**	**47,363.23**	**(44,051.79)**	**(13,168.56)**
Gross Margin	**344,855.30**	**238,042.50**	**299,163.29**	**106,812.80**	**45,692.01**	**682,715.72**	**472,170.00**	**562,167.97**	**210,545.72**	**120,547.75**

El Conquistador Golf Mgmt., LLC
El Conquistador Golf Course

Report Date: 8/31/2025

	Month-to-Date					Year-to-Date				
	Aug - 2025	Budget	Aug - 2024	Bud Var	PY Var	Aug - 2025	Budget	Aug - 2024	Bud Var	PY Var
Salaries & Wages	160,164.91	121,389.00	153,726.84	(38,775.91)	(6,438.07)	326,965.79	242,278.00	296,649.53	(84,687.79)	(30,316.26)
Payroll Taxes	12,702.65	9,575.00	12,520.36	(3,127.65)	(182.29)	20,617.24	19,400.00	23,736.41	(1,217.24)	3,119.17
Workers Comp	3,037.14	2,500.00	2,707.98	(537.14)	(329.16)	8,342.34	5,000.00	5,010.78	(3,342.34)	(3,331.56)
Employee Benefits	3,320.07	8,000.00	5,667.32	4,679.93	2,347.25	11,467.58	16,000.00	16,334.07	4,532.42	4,866.49
Other Employee Benefits	1,796.08	1,300.00	1,303.02	(496.08)	(493.06)	9,045.54	2,600.00	2,577.66	(6,445.54)	(6,467.88)
Total Payroll & Benefits	**181,020.85**	**142,764.00**	**175,925.52**	**(38,256.85)**	**(5,095.33)**	**376,438.49**	**285,278.00**	**344,308.45**	**(91,160.49)**	**(32,130.04)**
Meals & Entertainment	366.29	450.00	496.16	83.71	129.87	828.60	900.00	852.39	71.40	23.79
Travel	152.60	150.00	380.27	(2.60)	227.67	152.60	300.00	577.58	147.40	424.98
Total Employee Related	**518.89**	**600.00**	**876.43**	**81.11**	**357.54**	**981.20**	**1,200.00**	**1,429.97**	**218.80**	**448.77**
R&M - Equipment	18,292.84	21,250.00	14,958.10	2,957.16	(3,334.74)	37,290.78	37,500.00	27,269.37	209.22	(10,021.41)
R&M - Building	2,709.46	5,000.00	2,779.67	2,290.54	70.21	2,709.46	6,000.00	4,915.27	3,290.54	2,205.81
R&M - Golf Course & Tennis Courts	2,879.22	2,500.00	13,284.80	(379.22)	10,405.58	2,999.66	4,000.00	14,511.76	1,000.34	11,512.10
R&M - Other	413.07	400.00	0.00	(13.07)	(413.07)	826.14	800.00	401.04	(26.14)	(425.10)
Sod	0.00	0.00	214.80	0.00	214.80	0.00	500.00	1,067.72	500.00	1,067.72
Sand & Gravel	6,951.73	2,000.00	4,469.64	(4,951.73)	(2,482.09)	8,620.81	6,000.00	8,649.73	(2,620.81)	28.92
Gas, Diesel, Oil & Lubricants	3,488.29	3,950.00	3,275.24	461.71	(213.05)	8,901.34	10,400.00	8,791.97	1,498.66	(109.37)
Fertilizers	0.00	3,000.00	0.00	3,000.00	0.00	(705.17)	8,000.00	4,804.40	8,705.17	5,509.57
Chemicals	14,798.25	10,500.00	4,682.38	(4,298.25)	(10,115.87)	18,859.87	13,800.00	7,343.71	(5,059.87)	(11,516.16)
Total Repairs & Maintenance	**49,532.86**	**48,600.00**	**43,664.63**	**(932.86)**	**(5,868.23)**	**79,502.89**	**87,000.00**	**77,754.97**	**7,497.11**	**(1,747.92)**
Marketing & Advertising	930.50	1,270.00	1,573.41	339.50	642.91	1,861.00	2,390.00	6,066.78	529.00	4,205.78
Computer Related	942.00	0.00	0.00	(942.00)	(942.00)	1,884.00	0.00	0.00	(1,884.00)	(1,884.00)
Dues & Subscriptions	5,189.89	3,870.00	3,262.18	(1,319.89)	(1,927.71)	7,025.64	7,740.00	4,804.85	714.36	(2,220.79)
Operating Supplies	12,289.63	4,800.00	12,362.22	(7,489.63)	72.59	20,673.19	8,050.00	16,774.91	(12,623.19)	(3,898.28)
Linens & Laundry	685.44	0.00	1,210.09	(685.44)	524.65	1,601.89	0.00	1,896.93	(1,601.89)	295.04
Postage	20.24	75.00	73.00	54.76	52.76	20.24	75.00	73.00	54.76	52.76
Member Relations	0.00	0.00	214.69	0.00	214.69	0.00	0.00	264.75	0.00	264.75
Uniforms	332.42	0.00	132.33	(332.42)	(200.09)	1,982.73	0.00	214.17	(1,982.73)	(1,768.56)
Merchant Processing Fees	5,024.77	3,550.00	3,358.03	(1,474.77)	(1,666.74)	11,068.45	7,600.00	7,515.76	(3,468.45)	(3,552.69)
Bank Fees	(31.83)	0.00	0.00	31.83	31.83	(31.83)	0.00	0.00	31.83	31.83
Cash Short / (Over)	0.00	0.00	0.00	0.00	0.00	(338.80)	0.00	0.00	338.80	338.80
Late Fees & Penalties	(31.83)	0.00	0.00	31.83	31.83	0.00	0.00	0.00	0.00	0.00
Centralized Services	1,959.40	2,125.00	2,042.88	165.60	83.48	4,499.35	4,250.00	3,995.05	(249.35)	(504.30)
Total Operating Expenses	**27,310.63**	**15,690.00**	**24,228.83**	**(11,620.63)**	**(3,081.80)**	**50,245.86**	**30,105.00**	**41,606.20**	**(20,140.86)**	**(8,639.66)**
Operating Profit	**86,472.07**	**30,388.50**	**54,467.88**	**56,083.57**	**32,004.19**	**175,547.28**	**68,587.00**	**97,068.38**	**106,960.28**	**78,478.90**
Electric & Gas	25,801.18	28,750.00	26,656.68	2,948.82	855.50	52,134.61	56,500.00	52,697.97	4,365.39	563.36
Water	98,959.31	102,500.00	100,045.15	3,540.69	1,085.84	203,600.01	220,750.00	216,911.26	17,149.99	13,311.25
Telephone & Internet Connection	796.20	875.00	504.81	78.80	(291.39)	1,441.48	1,750.00	1,232.44	308.52	(209.04)
Other Third-party Services	3,803.52	9,975.00	4,460.47	6,171.48	656.95	6,803.35	14,400.00	20,628.27	7,596.65	13,824.92
Total Utilities	**129,360.21**	**142,100.00**	**131,667.11**	**12,739.79**	**2,306.90**	**263,979.45**	**293,400.00**	**291,469.94**	**29,420.55**	**27,490.49**

APPENDIX 1

El Conquistador Golf Mgmt., LLC

El Conquistador Golf Course

Report Date: 8/31/2025

	Month-to-Date					Year-to-Date				
	Aug - 2025	**Budget**	**Aug - 2024**	**Bud Var**	**PY Var**	**Aug - 2025**	**Budget**	**Aug - 2024**	**Bud Var**	**PY Var**
Lease Expense - Fixed	15,077.76	14,582.00	13,258.76	(495.76)	(1,819.00)	30,155.52	29,164.00	26,517.52	(991.52)	(3,638.00)
Lease Expense - Short-term & Other	298.11	298.00	298.11	(0.11)	0.00	596.22	596.00	596.22	(0.22)	0.00
Total Leases	**15,375.87**	**14,880.00**	**13,556.87**	**(495.87)**	**(1,819.00)**	**30,751.74**	**29,760.00**	**27,113.74**	**(991.74)**	**(3,638.00)**
Fixed Operating Expenses	**144,736.08**	**156,980.00**	**145,223.98**	**12,243.92**	**487.90**	**294,731.19**	**323,160.00**	**318,583.68**	**28,428.81**	**23,852.49**
Gross Operating Profit	**(58,264.01)**	**(126,591.50)**	**(90,756.10)**	**68,327.49**	**32,492.09**	**(119,183.91)**	**(254,573.00)**	**(221,515.30)**	**135,389.09**	**102,331.39**
Insurance	3,209.03	6,000.00	5,877.20	2,790.97	2,668.17	9,086.23	12,000.00	11,754.40	2,913.77	2,668.17
Bad Debt Expense	123.78	100.00	214.69	(23.78)	90.91	166.14	200.00	264.74	33.86	98.60
Fees, Permits, & Licenses	1,697.00	300.00	1,939.60	(1,397.00)	242.60	2,341.50	950.00	2,889.86	(1,391.50)	548.36
Base Management Fees	11,040.81	11,094.00	10,824.32	53.19	(216.49)	22,081.62	22,188.00	21,648.64	106.38	(432.98)
Other Expenses	**16,070.62**	**17,494.00**	**18,855.81**	**1,423.38**	**2,785.19**	**33,675.49**	**35,338.00**	**36,557.64**	**1,662.51**	**2,882.15**
Net Operating Income	**(74,334.63)**	**(144,085.50)**	**(109,611.91)**	**69,750.87**	**35,277.28**	**(152,859.40)**	**(289,911.00)**	**(258,072.94)**	**137,051.60**	**105,213.54**
Incentive Management Fee	0.00	0.00	8,030.62	0.00	8,030.62	0.00	0.00	8,030.62	0.00	8,030.62
NET INCOME	**(74,334.63)**	**(144,085.50)**	**(117,642.53)**	**69,750.87**	**43,307.90**	**(152,859.40)**	**(289,911.00)**	**(266,103.56)**	**137,051.60**	**113,244.16**
EBITDA	**(74,334.63)**	**(144,085.50)**	**(117,642.53)**	**69,750.87**	**43,307.90**	**(152,859.40)**	**(289,911.00)**	**(266,103.56)**	**137,051.60**	**113,244.16**

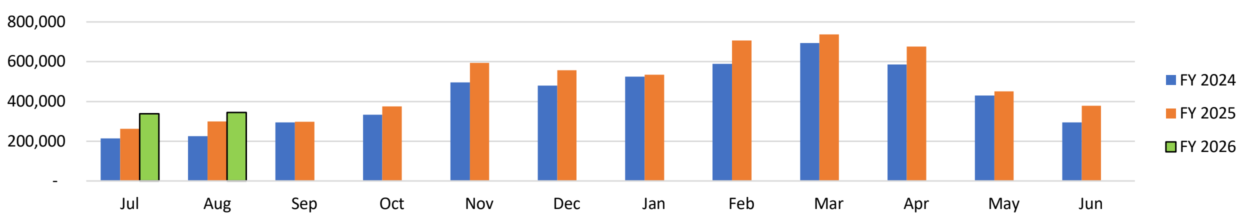
Town of Oro Valley
Golf Analysis

Operating:			PRE AGREEMENT				POST AGREEMENT					Through Aug	*Budget*	Cumulative
	FY 2015	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY2024**	**FY2025**	**FY2026**	**FY 2026**	**Actuals**
Revenue														
36 Hole	500,158	1,883,452	1,798,304	2,171,484	2,367,136	2,593,395	3,522,083	3,674,489	3,856,880	4,724,718	4,933,178	603,672	4,311,050	32,628,948
Pusch Ridge	-	105,370	99,134	59,726	106,184	98,316	-	380,375	414,225	528,346	619,276	20,348	528,628	2,431,300
F&B - Overlook	-	606,171	708,594	745,766	671,582	554,336	448,782	671,479	725,222	766,679	865,944	119,228	785,400	6,883,783
Total Revenue	500,158	2,594,993	2,606,032	2,976,976	3,144,902	3,246,047	3,970,865	4,726,343	4,996,327	6,019,743	6,418,398	743,248	5,625,078	41,944,031
Expenses														
36 Hole	1,112,252	3,588,714	3,936,889	3,817,932	3,771,706	3,891,341	3,915,216	3,740,982	3,929,757	4,263,007	4,365,456	729,080	4,468,886	41,062,332
Pusch Ridge	-	253,513	256,769	236,160	230,196	287,112	-	319,702	390,959	478,320	516,762	46,886	508,480	3,016,380
F&B - Overlook	-	861,740	823,383	841,866	785,499	701,538	440,382	630,509	596,910	684,037	756,376	120,140	751,271	7,242,380
Total Expenses	1,112,252	4,703,967	5,017,041	4,895,958	4,787,401	4,879,991	4,355,598	4,691,193	4,917,626	5,425,364	5,638,594	896,107	5,728,637	51,321,091
Profit/(Loss)														
36 Hole	(612,094)	(1,705,262)	(2,138,585)	(1,646,448)	(1,404,570)	(1,297,946)	(393,133)	(66,493)	(72,877)	461,711	567,722	(125,409)	(157,836)	(8,433,384)
Pusch Ridge	-	(148,143)	(157,635)	(176,434)	(124,012)	(188,796)	-	60,673	23,266	50,026	102,514	(26,539)	20,148	(585,080)
F&B - Overlook	-	(255,569)	(114,789)	(96,100)	(113,917)	(147,202)	8,400	40,970	128,312	82,642	109,569	(912)	34,129	(358,597)
Total Operating Profit/(Loss)	(612,094)	(2,108,974)	(2,411,009)	(1,918,982)	(1,642,499)	(1,633,944)	(384,733)	35,150	78,701	594,379	779,804	(152,859)	(103,559)	(9,377,060)
Capital Investments		45,116	47,909	29,464	-	-	131,035	2,828,061	4,619,904	2,184,848	743,897	-	630,000	10,630,234
Initial purchase (1)		300,000	350,000	350,000										1,000,000
Notes: (1) $1,000,000 original purchase of courses and community center														
1/2 cent sales tax	506,710	2,030,750	2,199,466	2,330,941	2,463,034	2,584,916	2,947,420	3,535,507	3,707,578	3,792,744	3,904,926	593,099	-	30,597,091
HOA contributions	-	-	-	-	-	-	125,000	159,050	159,050	159,050	159,050	-	34,050	761,200

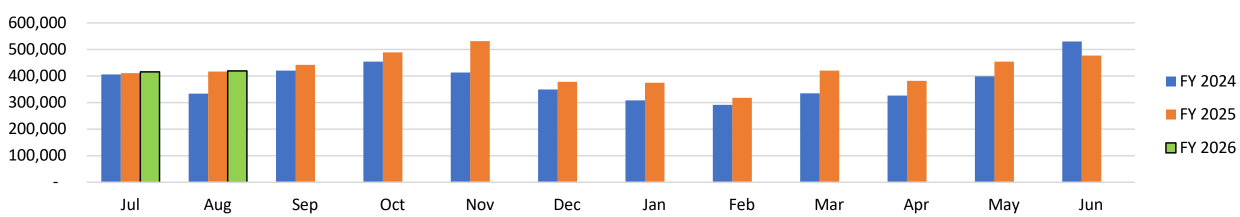
Town of Oro Valley
Golf Analysis - Contractor Financials

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2024												
Gross Margin	213,698	225,040	295,419	332,783	495,412	480,305	525,109	589,339	694,275	586,473	430,577	294,092
Expenses	406,558	333,614	420,523	454,504	412,959	349,298	308,213	291,616	334,623	326,900	398,960	530,376
Net Income/(Loss)	(192,860)	(108,573)	(125,103)	(121,721)	82,453	131,007	216,896	297,723	359,652	259,573	31,617	(236,284)
FY 2025												
Gross Margin	263,005	299,163	297,857	375,363	594,117	556,764	534,838	706,996	737,685	675,958	450,287	378,899
Expenses	411,466	416,806	442,887	488,946	531,458	378,085	374,611	318,371	420,446	381,953	453,967	476,826
Net Income/(Loss)	(148,461)	(117,643)	(145,030)	(113,583)	62,659	178,679	160,226	388,625	317,239	294,005	(3,681)	(97,927)
FY 2026												
Gross Margin	337,860	344,855										
Expenses	416,385	419,190										
Net Income/(Loss)	(78,525)	(74,335)	-	-	-	-	-	-	-	-	-	-

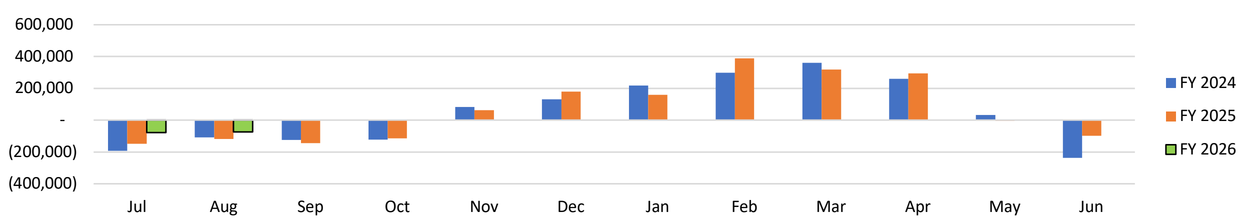
Comparison of Gross Income by Month - Total Golf Operations



Comparison of Total Expenses by Month - Total Golf Operations



Comparison of Net Income/(Loss) by Month - Total Golf Operations



APPENDIX 3

Consolidated Year-to-Date Financial Report through August 2025

FY 2025/2026

Fund	FY 25/26 Beginning Balance	Revenue	Other Fin Sources/ Transfers In	Total In	Personnel	O&M	Capital	Debt Service	Other Fin Uses/ Transfers Out	Total Out	Fund Balance Through August 2025
General Fund	20,702,401	8,014,754	-	**8,014,754**	5,573,407	2,747,838	84,559	-	3,703,829	**12,109,633**	16,607,522
Highway Fund	1,598,787	728,469	-	**728,469**	199,122	127,644	-	-	-	**326,766**	2,000,490
Grants and Contributions Fund	460,787	110,358	59,109	**169,467**	406	1,450	106,076	-	-	**107,931**	522,323
Seizure & Forfeiture - Justice/State	374,906	(1,515)	-	**(1,515)**	-	-	-	-	-	**-**	373,391
Community Center Fund	2,921,900	1,551,961	-	**1,551,961**	256,807	1,085,948	75,791	-	172,968	**1,591,513**	2,882,348
Municipal Debt Service Fund	53,800	81,294	3,918,566	**3,999,860**	-	3,925	-	3,428,051	-	**3,431,976**	621,684
Water Resource System & Dev. Impact Fee Fund	6,481,181	167,626	-	**167,626**	-	-	246,404	557,505	-	**803,909**	5,844,897
Townwide Roadway Dev Impact Fee Fund	3,095,031	75,744	-	**75,744**	-	-	-	-	-	**-**	3,170,775
Parks & Recreation Impact Fee Fund	381,038	22,387	-	**22,387**	-	-	-	-	-	**-**	403,425
Police Impact Fee Fund	122,916	13,870	-	**13,870**	-	-	-	-	38,765	**38,765**	98,021
Capital Fund	16,847,866	225,899	-	**225,899**	-	532	1,245,325	-	59,109	**1,304,966**	15,768,799
PAG/RTA Fund	446,926	2,753	-	**2,753**	-	4,955	-	-	-	**4,955**	444,724
Water Utility	16,058,321	4,653,488	-	**4,653,488**	516,757	1,601,132	107,495	3,523,708	3,004	**5,752,097**	14,959,713
Stormwater Utility	1,447,723	278,650	-	**278,650**	130,208	46,124	-	-	-	**176,332**	1,550,041
Benefit Self Insurance Fund	3,995,323	704,118	-	**704,118**	-	825,914	-	-	-	**825,914**	3,873,527
Recreation In-Lieu Fee Fund	52,018	271	-	**271**	-	-	-	-	-	**-**	52,289
Total	**75,040,924**	**16,630,125**	**3,977,675**	**20,607,800**	**6,676,707**	**6,445,461**	**1,865,650**	**7,509,264**	**3,977,675**	**26,474,757**	**69,173,967**

Local Sales Tax Collections

FY 2025/26	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Construction Sales Tax	179,150	163,435											**342,585**
Utility Sales Tax	302,786	412,779											**715,565**
Retail Sales Tax	941,576	718,085											**1,659,661**
Remote Seller Sales Tax	192,279	164,776											**357,055**
Bed Tax	112,651	91,706											**204,357**
Restaurant & Bar Sales Tax	269,228	190,588											**459,816**
All Other Local Sales Tax *	115,341	377,287											**492,628**
Monthly Total	**$ 2,113,010**	**$ 2,118,656**											**$ 4,231,666**
Cumulative Total	**$ 2,113,010**	**$ 4,231,666**											
Monthly variance	$ (220,775)	$ (201,284)											
Cumulative variance	$ (220,775)	$ (422,059)											

FY 2024/25	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Construction Sales Tax	427,032	291,729	371,199	324,860	545,601	253,973	356,030	414,112	171,326	130,317	296,873	293,764	**3,876,815**
Utility Sales Tax	306,838	399,701	417,156	405,901	370,322	335,865	288,120	341,375	312,662	259,576	253,922	266,994	**3,958,432**
Retail Sales Tax	937,920	715,116	684,389	714,418	739,186	827,763	1,054,115	782,626	713,089	825,844	800,879	737,884	**9,533,230**
Remote Seller Sales Tax	164,541	141,042	139,202	140,153	150,391	183,215	220,084	154,652	143,119	160,766	156,956	159,881	**1,914,002**
Bed Tax	107,778	180,045	136,688	120,312	177,934	231,333	286,851	209,622	320,232	321,945	252,906	177,851	**2,523,496**
Restaurant & Bar Sales Tax	271,259	191,436	200,970	229,592	214,851	229,614	299,860	224,492	251,749	306,309	224,410	261,930	**2,906,470**
All Other Local Sales Tax *	118,418	400,871	375,123	392,307	405,900	482,938	602,411	470,371	496,749	547,430	478,840	424,726	**5,196,084**
Monthly Total	**$ 2,333,785**	**$ 2,319,940**	**$ 2,324,727**	**$ 2,327,543**	**$ 2,604,184**	**$ 2,544,700**	**$ 3,107,472**	**$ 2,597,249**	**$ 2,408,926**	**$ 2,552,188**	**$ 2,464,785**	**$ 2,323,029**	**$ 29,908,529**
Cumulative Total	**$ 2,333,785**	**$ 4,653,725**	**$ 6,978,452**	**$ 9,305,995**	**$ 11,910,179**	**$ 14,454,879**	**$ 17,562,351**	**$ 20,159,600**	**$ 22,568,526**	**$ 25,120,715**	**$ 27,585,500**	**$ 29,908,529**	

*Does not include cable franchise fees or sales tax audit revenues

APPENDIX 5

General Fund State Shared Revenues

FY 2025/26	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
State Shared Income Tax	793,555	793,555											**1,587,110**
State Shared Sales Tax	619,095	603,827											**1,222,922**
County Auto Lieu	216,240	215,390											**431,631**
Smart and Safe	-	-											**-**
Monthly Total	**$ 1,628,891**	**$ 1,612,772**											**$ 3,241,663**
Cumulative Total	**$ 1,628,891**	**$ 3,241,663**											
Monthly variance	$ (59,126)	$ (41,479)											
Cumulative variance	$ (59,126)	$ (100,605)											

FY 2024/25	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
State Shared Income Tax	856,425	856,425	856,425	856,425	856,425	856,425	856,425	856,425	856,425	856,425	856,425	856,425	**10,277,099**
State Shared Sales Tax	593,796	582,212	575,094	597,416	614,349	622,937	724,079	596,353	582,965	677,435	632,153	618,346	**7,417,134**
County Auto Lieu	237,795	215,615	204,204	224,993	189,831	182,939	128,184	304,691	257,209	119,394	230,779	325,869	**2,621,504**
Smart and Safe	-	-	-	-	-	138,177	-	-	15	-	-	148,981	**287,173**
Monthly Total	**$ 1,688,016**	**$ 1,654,252**	**$ 1,635,723**	**$ 1,678,834**	**$ 1,660,605**	**$ 1,800,479**	**$ 1,708,688**	**$ 1,757,469**	**$ 1,696,614**	**$ 1,653,254**	**$ 1,719,357**	**$ 1,949,620**	**$ 20,602,911**
Cumulative Total	**$ 1,688,016**	**$ 3,342,268**	**$ 4,977,991**	**$ 6,656,825**	**$ 8,317,430**	**$ 10,117,909**	**$ 11,826,596**	**$ 13,584,065**	**$ 15,280,679**	**$ 16,933,933**	**$ 18,653,291**	**$ 20,602,911**	

APPENDIX 6

Debt Service Expense

	Adopted 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030-2035	Forecast 2036-2040	Forecast 2041-2045	Final Payment Date
Municipal Debt Service Fund									
Excise Tax Revenue Bonds						-	-	-	
2010 CREBS	186,370	176,066	170,437	-	-	-	-	-	2028
2012 Revenue Bonds	224,631	227,147	224,125	-	-	-	-	-	2028
2015a Refunding Excise Tax	304,379	-	-	-	-	-	-	-	2026
2016 Excise Tax	172,968	172,635	172,236	172,760	172,207	344,447	-	-	2032
2017a Refunding Excise Tax	138,645	138,626	-	-	-	-	-	-	2027
2018a Excise Tax Revenue Obligation	171,515	171,446	171,502	171,429	171,229	684,420	-	-	2034
2021 Parks & Rec Excise Tax	1,543,300	1,544,800	1,539,425	1,542,050	1,537,550	7,693,950	7,682,400	3,063,900	2042
2021 Pension Obligation Bonds	1,271,262	1,266,350	1,264,118	1,264,461	1,262,588	6,312,780	5,036,273	-	2039
Total Municipal Debt Service Fund	4,013,070	3,697,070	3,541,843	3,150,700	3,143,574	15,035,597	12,718,673	3,063,900	
Community Center Fund									
Contracts Payable									
Leased Fitness Equipment	7,668	-	-	-	-	-	-	-	2026
Financed Fitness Equipment	22,677	7,559	-	-	-	-	-	-	2027
Golf Carts	130,867	76,339	-	-	-	-	-	-	2027
Leased Copiers	76,800	76,800	12,800	-	-	-	-	-	2028
Total Community Center Fund	238,012	160,698	12,800	-	-	-	-	-	
WRSDIF Fund									
Excise Tax Revenue Bonds									
2021b Excise Tax Revenue Obligation (4)	55,924	56,015	55,596	34,453	8,255	-	-	-	2030
2025b Senior Lien Water Revenue Obligation (5)	455,408	455,411	455,408	455,409	455,410	2,277,041	-	-	2035
2025b WIFA Loan (6)	493,700	468,639	468,639	468,639	468,639	2,343,196	2,343,196	2,343,196	2045
Total WSRDIF Fund	1,005,032	980,065	979,643	958,501	932,304	4,620,237	2,343,196	2,343,196	
Water Utility Fund									
Excise Tax Revenue Bonds									
2015b Refunding Revenue Bonds (1)	148,500	-	-	-		-	-	-	2026
2017b Refunding Revenue Bonds (2)	1,619,650	1,619,032	-	-	-	-	-	-	2027
2018b Excise Tax Revenue Obligation (3)	508,532	508,144	508,118	507,710	506,914	2,024,062	-	-	2034
2021a Excise Tax Revenue Obligations (4)	743,499	744,714	739,138	458,046	109,745	-	-	-	2030
2025a Senior Lien Water Revenue Obligation (5)	303,605	303,607	303,605	303,606	303,607	1,518,027	-	-	2035
Water Revenue Loans									
2014 WIFA Loan	371,750	371,509	371,261	371,006	-	-	-	-	2029
2025a WIFA Loan (6)	329,134	312,426	312,426	312,426	312,426	1,562,131	1,562,131	1,562,131	2045
Total Water Utility Fund	4,024,671	3,859,432	2,234,549	1,952,794	1,232,692	5,104,220	1,562,131	1,562,131	
TOTAL DEBT SERVICE - ALL FUNDS	**9,280,785**	**8,697,265**	**6,768,834**	**6,061,995**	**5,308,571**	**24,760,053**	**16,624,000**	**6,969,227**	

(1) Series 2015 for municipal operation facilities debt service is split between General Fund excise tax revenue (67%) and water revenue (33%).
(2) Series 2017 debt service is split between General Fund excise tax revenue (8%) and water revenue (92%).
(3) Series 2018 for water infrastucture and police evidence and substation facility. Debt service is split between General Fund excise tax revenue (25%) and water revenue (75%).
(4) Series 2021 debt service is split between the Water Utility Fund (93%) and the Water Impact fee Fund (7%).
(5) Series 2025 debt service is split between the Water Utility Fund (40%) and the Water Impact fee Fund (60%).
(6) 2025 WIFA loan debt service is split between the Water Utility Fund (40%) and the Water Impact fee Fund (60%).

APPENDIX 7

Town of Oro Valley
Operating Investment Summary
Fiscal Year 2025/26

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
LGIP												
Ending Market Value	$ 11,048,264	$ 10,564,199										
Investment Income	$ 34,213	$ 41,256										
1-Month Yield	4.33%	4.32%										
PFM Asset Management												
Closing Market Value	$ 39,752,553	$ 38,301,783										
Investment Income	$ 199,738	$ 172,343										
Annualized Yield to Maturity at Cost	4.51%	4.54%										
Wells Fargo Sweep												
Ending Balance	$ 3,413,781	$ 6,187,767										
Investment Income	$ 13,910	$ 10,451										
7-Day Simple Yield	4.18%	4.18%										
Total Ending Balance	$ 54,214,597	$ 55,053,750										
Total Investment Income	$ 247,861	$ 224,050										

Town of Oro Valley - Development Impact Fee Fund Projects

Arizona municipalities can charge development fees to cover the cost of infrastructure improvements needed to support new development. These fees are one-time payments used to fund projects like building new roads, parks, or water facilities. The amount of the fee is determined by an Infrastructure Improvements Plan (IIP) and land use assumptions. Importantly, development fees can only be used for building new infrastructure or paying off debt for growth-related projects. They cannot be used for ongoing maintenance, repairs, or addressing existing problems. The Town's IIP includes public services for parks and recreation facilities, police facilities, street facilities, and water facilities.

Below is a list of identified IIP projects use in the latest impact fee study to calculate the development fees. These are projects that would be eligible to be funded by development fees as outlined in ARS § 9-463.05 (T)(7)(a).

Parks and Recreation Facilities

Description	Cost	Completed?
Skate Park	$1,500,000	Yes
Playground and Parking Lot	$1,700,000	Yes
Multiuse Fields (lighted)	$1,200,000	Yes
Dog Park	$150,000	Yes
Developed Park Land	$927,694	
Park Amenities	$2,501,696	

Police

Police Substation Debt	$1,198,500	
Police Vehicles	$846,050	

Street Facilities

La Cholla Blvd, Tangerine Rd-Lambert Ln - Road Widening	$1,700,000	Yes
Shannon Rd, Tangerine Rd-Naranja Dr - New Road	$1,000,000	
Lambert Ln. .5 mi E of Shannon-Rancho Sonora - Road Widening	$1,000,000	
Rancho Vistoso & Woodburne - Intersection Improvement	$750,000	
Oracle Rd & Rams Field Intersection - Intersection Improvement	$750,000	
Moore Rd La Cholla Blvd - Intersection Improvement	$900,000	
Moore Rd - Extension E of Rancho Vistoso Blvd - New Road & Intersection	$1,026,840	Yes
Moore Rd & La Canada Dr Intersection - Intersection Improvement	$1,200,000	Yes
Glover Rd Multi Use Path - Multi-modal facility	$150,000	Yes
Glover Rd south half widening - Road Widening	$500,000	Yes

Water Facilities

Water Supply		
Steam Pump D-Zone Well	$1,500,000	
Program Management Support Services (P)	$1,050,000	Yes
Well Improvement Analysis and Recovery Permits (P)	$150,000	Yes
Well Drilling and Testing (P)	$300,000	Yes
Construction Permitting, Drilling, Development and Testing (P)	$1,500,000	Yes
Well Equipment Design and Site Improvements (P)	$1,800,000	Yes
Storage		
Palisades C-Zone Storage Tank and Pipeline	$4,250,000	
Pressure Zone G Storage Expansion	$8,000,000	
Pressure Zone G, H and I Storage Expansion	$4,000,000	
Forebay Design (P)	$99,231	Yes
Forebay Reservoir Construction (P)	$900,000	Yes
Shannon Rd Forebay Reservoir And Booster Station Prop (Ind.)	$240,000	Yes
Forebay Reservoir Booster Station Design (Ind.)	$90,000	Yes
Shannon Rd Forebay Reservoir and Booster Station Design (Ind.)	$180,000	Yes
Booster Station Construction Forebay Res. (Ind.)	$300,000	Yes
Shannon Road Forebay Res. Construction (Ind.)	$840,000	Yes
Shannon Road Forebay Res. Construction (Ind.)	$540,000	Yes

Water Facilities Continued

Description	Cost	Completed?
Distribution		
Moore Road F-Zone Interconnect	$750,000	
Water Plant 14 Booster Capacity Expansion	$250,000	
Pipeline Design (Recovery Water & Transmission) (P)	$660,692	Yes
Pipeline Construction (P)	$4,320,000	
Pipeline Route Study and Preliminary Design (Ind.)	$120,000	Yes
Pipeline Easement Acquisition (Ind.)	$450,000	Yes
Pipeline Design (Ind.)	$600,000	Yes
Pipeline Construction NWRRDS to La Canada Res. (Ind.)	$5,880,000	
Interconnect to Tangerine Rd. (Ind.)	$270,000	Yes
Interconnect to Lambert Lane (Ind.)	$510,000	Yes