



Town Manager's Office

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TOWN COUNCIL REPORT

DATE: March 9, 2026  
TO: Mayor and Council  
FROM: Jeff Wilkins, Town Manager  
David Gephart, Chief Financial Officer  
SUBJECT: January 2026 Financial Update

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This financial update is intended to provide an overview and status of revenues and expenditures for the Town's selected funds through January 2026 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, unaudited 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 local 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.



## General Fund

### Financial Status Fiscal Year to Date: January 2026

#### Revenues

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Local Sales Tax	\$ 15,486,656	\$ 15,479,605	\$ 32,470,107	\$ (16,990,502)	48%	\$ 27,837,339
State Shared Revenues	11,826,596	11,576,253	19,863,884	(8,287,631)	58%	19,809,058
Licenses & Permits	1,103,034	1,638,528	2,116,123	(477,595)	77%	2,317,479
Grants	347,386	470,572	466,851	3,721	101%	728,219
Intergovernmental	1,069,278	1,196,096	2,320,362	(1,124,266)	52%	2,320,362
Charges for Service	1,790,836	1,779,939	3,050,223	(1,270,284)	58%	3,100,270
Other Revenue	1,082,693	499,165	916,480	(417,315)	54%	924,099
<b>Total Revenues</b>	<b>\$ 32,706,480</b>	<b>\$ 32,640,158</b>	<b>\$ 61,204,030</b>	<b>\$ (28,563,872)</b>	<b>53%</b>	<b>\$ 57,036,826</b>

#### Uses

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Personnel Services	\$ 20,114,660	\$ 20,988,265	\$ 37,457,276	\$ 16,469,011	56%	\$ 36,553,840
Operations and Maintenance	8,464,127	8,029,382	15,317,790	7,288,408	52%	15,104,790
Capital Outlay	170,180	87,806	211,000	123,194	42%	211,000
Transfers Out	5,458,073	8,203,829	8,831,579	627,750	93%	10,831,579
<b>Total Uses</b>	<b>\$ 34,207,039</b>	<b>\$ 37,309,282</b>	<b>\$ 61,817,645</b>	<b>\$ 24,508,363</b>	<b>60%</b>	<b>\$ 62,701,209</b>

#### Change in Fund Balance

	FY 2024/25	FY 2025/26	FY 2025/26	Year End
	Actuals	Actuals	Budget	Estimate
Total Revenues	\$ 32,706,480	\$ 32,640,158	\$ 61,204,030	\$ 57,036,826
Total Uses	(34,207,039)	(37,309,282)	(61,817,645)	(62,701,209)
<b>Change in Fund Balance</b>	<b>\$ (1,500,559)</b>	<b>\$ (4,669,124)</b>	<b>\$ (613,615)</b>	<b>\$ (5,664,383)</b>
Beginning Fund Balance				\$ 20,702,401
Estimated Ending Fund Balance				\$ 15,038,018

Note: The estimated ending fund balance exceeds the Town's 25% expenditure reserve policy by a margin of about \$2.1 million.

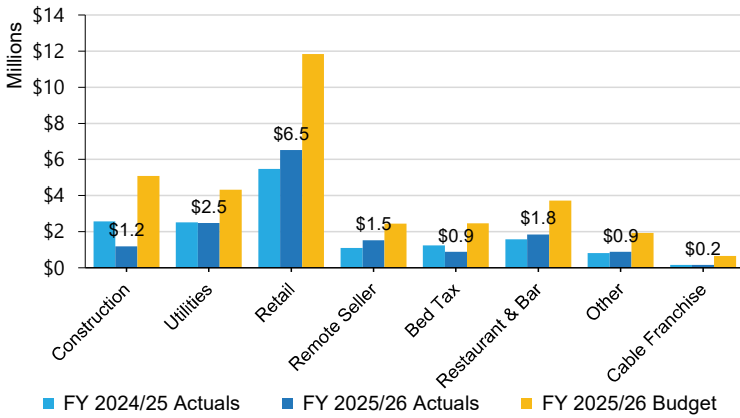


# General Fund

## Financial Status Fiscal Year to Date: January 2026

### Local Sales Tax Revenue

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Construction	\$ 2,570,423	\$ 1,184,296	\$ 5,086,266	\$ (3,901,970)	23%	\$ 2,130,135
Utilities	2,523,903	2,480,187	4,316,890	(1,836,703)	57%	3,870,678
Retail	5,485,324	6,514,006	11,836,368	(5,322,362)	55%	11,362,477
Remote Seller	1,105,720	1,523,224	2,444,773	(921,549)	62%	2,794,466
Bed Tax	1,240,940	891,535	2,464,858	(1,573,323)	36%	1,890,713
Restaurant & Bar	1,583,329	1,838,022	3,726,636	(1,888,614)	49%	3,392,362
Other	810,097	884,080	1,941,265	(1,057,185)	46%	1,743,456
Cable Franchise	166,920	164,255	653,051	(488,796)	25%	653,051
<b>Local Sales Tax Total</b>	<b>\$ 15,486,656</b>	<b>\$ 15,479,605</b>	<b>\$ 32,470,107</b>	<b>\$ (16,990,502)</b>	<b>48%</b>	<b>\$ 27,837,339</b>



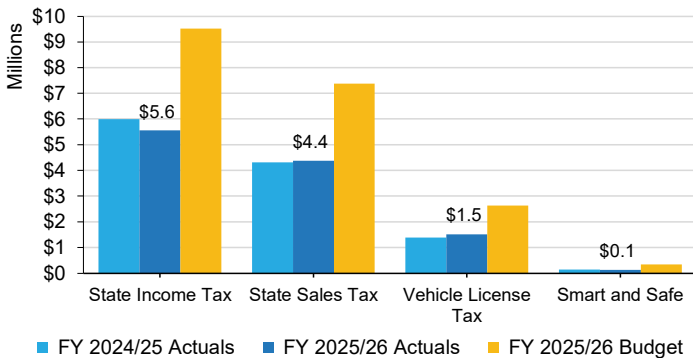
**Overall, Local sales tax revenues are forecasted to fall short of budget expectations by \$4.0 million or 12.4%.**

Collections decreased 9.4% compared to the same period last year, primarily reflecting reduced activity in the construction and hotel sectors, including project delays at the Marketplace hotel and Vistoso Golf Club apartment developments. Construction-related revenues have begun to recover in recent months from the Oro Valley Marketplace apartment project and Roche Ventana building renovations, with this trend expected to continue through year-end. Restaurant and bar collections came in 2% below prior year through January, falling short of growth assumptions and resulting in a year-end estimate approximately 6% below budget. Retail and remote seller collections continue to perform consistently.

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

### State Shared Revenue

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
State Income Tax	\$ 5,994,975	\$ 5,554,887	\$ 9,522,662	\$ (3,967,775)	58%	\$ 9,522,662
State Sales Tax	4,309,883	4,376,519	7,376,599	(3,000,080)	59%	7,376,599
Vehicle License Tax	1,383,562	1,513,705	2,629,797	(1,116,092)	58%	2,629,797
Smart and Safe	138,177	131,143	334,826	(203,683)	39%	280,000
<b>State Shared Total</b>	<b>\$ 11,826,596</b>	<b>\$ 11,576,253</b>	<b>\$ 19,863,884</b>	<b>\$ (8,287,631)</b>	<b>58%</b>	<b>\$ 19,809,058</b>



Total state shared revenues are performing in line with expectations with the exception of Smart & Safe revenues.

Smart & Safe distributions occur twice per year, and the first payment was lower than the prior year. Although statewide marijuana sales tax collections are up compared to last year, distributions to cities and towns may decline because revenues are first applied to cover state administrative and enforcement costs before being allocated to cities and towns.

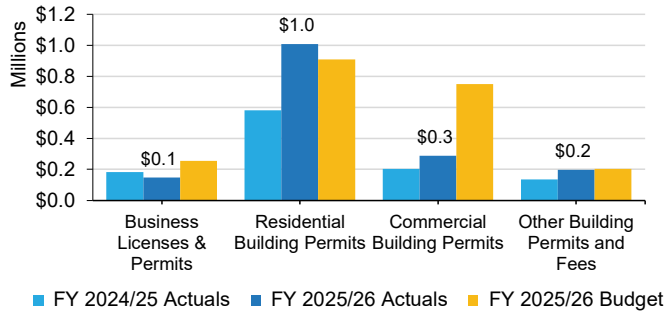


## General Fund

### Financial Status Fiscal Year to Date: January 2026

#### Licenses & Permits Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Business Licenses & Permits	\$ 183,417	\$ 146,556	\$ 255,000	\$ (108,444)	57%	\$ 229,304
Residential Building Permits	581,459	1,007,368	908,066	99,302	111%	1,346,042
Commercial Building Permits	203,905	287,630	750,077	(462,447)	38%	452,101
Other Building Permits and Fees	134,254	196,973	202,980	(6,007)	97%	290,032
<b>Licenses &amp; Permits Total</b>	<b>\$ 1,103,034</b>	<b>\$ 1,638,528</b>	<b>\$ 2,116,123</b>	<b>\$ (477,595)</b>	<b>77%</b>	<b>\$ 2,317,479</b>

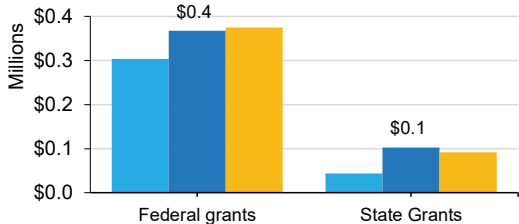


Licenses and permits revenue is projected to exceed budget by 9.5%, driven by stronger building permit activity, partially offset by a reduction in the business license and permit forecast due to FY25 actuals coming in below estimates.

A total of 61 Single Family Residential (SFR) permits have been issued through January (107 budgeted for the year).

#### Grants Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Federal grants	\$ 303,683	\$ 367,713	\$ 375,000	\$ (7,287)	98%	\$ 581,368
State Grants	43,703	102,859	91,851	11,008	112%	146,851
<b>Grants Total</b>	<b>\$ 347,386</b>	<b>\$ 470,572</b>	<b>\$ 466,851</b>	<b>\$ 3,721</b>	<b>101%</b>	<b>\$ 728,219</b>



Grant revenues continue to perform better than expected. A significant portion of budgeted grants are allocated to the Police Department, and these can fluctuate based on factors such as officer scheduling, overtime, and the timing of reimbursements and awards. The federal grant forecast has been increased by 55%, reflecting HIDTA program funding and Department of Homeland Security grants. The year-end estimate for miscellaneous state grants was increased by \$30,000 due to DPS Vehicle Theft Task Force grant funds. Approximately \$72,000 in budgeted state grants remain tied to school resource officer reimbursements for Lemay Academy.

■ FY 2024/25 Actuals ■ FY 2025/26 Actuals ■ FY 2025/26 Budget

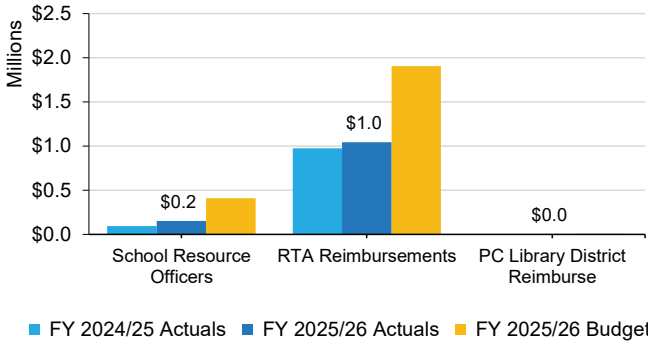


## General Fund

### Financial Status Fiscal Year to Date: January 2026

#### Intergovernmental Revenue

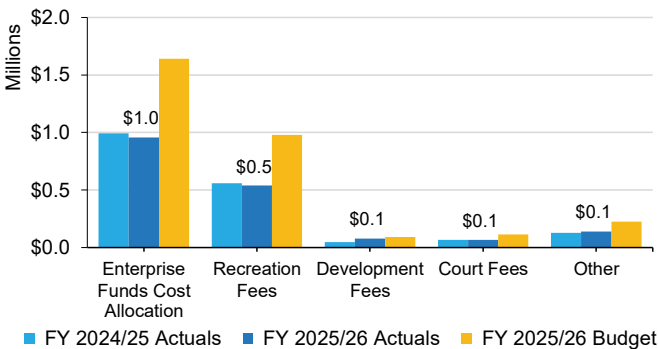
	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
School Resource Officers	\$ 94,776	\$ 151,437	\$ 409,502	\$ (258,065)	37%	\$ 409,502
RTA Reimbursements	974,502	1,044,659	1,904,860	(860,201)	55%	1,904,860
PC Library District Reimburse	-	-	6,000	(6,000)	-	6,000
<b>Intergovernmental Total</b>	<b>\$ 1,069,278</b>	<b>\$ 1,196,096</b>	<b>\$ 2,320,362</b>	<b>\$ (1,124,266)</b>	<b>52%</b>	<b>\$ 2,320,362</b>



Intergovernmental revenues are performing in line with expectations. These revenues are reimbursement-based and typically lag between the time services are provided and when funds are received.

#### Charges for Service Revenue

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Enterprise Funds Cost Allocation	\$ 992,693	\$ 957,452	\$ 1,641,347	\$ (683,895)	58%	\$ 1,641,347
Recreation Fees	559,393	538,620	978,950	(440,330)	55%	1,009,434
Development Fees	46,833	78,477	90,110	(11,633)	87%	120,110
Court Fees	65,181	66,349	115,000	(48,651)	58%	115,000
Other	126,736	139,040	224,816	(85,776)	62%	214,379
<b>Charges for Service Total</b>	<b>\$ 1,790,836</b>	<b>\$ 1,779,939</b>	<b>\$ 3,050,223</b>	<b>\$ (1,270,284)</b>	<b>58%</b>	<b>\$ 3,100,270</b>



Charges for services are performing slightly greater than expectations.

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 fee revenues were revised up 3.1% over budget, reflecting greater field and court rentals than originally anticipated. Development fee revenues were increased by \$30,000 due to higher-than-expected engineering plan review fees related to the Marketplace development.

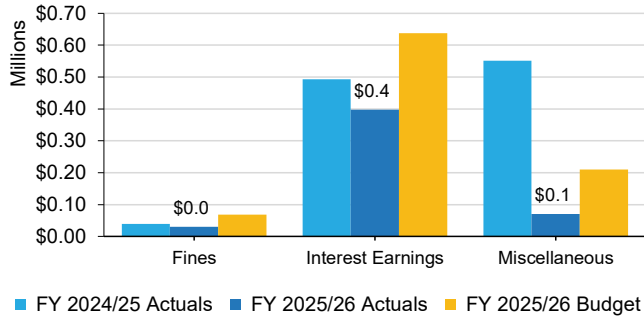


## General Fund

### Financial Status Fiscal Year to Date: January 2026

#### Other Revenue

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Fines	\$ 39,381	\$ 30,263	\$ 68,680	\$ (38,417)	44%	\$ 56,000
Interest Earnings	492,491	397,954	637,500	(239,546)	62%	650,000
Miscellaneous	550,821	70,948	210,300	(139,352)	34%	218,099
<b>Other Revenue Total</b>	<b>\$ 1,082,693</b>	<b>\$ 499,165</b>	<b>\$ 916,480</b>	<b>\$ (417,315)</b>	<b>54%</b>	<b>\$ 924,099</b>



Other revenues are performing above expectations overall, driven by stronger interest earnings, insurance recoveries, and asset sales. The year-over-year decrease in miscellaneous revenue is due to a one-time AMRRP rebate received in the prior year that did not recur. The year-end estimate for in-lieu income has been reduced based on collections through January trending approximately 22% below the prior year, resulting in a modest unfavorable variance to budget.

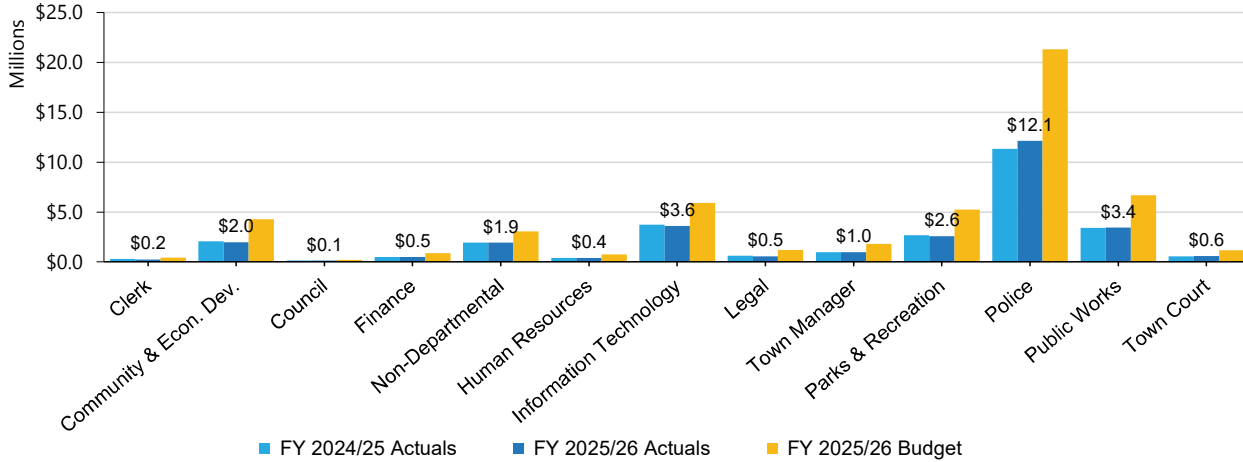


# General Fund

## Financial Status Fiscal Year to Date: January 2026

### Expenditures by Department

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Clerk	\$ 311,549	\$ 247,339	\$ 446,275	\$ 198,936	55%	\$ 434,253
Community & Econ. Dev.	2,066,411	1,977,942	4,275,011	2,297,069	46%	3,990,726
Council	153,662	145,429	216,163	70,734	67%	216,163
Finance	506,870	484,836	870,300	385,464	56%	886,108
Non-Departmental	1,929,840	1,945,665	3,052,282	1,106,617	64%	3,052,282
Human Resources	403,346	409,720	744,887	335,167	55%	738,643
Information Technology	3,751,704	3,620,941	5,925,996	2,305,055	61%	5,795,867
Legal	637,605	546,111	1,193,587	647,476	46%	949,558
Town Manager	966,733	964,277	1,812,726	848,449	53%	1,785,399
Parks & Recreation	2,687,070	2,588,980	5,230,510	2,641,530	49%	5,071,840
Police	11,350,073	12,144,732	21,333,810	9,189,078	57%	21,083,750
Public Works	3,425,005	3,434,691	6,702,762	3,268,071	51%	6,731,762
Town Court	559,099	594,790	1,181,757	586,967	50%	1,133,279
<b>Total Department Expenditures</b>	<b>\$ 28,748,966</b>	<b>\$ 29,105,453</b>	<b>\$ 52,986,066</b>	<b>\$ 23,880,613</b>	<b>55%</b>	<b>\$ 51,869,630</b>



### Overview:

Departments are spending within budget limits through January. Please note that Council and Information Technology typically incur higher upfront costs early in the fiscal year.

### Community & Economic Development:

Year-to-date personnel expenditures are below budget expectations due to turnover in two Building Inspector positions, the Economic Development Program Manager, and a vacancy in the Code Compliance Specialist position. Year-to-date operating expenditures are also below budget, primarily due to timing within the in-house Economic Development and Tourism program, where several planned initiatives have not yet begun.

**Finance:** Personnel costs are projected to exceed budget by approximately \$16,000 due to a three-month overlap in the accounting specialist position, allowing time to train the new employee who replaced a retiring staff member.

**Legal:** Personnel costs are trending below budget expectations and are projected to finish approximately 22% under budget, primarily due to current vacancies in the Town Attorney and Chief Civil Deputy Attorney positions.

**Police:** The year-over-year increase is mainly due to an additional quarterly pension contribution to the Public Safety Personnel Retirement System (PSPRS) that was recorded at the beginning of FY26 but applied to the prior fiscal year (FY25), along with increased personnel costs from wage adjustments outlined in the most recent labor agreement. The department is still forecasted to be within budget due to vacancy savings and benefit election differences from budget.

**Public Works:** Transit personnel costs are projected to exceed budget by \$29,000 (0.7%) due to higher ridership demand requiring additional driver hours. Please note, however, that Transit costs are reimbursed to the Town by the RTA.



## Highway Fund

### Financial Status Fiscal Year to Date: January 2026

#### Sources

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Licenses & Permits	\$ 23,093	\$ 21,532	\$ 30,000	\$ (8,468)	72%	\$ 40,000
Highway User Revenue	2,415,439	2,431,423	4,456,367	(2,024,944)	55%	4,290,852
Interest Earnings	59,632	79,400	99,000	(19,600)	80%	140,000
Miscellaneous	2,835	39,182	2,500	36,682	1567%	50,489
Transfers In	2,000,000	1,000,000	2,000,000	(1,000,000)	50%	2,000,000
<b>Total Sources</b>	<b>\$ 4,500,999</b>	<b>\$ 3,571,537</b>	<b>\$ 6,587,867</b>	<b>\$ (3,016,330)</b>	<b>54%</b>	<b>\$ 6,521,341</b>

#### Expenditures

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Personnel	\$ 752,747	\$ 773,070	\$ 1,348,218	\$ 575,148	57%	\$ 1,350,500
O&M	614,942	604,355	1,317,935	713,580	46%	1,283,443
Capital Outlays	2,135,130	1,977,377	4,790,000	2,812,623	41%	4,790,000
<b>Total Expenditures</b>	<b>\$ 3,502,819</b>	<b>\$ 3,354,802</b>	<b>\$ 7,456,153</b>	<b>\$ 4,101,351</b>	<b>45%</b>	<b>\$ 7,423,943</b>

#### Change in Fund Balance

	FY 2024/25	FY 2025/26	FY 2025/26	Year End
	Actuals	Actuals	Budget	Estimate
Total Sources	\$ 4,500,999	\$ 3,571,537	\$ 6,587,867	\$ 6,521,341
Total Expenditures	(3,502,819)	(3,354,802)	(7,456,153)	(7,423,943)
<b>Change in Fund Balance</b>	<b>\$ 998,180</b>	<b>\$ 216,735</b>	<b>\$ (868,286)</b>	<b>\$ (902,603)</b>
Beginning Fund Balance				\$ 1,598,787
Estimated Ending Fund Balance				\$ 696,184

Highway Fund revenues and expenditures are performing generally in line with expectations through January. Due to HURF trending below projections, the fund balance is expected to end about \$67,000 less than budgeted.

#### Revenues:

Highway User Revenue (HURF) is currently coming in slightly under budget projections. In contrast, interest earnings and revenue from licenses and permits are outperforming budget estimates. Miscellaneous revenues are above budget, driven by insurance reimbursements and proceeds from asset sales. The scheduled \$2 million transfer from the Capital Fund is allocated to support road improvement projects and is recognized evenly over the course of the fiscal year.

#### Expenditures:

Personnel expenditures are projected to exceed budget by approximately 0.2%, primarily due to adjustments to maximum pay ranges in the adopted pay plan that were not included in the original personnel forecast. Budgeted capital outlays include the Town's annual pavement preservation program and several capital improvement projects.



## Community Center Fund

### Financial Status Fiscal Year to Date: January 2026

#### Revenues

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Local Sales Tax	\$ 2,242,615	\$ 593,099	\$ -	\$ 593,099	na	\$ 593,099
Contracted Operating Revenues	3,181,134	3,482,420	5,625,078	(2,142,658)	62%	6,604,000
Town Operating Revenues	785,153	813,300	1,534,043	(720,743)	53%	1,605,076
Other Revenues	5,348	34,256	60,172	(25,916)	57%	87,700
<b>Total Revenues</b>	<b>\$ 6,214,250</b>	<b>\$ 4,923,074</b>	<b>\$ 7,219,293</b>	<b>\$ (2,296,219)</b>	<b>68%</b>	<b>\$ 8,889,875</b>

#### Uses

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Contracted Operating Expenditures	\$ 3,304,286	\$ 3,328,930	\$ 5,728,637	\$ 2,399,707	58%	\$ 5,989,482
Town Operating Expenditures	1,279,986	1,308,325	2,427,461	1,119,136	54%	2,439,344
Capital Outlay	675,091	516,985	2,408,700	1,891,715	21%	2,408,700
Transfers Out	1,717,149	172,968	172,968	-	100%	172,968
<b>Total Uses</b>	<b>\$ 6,976,512</b>	<b>\$ 5,327,209</b>	<b>\$ 10,737,766</b>	<b>\$ 5,410,557</b>	<b>50%</b>	<b>\$ 11,010,494</b>

#### Change in Fund Balance

	FY 2024/25	FY 2025/26	FY 2025/26	Year End
	Actuals	Actuals	Budget	Estimate
Total Revenues	\$ 6,214,250	\$ 4,923,074	\$ 7,219,293	\$ 8,889,875
Total Uses	(6,976,512)	(5,327,209)	(10,737,766)	(11,010,494)
<b>Change in Fund Balance</b>	<b>\$ (762,262)</b>	<b>\$ (404,135)</b>	<b>\$ (3,518,473)</b>	<b>\$ (2,120,619)</b>
Beginning Fund Balance				\$ 2,921,900
Estimated Ending Fund Balance				\$ 801,281

#### Supplemental: Operating Analysis

The following presents operating revenues and expenditures for the Golf Contractor and Town Operations separately. This section excludes Local Sales Tax, Capital Outlay, and Transfers Out, which are reported at the fund level above.

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
<b>Golf Contractor</b>						
Operating Revenues	\$ 3,181,134	\$ 3,482,420	\$ 5,625,078	\$ (2,142,658)	62%	\$ 6,604,000
Operating Expenditures	3,304,286	3,328,930	5,728,637	(2,399,707)	58%	5,989,482
<b>Net Operating Income</b>	<b>\$ (123,152)</b>	<b>\$ 153,490</b>	<b>\$ (103,559)</b>	<b>\$ 257,049</b>	<b>-148%</b>	<b>\$ 614,518</b>
<b>Town Operations</b>						
Operating Revenues	\$ 785,153	\$ 813,300	\$ 1,534,043	\$ (720,743)	53%	\$ 1,605,076
Operating Expenditures	1,279,986	1,308,325	2,427,461	(1,119,136)	54%	2,439,344
<b>Net Operating Income</b>	<b>\$ (494,833)</b>	<b>\$ (495,026)</b>	<b>\$ (893,418)</b>	<b>\$ 398,392</b>	<b>55%</b>	<b>\$ (834,268)</b>

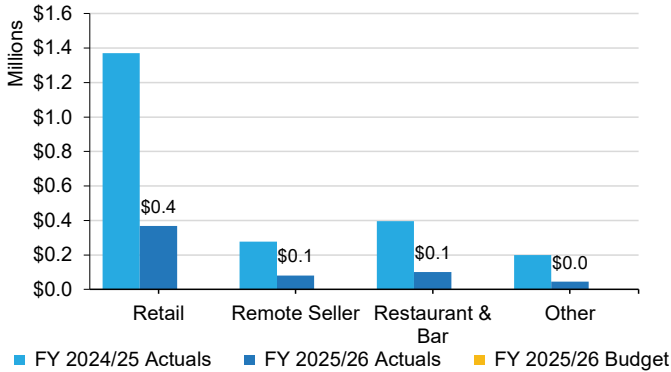


# Community Center Fund

## Financial Status Fiscal Year to Date: January 2026

### Local Sales Tax Revenue

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Retail	\$ 1,371,331	\$ 367,836	\$ -	\$ 367,836	-	\$ 367,836
Remote Seller	276,430	79,650	-	\$ 79,650	-	79,650
Restaurant & Bar	395,832	101,493	-	101,493	-	101,493
Other	199,022	44,120	-	44,120	-	44,120
<b>Local Sales Tax Total</b>	<b>\$ 2,242,615</b>	<b>\$ 593,099</b>	<b>\$ -</b>	<b>\$ 593,099</b>	<b>-</b>	<b>\$ 17,011,251</b>



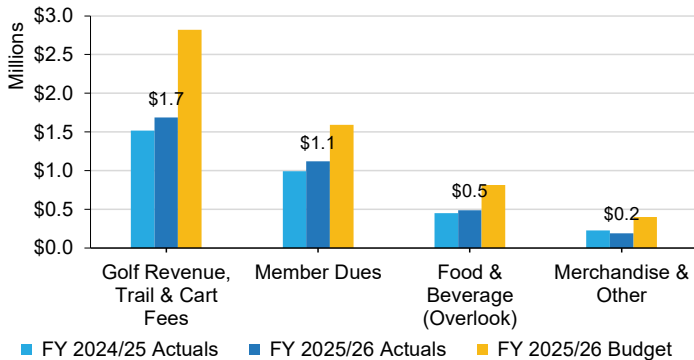
On August 13, 2025, the Town Council adopted Ordinance (O)25-04, removing the spending restrictions on the half-cent sales tax and redirecting those revenues to the General Fund, effective 30 days later in September. Accordingly, the FY 2025/26 actual revenues shown here reflect only the first two months of the fiscal year, during which the restriction was still in place. Any operating shortfalls within this fund will be covered by transfers from the General Fund at year-end.

For detailed information on total local sales tax collections, please refer to Appendix 4.

Note: Estimated sales tax collections on golf operations for FY 2025/26 is \$174,562.

### Contracted Operating Revenue

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Golf Revenue, Trail & Cart Fees	\$ 1,517,130	\$ 1,685,682	\$ 2,818,625	\$ (1,132,943)	60%	\$ 3,424,000
Member Dues	992,324	1,119,605	1,590,560	(470,955)	70%	1,800,000
Food & Beverage (Overlook)	447,816	487,213	814,633	(327,420)	60%	924,000
Merchandise & Other	223,863	189,919	401,260	(211,341)	47%	456,000
<b>Contracted Revenue Total</b>	<b>\$ 3,181,134</b>	<b>\$ 3,482,420</b>	<b>\$ 5,625,078</b>	<b>\$ (2,142,658)</b>	<b>62%</b>	<b>\$ 6,604,000</b>



Contracted golf revenues are forecasted to exceed budget by approximately \$979,000, or 17%, driven by strong membership numbers and increased public play. Through January, 59,068 rounds have been played, which is essentially in line with the prior year, reflecting a 0.04% increase, and exceeding budget expectations by 8.3%.

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

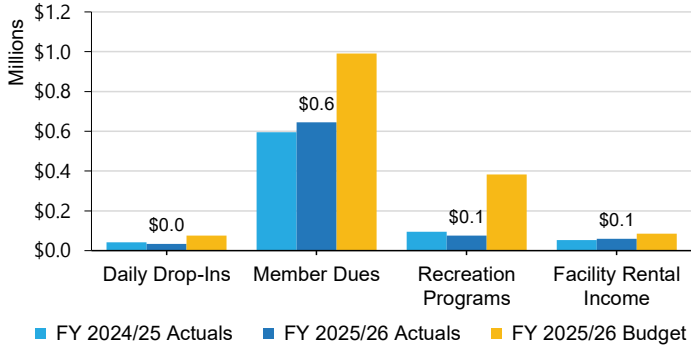


# Community Center Fund

## Financial Status Fiscal Year to Date: January 2026

### Town Operating Revenue

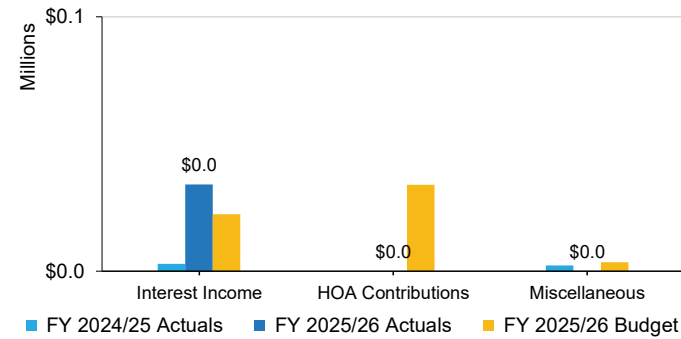
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Daily Drop-Ins	\$ 41,128	\$ 33,417	\$ 75,625	\$ (42,208)	44%	\$ 63,233
Member Dues	595,147	644,895	990,420	(345,525)	65%	1,103,100
Recreation Programs	95,100	75,493	382,500	(307,007)	20%	330,884
Facility Rental Income	53,777	59,494	85,498	(26,004)	70%	107,860
<b>Town Operating Revenue Total</b>	<b>\$ 785,153</b>	<b>\$ 813,300</b>	<b>\$ 1,534,043</b>	<b>\$ (720,743)</b>	<b>53%</b>	<b>\$ 1,605,076</b>



Town operating revenues are generally trending above budget, with daily drop-in fees and in-house recreation programs below budget and offset by higher-than-expected member dues. Year-end estimates, incorporating Town Council-approved rate increases effective January 1, 2026, reflect lower anticipated revenues from membership dues and recreation programs, partially offset by slight increases in daily drop-ins and facility rental income. Trends and year-end estimates are consistent with last month's report.

### Other Revenue

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Interest Income	\$ 2,961	\$ 34,170	\$ 22,500	\$ 11,670	152%	50,000
HOA Contributions	-	-	34,050	(34,050)	-	34,050
Miscellaneous	2,387	86	3,622	(3,536)	2%	3,650
<b>Other Revenue Total</b>	<b>\$ 5,348</b>	<b>\$ 34,256</b>	<b>\$ 60,172</b>	<b>\$ (25,916)</b>	<b>57%</b>	<b>\$ 87,700</b>



The FY 2025/26 HOA contribution budget pertains to the HOAs associated with the 9-hole Pusch Ridge course. FY 2025 was the final year of agreed upon annual contributions to golf from HOAs on the 36-hole course.

Due to stronger-than-anticipated interest income, the year-end estimate has been revised upward to \$50,000.

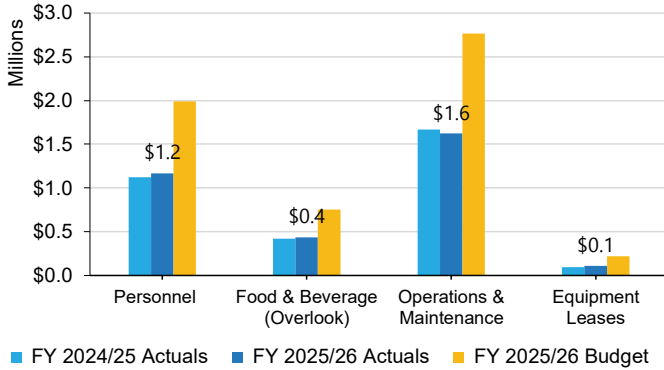


# Community Center Fund

## Financial Status Fiscal Year to Date: January 2026

### Contracted Operating Expenditures

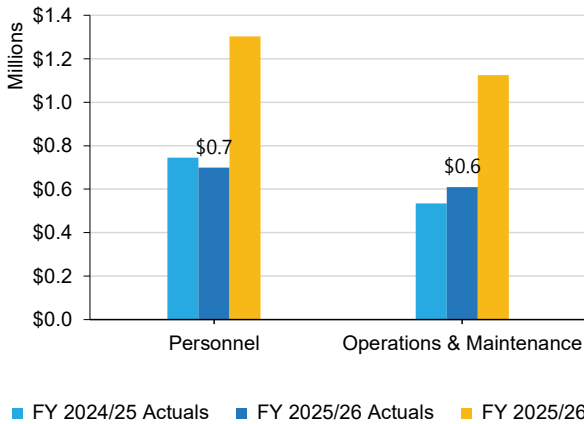
	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Personnel	\$ 1,120,900	\$ 1,166,432	\$ 1,992,268	\$ 825,836	59%	\$ 2,063,000
Food & Beverage (Overlook)	417,376	433,489	751,271	317,782	58%	837,000
Operations & Maintenance	1,671,112	1,621,377	2,768,538	1,147,161	59%	2,849,678
Equipment Leases	94,898	107,631	216,560	108,929	50%	239,804
<b>Contracted Expenditures Total</b>	<b>\$ 3,304,286</b>	<b>\$ 3,328,930</b>	<b>\$ 5,728,637</b>	<b>\$ 2,399,707</b>	<b>58%</b>	<b>\$ 5,989,482</b>



Contracted golf operating expenditures rose 0.7% year-over-year, driven mainly by increased labor, maintenance supplies, and lease costs, partially offset by reductions in water expenses. Expenses are projected to exceed the budget by approximately \$261,000, or 4.6%, driven by higher merchandise sales costs, increased labor expenses, and additional equipment and grounds maintenance costs.

### Town Operating Expenditures

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Personnel	\$ 745,388	\$ 698,776	\$ 1,303,239	604,463	54%	\$ 1,300,447
Operations & Maintenance	534,597	609,549	1,124,222	514,673	54%	1,138,897
<b>Town Operating Expenditures Total</b>	<b>\$ 1,279,986</b>	<b>\$ 1,308,325</b>	<b>\$ 2,427,461</b>	<b>\$ 1,119,136</b>	<b>54%</b>	<b>\$ 2,439,344</b>



Town operating expenditures are trending above budget, primarily due to higher credit card merchant fees, partially offset by modest projected savings in personnel costs.

<b>List of FY26 Capital Projects:</b>	<b>FY26 Revised Budget</b>
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	163,200
	<b>2,408,700</b>



## Capital Fund

### Financial Status Fiscal Year to Date: January 2026

#### Sources

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Vehicle Reserves	\$ 544,536	\$ 600,207	\$ 1,028,926	\$ (428,719)	58%
Interest Earnings	365,984	335,581	470,000	(134,419)	71%
Miscellaneous	37,656	86,164	40,000	46,164	215%
Transfers In from General Fund	3,569,894	4,500,000	5,000,000	(500,000)	90%
<b>Total Sources</b>	<b>\$ 4,518,069</b>	<b>\$ 5,521,952</b>	<b>\$ 6,538,926</b>	<b>\$ (1,016,974)</b>	<b>84%</b>

#### Uses

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
O&M	\$ 113,261	\$ 22,205	\$ -	\$ (22,205)	na
Capital Outlays	2,935,833	6,612,394	11,867,973	5,255,579	56%
Transfers Out	2,000,000	1,059,109	2,234,200	1,175,091	47%
<b>Total Uses</b>	<b>\$ 5,049,094</b>	<b>\$ 7,693,708</b>	<b>\$ 14,102,173</b>	<b>\$ 6,408,465</b>	<b>55%</b>

#### Change in Fund Balance

	FY 2024/25	FY 2025/26	FY 2025/26
	Actuals	Actuals	Budget
Total Sources	\$ 4,518,069	\$ 5,521,952	\$ 6,538,926
Total Uses	(5,049,094)	(7,693,708)	(14,102,173)
<b>Change in Fund Balance</b>	<b>\$ (531,026)</b>	<b>\$ (2,171,756)</b>	<b>\$ (7,563,247)</b>

Beginning Fund Balance	\$ 16,847,866
Estimated Ending Fund Balance	\$ 9,284,619

#### Sources:

Quarterly transfers in from the General Fund support capital improvement projects as budgeted. A one-time additional transfer of \$2 million resulted from Town Council's direction to reduce the General Fund reserve from 30% to 25%. In addition, an annual reserve for vehicle replacement is established based on the purchase price and expected lifespan of Town-owned vehicles. This reserve is allocated evenly over twelve months and charged to the General Fund each month.

#### Uses:

O&M costs reflect the purchase of smaller, non-capitalized equipment used to outfit new Police vehicles. Capital outlays through January consist primarily of the Council-directed purchase of a building for the planned new Police Headquarters (approximately \$3.8 million), along with related urgent building maintenance and inspection costs, the finalization of the Town Court expansion project, the VTNP Pond Restoration project, and planned Police vehicle replacements. The budget also includes \$2 million in transfers to the Highway Fund for capital improvement projects, recorded evenly across four quarters. An additional \$234,200 is budgeted for transfer to the Grants Fund to cover the Town's 20% match for transit vehicles funded primarily through federal grants.



## Water Utility Fund

### Financial Status Fiscal Year to Date: January 2026

#### Revenues

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Water Sales	\$ 11,023,939	\$ 11,550,399	\$ 18,511,000	\$ (6,960,601)	62%	\$ 18,752,246
Charges For Services	2,028,799	2,043,218	3,457,000	(1,413,782)	59%	3,428,800
Interest Earnings	181,450	247,049	100,000	147,049	247%	400,000
Miscellaneous	46,766	17,681	20,000	(2,319)	88%	21,047
<b>Total Revenues</b>	<b>\$ 13,280,953</b>	<b>\$ 13,858,348</b>	<b>\$ 22,088,000</b>	<b>\$ (8,229,652)</b>	<b>63%</b>	<b>\$ 22,602,093</b>

#### Uses

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Personnel	\$ 2,067,853	\$ 2,012,450	\$ 3,985,725	\$ 1,973,275	50%	\$ 3,807,621
O&M	6,267,448	5,818,806	11,552,175	5,733,369	50%	11,367,287
Capital Outlays	893,302	995,385	2,327,639	1,332,254	43%	2,330,896
Debt Service	3,254,278	3,695,379	3,890,977	195,598	95%	3,890,977
Transfers Out	2,333	2,712,816	9,883,004	7,170,188	27%	9,883,004
<b>Total Uses</b>	<b>\$ 12,485,215</b>	<b>\$ 15,234,835</b>	<b>\$ 31,639,520</b>	<b>\$ 16,404,685</b>	<b>48%</b>	<b>\$ 31,279,785</b>

Note: Excludes non-cash outlays for depreciation & amortization

#### Change in Fund Balance

	FY 2024/25	FY 2025/26	FY 2025/26	Year End
	Actuals	Actuals	Budget	Estimate
Total Revenues	\$ 13,280,953	\$ 13,858,348	\$ 22,088,000	\$ 22,602,093
Total Uses	(12,485,215)	(15,234,835)	(31,639,520)	(31,279,785)
<b>Change in Fund Balance</b>	<b>\$ 795,739</b>	<b>\$ (1,376,487)</b>	<b>\$ (9,551,520)</b>	<b>\$ (8,677,692)</b>

Beginning Fund Balance \$ 14,762,151  
 Estimated Ending Fund Balance \$ 6,084,459

#### Revenues:

Water sales are trending above budget, primarily driven by higher irrigation and commercial water sales. Charges for services are expected to fall below budget projections due to fewer late fees than anticipated. Interest earnings are surpassing budget estimates as a result of interest generated from invested bond and loan proceeds, with the year-end forecast increased to \$400,000. Miscellaneous revenues are projected to exceed budget expectations due to insurance recoveries.

#### Uses:

**Personnel:** Expenditures are trending below budget due to vacancies in several positions, including two Water Utility Operators, a Water Operations Supervisor, and a Water Control Systems Supervisor.

**Operations & Maintenance:** Projected savings in CAP water deliver charges and gasoline.

**Debt Service:** The full annual principal payment is recorded at the beginning of the fiscal year, while interest payments occur semiannually in January and June. A detailed schedule of outstanding debt issuances is provided in Appendix 6.

**Transfers Out:** Transfers are primarily to the Water Resource Impact Fee Fund to support NWRD capital projects and represent 40% of groundwater preservation fee revenues. This transfer is recorded at year-end and may vary based on actual revenue collections. A smaller transfer of \$3,004 was made to the Debt Service Fund for debt repayment.



# Stormwater Utility Fund

## Financial Status Fiscal Year to Date: January 2026

### Revenues

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Charges For Services	\$ 920,531	\$ 926,780	\$ 1,527,000	\$ (600,220)	61%	\$ 1,543,429
Grants	-	-	239,200	(239,200)	-	-
Interest Earnings	25,497	27,164	20,000	7,164	136%	48,000
<b>Total Revenues</b>	<b>\$ 946,028</b>	<b>\$ 953,945</b>	<b>\$ 1,786,200</b>	<b>\$ (832,255)</b>	<b>53%</b>	<b>\$ 1,591,429</b>

### Expenses

	FY 2024/25	FY 2025/26	FY 2025/26	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Personnel	\$ 542,860	\$ 532,716	\$ 990,258	\$ 457,542	54%	\$ 964,105
O&M	173,226	194,892	424,755	229,863	46%	385,661
Capital Outlays	-	-	738,000	738,000	-	50,000
<b>Total Expenses</b>	<b>\$ 716,086</b>	<b>\$ 727,608</b>	<b>\$ 2,153,013</b>	<b>\$ 1,425,405</b>	<b>34%</b>	<b>\$ 1,399,766</b>

Note: Excludes non-cash outlays for depreciation

### Change in Fund Balance

	FY 2024/25	FY 2025/26	FY 2025/26	Year End
	Actuals	Actuals	Budget	Estimate
Total Revenues	\$ 946,028	\$ 953,945	\$ 1,786,200	\$ 1,591,429
Total Expenses	(716,086)	(727,608)	(2,153,013)	(1,399,766)
<b>Change in Fund Balance</b>	<b>\$ 229,942</b>	<b>\$ 226,337</b>	<b>\$ (366,813)</b>	<b>\$ 191,662</b>

Beginning Fund Balance	\$ 1,447,723
Estimated Ending Fund Balance	\$ 1,639,386

#### Revenues:

Charges for service are trending slightly higher than budget (1.1%). Budgeted grant revenue consists of a federal grant supporting the Sierra Wash at Glover Road Infrastructure Repair and Rehabilitation capital project which will likely not be received until next fiscal year. Interest earnings are projected to outperform budget by \$28,000, or 140%.

#### Expenses:

**Personnel:** Savings are expected due to the Senior Engineering Associate position being vacant for 1.5 months and filled at a lower rate than budgeted.

**Operations & Maintenance:** Savings are anticipated in outside professional service, gasoline and vehicle repair and maintenance.

**Capital Outlays:** Budgeted capital expenditures include general infrastructure maintenance and three major capital improvement projects:

- Sierra Wash at Glover Road Infrastructure Repair and Rehabilitation (\$318,000)
- Sierra Wash at Via Mandarin Drainage Improvements (\$50,000)
- Oro Valley Drive Drainage and Pavement Improvements (\$300,000)

The Oro Valley Drive Drainage and Pavement Improvements project (\$300,000) was taken over by Pima County and has been removed from the year-end estimate. Sierra Wash at Glover Road will likely be delayed into FY27 awaiting a grant.

## El Conquistador Golf Mgmt., LLC

El Conquistador Golf Course

Report Date: 1/31/2026

	Month-to-Date					Year-to-Date				
	Jan - 2026	Budget	Jan - 2025	Bud Var	PY Var	Jan - 2026	Budget	Jan - 2025	Bud Var	PY Var
<b>Rounds</b>										
Public	6,560	5,500	5,778	1,060	782	30,286	25,250	27,954	5,036	2,332
Member	4,930	4,200	5,025	730	(95)	26,424	25,065	26,435	1,359	(11)
Tournament	238	650	852	(412)	(614)	2,358	4,205	4,656	(1,847)	(2,298)
<b>Total Rounds</b>	<b>11,728</b>	<b>10,350</b>	<b>11,655</b>	<b>1,378</b>	<b>73</b>	<b>59,068</b>	<b>54,520</b>	<b>59,045</b>	<b>4,548</b>	<b>23</b>
Membership Fees	169,513.80	146,500.00	154,192.94	23,013.80	15,320.86	1,119,605.21	931,500.00	992,324.42	188,105.21	127,280.79
<b>Total Membership Revenue</b>	<b>169,513.80</b>	<b>146,500.00</b>	<b>154,192.94</b>	<b>23,013.80</b>	<b>15,320.86</b>	<b>1,119,605.21</b>	<b>931,500.00</b>	<b>992,324.42</b>	<b>188,105.21</b>	<b>127,280.79</b>
Sales - Green Fees	306,673.74	215,000.00	239,839.87	91,673.74	66,833.87	1,271,173.03	959,750.00	1,075,954.56	311,423.03	195,218.47
Sales - Tournament	8,297.40	25,000.00	36,217.45	(16,702.60)	(27,920.05)	88,420.94	163,000.00	189,016.03	(74,579.06)	(100,595.09)
Sales - Member Rounds	342.00	350.00	557.91	(8.00)	(215.91)	4,060.00	1,950.00	2,267.87	2,110.00	1,792.13
Lessons & Clinics	165.00	3,000.00	935.00	(2,835.00)	(770.00)	7,255.92	16,000.00	12,450.00	(8,744.08)	(5,194.08)
Range, Rental & Other Golf Related	11,805.54	12,125.00	20,084.88	(319.46)	(8,279.34)	75,748.65	54,200.00	81,433.47	21,548.65	(5,684.82)
Cart Fees	35,003.73	34,350.00	35,657.06	653.73	(653.33)	239,023.52	200,350.00	220,330.37	38,673.52	18,693.15
<b>Golf Fees Revenue</b>	<b>362,287.41</b>	<b>289,825.00</b>	<b>333,292.17</b>	<b>72,462.41</b>	<b>28,995.24</b>	<b>1,685,682.06</b>	<b>1,395,250.00</b>	<b>1,581,452.30</b>	<b>290,432.06</b>	<b>104,229.76</b>
Sales - Soft Goods	15,285.36	14,675.00	14,405.72	610.36	879.64	80,785.91	88,835.00	93,746.82	(8,049.09)	(12,960.91)
Sales - Hard Goods	13,138.01	8,200.00	11,027.30	4,938.01	2,110.71	80,399.30	59,000.00	67,965.44	21,399.30	12,433.86
<b>Merchandise Revenue</b>	<b>28,423.37</b>	<b>22,875.00</b>	<b>25,433.02</b>	<b>5,548.37</b>	<b>2,990.35</b>	<b>161,185.21</b>	<b>147,835.00</b>	<b>161,712.26</b>	<b>13,350.21</b>	<b>(527.05)</b>
Other Revenue	1,361.84	500.00	(5,588.41)	861.84	6,950.25	13,595.22	14,500.00	(2,170.83)	(904.78)	15,766.05
<b>Other Revenue</b>	<b>1,361.84</b>	<b>500.00</b>	<b>(5,588.41)</b>	<b>861.84</b>	<b>6,950.25</b>	<b>13,595.22</b>	<b>14,500.00</b>	<b>(2,170.83)</b>	<b>(904.78)</b>	<b>15,766.05</b>
Sales - Food	34,803.93	575.00	37,792.89	34,228.93	(2,988.96)	230,948.10	2,825.00	229,513.73	228,123.10	1,434.37
Sales - Beer	24,258.17	2,250.00	21,455.77	22,008.17	2,802.40	144,457.17	8,600.00	140,956.69	135,857.17	3,500.48
Sales - Wine	2,701.13	0.00	2,035.83	2,701.13	665.30	15,471.55	0.00	11,315.55	15,471.55	4,156.00
Sales - Liquor	8,327.18	333.00	7,959.99	7,994.18	367.19	54,697.17	858.00	52,004.65	53,839.17	2,692.52
Group Service Charges	1,019.15	0.00	1,072.93	1,019.15	(53.78)	56,778.04	0.00	14,025.33	56,778.04	42,752.71
<b>Food &amp; Beverage Revenue</b>	<b>71,109.56</b>	<b>3,158.00</b>	<b>70,317.41</b>	<b>67,951.56</b>	<b>792.15</b>	<b>502,352.03</b>	<b>12,283.00</b>	<b>447,815.95</b>	<b>490,069.03</b>	<b>54,536.08</b>
<b>TOTAL REVENUE</b>	<b>632,695.98</b>	<b>462,858.00</b>	<b>577,647.13</b>	<b>169,837.98</b>	<b>55,048.85</b>	<b>3,482,419.73</b>	<b>2,501,368.00</b>	<b>3,181,134.10</b>	<b>981,051.73</b>	<b>301,285.63</b>
<b>Expenses</b>										
COS - Merchandise	20,928.72	15,649.75	19,035.87	(5,278.97)	(1,892.85)	117,467.45	104,289.75	116,741.48	(13,177.70)	(725.97)
COS - Food	12,497.59	172.50	15,507.00	(12,325.09)	3,009.41	90,340.30	847.50	86,108.27	(89,492.80)	(4,232.03)
COS - Beer	7,424.61	675.00	6,370.31	(6,749.61)	(1,054.30)	43,904.37	2,580.00	41,179.42	(41,324.37)	(2,724.95)
COS - Wine	848.44	0.00	541.78	(848.44)	(306.66)	4,749.55	0.00	3,412.76	(4,749.55)	(1,336.79)
COS - Liquor	2,213.91	99.90	1,354.45	(2,114.01)	(859.46)	15,055.65	257.40	12,585.99	(14,798.25)	(2,469.66)
<b>Cost of Sales</b>	<b>43,913.27</b>	<b>16,597.15</b>	<b>42,809.41</b>	<b>(27,316.12)</b>	<b>(1,103.86)</b>	<b>271,517.32</b>	<b>107,974.65</b>	<b>260,027.92</b>	<b>(163,542.67)</b>	<b>(11,489.40)</b>
<b>Gross Margin</b>	<b>588,782.71</b>	<b>446,260.85</b>	<b>534,837.72</b>	<b>142,521.86</b>	<b>53,944.99</b>	<b>3,210,902.41</b>	<b>2,393,393.35</b>	<b>2,921,106.18</b>	<b>817,509.06</b>	<b>289,796.23</b>

**El Conquistador Golf Mgmt.,  
LLC**

El Conquistador Golf Course

Report Date: 1/31/2026

	Month-to-Date					Year-to-Date				
	Jan - 2026	Budget	Jan - 2025	Bud Var	PY Var	Jan - 2026	Budget	Jan - 2025	Bud Var	PY Var
Salaries & Wages	183,786.04	142,289.00	179,184.73	(41,497.04)	(4,601.31)	1,210,771.56	938,473.00	1,158,506.35	(272,298.56)	(52,265.21)
Payroll Taxes	15,539.58	12,750.00	15,672.74	(2,789.58)	133.16	90,971.31	76,400.00	93,545.83	(14,571.31)	2,574.52
Workers Comp	3,463.19	2,500.00	3,055.22	(963.19)	(407.97)	26,364.17	17,500.00	20,324.44	(8,864.17)	(6,039.73)
Employee Benefits	4,586.80	11,500.00	6,090.92	6,913.20	1,504.12	67,063.36	77,000.00	72,516.60	9,936.64	5,453.24
Other Employee Benefits	1,953.87	1,300.00	1,412.41	(653.87)	(541.46)	20,276.23	9,100.00	10,073.88	(11,176.23)	(10,202.35)
<b>Total Payroll &amp; Benefits</b>	<b>209,329.48</b>	<b>170,339.00</b>	<b>205,416.02</b>	<b>(38,990.48)</b>	<b>(3,913.46)</b>	<b>1,415,446.63</b>	<b>1,118,473.00</b>	<b>1,354,967.10</b>	<b>(296,973.63)</b>	<b>(60,479.53)</b>
Meals & Entertainment	329.54	475.00	954.74	145.46	625.20	3,199.11	3,750.00	5,609.71	550.89	2,410.60
Travel	0.00	150.00	490.28	150.00	490.28	3,697.10	2,700.00	3,420.39	(997.10)	(276.71)
Other Employee Related	0.00	0.00	0.00	0.00	0.00	521.34	0.00	769.89	(521.34)	248.55
<b>Total Employee Related</b>	<b>329.54</b>	<b>625.00</b>	<b>1,445.02</b>	<b>295.46</b>	<b>1,115.48</b>	<b>7,417.55</b>	<b>6,450.00</b>	<b>9,799.99</b>	<b>(967.55)</b>	<b>2,382.44</b>
R&M - Equipment	9,522.11	7,500.00	9,012.16	(2,022.11)	(509.95)	104,304.97	94,800.00	91,791.24	(9,504.97)	(12,513.73)
R&M - Building	0.00	2,300.00	3,275.00	2,300.00	3,275.00	5,155.58	17,800.00	13,250.22	12,644.42	8,094.64
R&M - Golf Course & Tennis Courts	1,282.53	2,500.00	1,896.92	1,217.47	614.39	14,315.10	24,500.00	28,143.12	10,184.90	13,828.02
R&M - Other	4,393.07	400.00	401.04	(3,993.07)	(3,992.03)	6,871.49	2,800.00	2,005.20	(4,071.49)	(4,866.29)
Sod	0.00	500.00	0.00	500.00	0.00	0.00	1,500.00	1,067.72	1,500.00	1,067.72
Sand & Gravel	0.00	0.00	1,568.58	0.00	1,568.58	14,989.71	13,500.00	16,467.65	(1,489.71)	1,477.94
Seed & Mulch	751.30	0.00	263.60	(751.30)	(487.70)	117,258.78	145,000.00	125,961.34	27,741.22	8,702.56
Gas, Diesel, Oil & Lubricants	2,343.17	2,950.00	6,430.47	606.83	4,087.30	26,857.74	29,650.00	26,467.50	2,792.26	(390.24)
Fertilizers	2,832.22	2,000.00	5,171.51	(832.22)	2,339.29	32,885.78	51,000.00	32,840.03	18,114.22	(45.75)
Chemicals	3,631.66	9,100.00	4,518.90	5,468.34	887.24	68,382.78	50,250.00	31,553.96	(18,132.78)	(36,828.82)
<b>Total Repairs &amp; Maintenance</b>	<b>24,756.06</b>	<b>27,250.00</b>	<b>32,538.18</b>	<b>2,493.94</b>	<b>7,782.12</b>	<b>391,021.93</b>	<b>430,800.00</b>	<b>369,547.98</b>	<b>39,778.07</b>	<b>(21,473.95)</b>
Marketing & Advertising	930.50	2,595.00	3,338.50	1,664.50	2,408.00	6,956.63	10,165.00	14,504.68	3,208.37	7,548.05
Computer Related	2,949.95	0.00	0.00	(2,949.95)	(2,949.95)	13,209.87	0.00	0.00	(13,209.87)	(13,209.87)
Dues & Subscriptions	1,529.29	3,870.00	3,811.26	2,340.71	2,281.97	25,852.84	27,090.00	23,599.87	1,237.16	(2,252.97)
Operating Supplies	6,101.03	7,825.00	8,064.19	1,723.97	1,963.16	66,988.69	55,400.00	75,516.78	(11,588.69)	8,528.09
Linens & Laundry	614.76	0.00	648.66	(614.76)	33.90	5,262.99	0.00	5,793.23	(5,262.99)	530.24
Postage	0.00	0.00	0.00	0.00	0.00	272.56	225.00	287.66	(47.56)	15.10
Member Relations	(191.74)	0.00	235.29	191.74	427.03	688.94	1,000.00	5,864.98	311.06	5,176.04
Uniforms	231.92	0.00	66.20	(231.92)	(165.72)	4,149.86	6,175.00	5,767.29	2,025.14	1,617.43
Other Operating	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,182.00	0.00	1,182.00
Merchant Processing Fees	10,682.47	8,900.00	9,377.76	(1,782.47)	(1,304.71)	48,946.02	39,900.00	42,249.98	(9,046.02)	(6,696.04)
Bank Fees	0.00	0.00	0.00	0.00	0.00	(31.83)	0.00	1,004.56	31.83	1,036.39
Cash Short / (Over)	(455.72)	0.00	0.00	455.72	455.72	(35.73)	0.00	0.00	35.73	35.73
Late Fees & Penalties	0.00	0.00	22.56	0.00	22.56	0.00	0.00	22.56	0.00	22.56
Centralized Services	2,859.89	2,125.00	2,474.54	(734.89)	(385.35)	16,692.38	14,875.00	15,482.16	(1,817.38)	(1,210.22)
Tournament Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	969.15	0.00	969.15
<b>Total Operating Expenses</b>	<b>25,252.35</b>	<b>25,315.00</b>	<b>28,038.96</b>	<b>62.65</b>	<b>2,786.61</b>	<b>188,953.22</b>	<b>154,830.00</b>	<b>192,244.90</b>	<b>(34,123.22)</b>	<b>3,291.68</b>
<b>Operating Profit</b>	<b>329,115.28</b>	<b>222,731.85</b>	<b>267,399.54</b>	<b>106,383.43</b>	<b>61,715.74</b>	<b>1,208,063.08</b>	<b>682,840.35</b>	<b>994,546.21</b>	<b>525,222.73</b>	<b>213,516.87</b>

**El Conquistador Golf Mgmt.,  
LLC**

El Conquistador Golf Course

Report Date: 1/31/2026

	Month-to-Date					Year-to-Date				
	Jan - 2026	Budget	Jan - 2025	Bud Var	PY Var	Jan - 2026	Budget	Jan - 2025	Bud Var	PY Var
Electric & Gas	19,452.36	22,000.00	20,943.54	2,547.64	1,491.18	162,439.06	182,500.00	170,026.22	20,060.94	7,587.16
Water	45,838.43	39,450.00	47,243.49	(6,388.43)	1,405.06	612,836.66	674,400.00	670,700.64	61,563.34	57,863.98
Telephone & Internet Connection	179.25	875.00	808.99	695.75	629.74	4,432.03	6,125.00	5,304.06	1,692.97	872.03
Other Third-party Services	5,154.85	4,325.00	4,050.89	(829.85)	(1,103.96)	28,628.59	36,325.00	37,612.84	7,696.41	8,984.25
<b>Total Utilities</b>	<b>70,624.89</b>	<b>66,650.00</b>	<b>73,046.91</b>	<b>(3,974.89)</b>	<b>2,422.02</b>	<b>808,336.34</b>	<b>899,350.00</b>	<b>883,643.76</b>	<b>91,013.66</b>	<b>75,307.42</b>
Lease Expense - Fixed	15,077.76	14,582.00	13,258.76	(495.76)	(1,819.00)	105,544.32	102,074.00	92,811.32	(3,470.32)	(12,733.00)
Lease Expense - Short-term & Other	298.11	298.00	298.11	(0.11)	0.00	2,086.77	2,636.00	2,659.62	549.23	572.85
<b>Total Leases</b>	<b>15,375.87</b>	<b>14,880.00</b>	<b>13,556.87</b>	<b>(495.87)</b>	<b>(1,819.00)</b>	<b>107,631.09</b>	<b>104,710.00</b>	<b>95,470.94</b>	<b>(2,921.09)</b>	<b>(12,160.15)</b>
<b>Fixed Operating Expenses</b>	<b>86,000.76</b>	<b>81,530.00</b>	<b>86,603.78</b>	<b>(4,470.76)</b>	<b>603.02</b>	<b>915,967.43</b>	<b>1,004,060.00</b>	<b>979,114.70</b>	<b>88,092.57</b>	<b>63,147.27</b>
<b>Gross Operating Profit</b>	<b>243,114.52</b>	<b>141,201.85</b>	<b>180,795.76</b>	<b>101,912.67</b>	<b>62,318.76</b>	<b>292,095.65</b>	<b>(321,219.65)</b>	<b>15,431.51</b>	<b>613,315.30</b>	<b>276,664.14</b>
Insurance	7,546.50	6,000.00	8,573.30	(1,546.50)	1,026.80	52,825.51	42,000.00	44,717.91	(10,825.51)	(8,107.60)
Bad Debt Expense	(146.87)	200.00	235.30	346.87	382.17	495.25	1,400.00	4,771.85	904.75	4,276.60
Fees, Permits, & Licenses	3,435.00	650.00	936.60	(2,785.00)	(2,498.40)	7,782.74	5,875.00	5,293.06	(1,907.74)	(2,489.68)
Base Management Fees	11,040.81	11,094.00	10,824.32	53.19	(216.49)	77,502.16	77,658.00	75,770.24	155.84	(1,731.92)
<b>Other Expenses</b>	<b>21,875.44</b>	<b>17,944.00</b>	<b>20,569.52</b>	<b>(3,931.44)</b>	<b>(1,305.92)</b>	<b>138,605.66</b>	<b>126,933.00</b>	<b>130,553.06</b>	<b>(11,672.66)</b>	<b>(8,052.60)</b>
<b>Net Operating Income</b>	<b>221,239.08</b>	<b>123,257.85</b>	<b>160,226.24</b>	<b>97,981.23</b>	<b>61,012.84</b>	<b>153,489.99</b>	<b>(448,152.65)</b>	<b>(115,121.55)</b>	<b>601,642.64</b>	<b>268,611.54</b>
Incentive Management Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,030.62	0.00	8,030.62
<b>NET INCOME</b>	<b>221,239.08</b>	<b>123,257.85</b>	<b>160,226.24</b>	<b>97,981.23</b>	<b>61,012.84</b>	<b>153,489.99</b>	<b>(448,152.65)</b>	<b>(123,152.17)</b>	<b>601,642.64</b>	<b>276,642.16</b>
<b>EBITDA</b>	<b>221,239.08</b>	<b>123,257.85</b>	<b>160,226.24</b>	<b>97,981.23</b>	<b>61,012.84</b>	<b>153,489.99</b>	<b>(448,152.65)</b>	<b>(123,152.17)</b>	<b>601,642.64</b>	<b>276,642.16</b>

Town of Oro Valley  
Golf Analysis

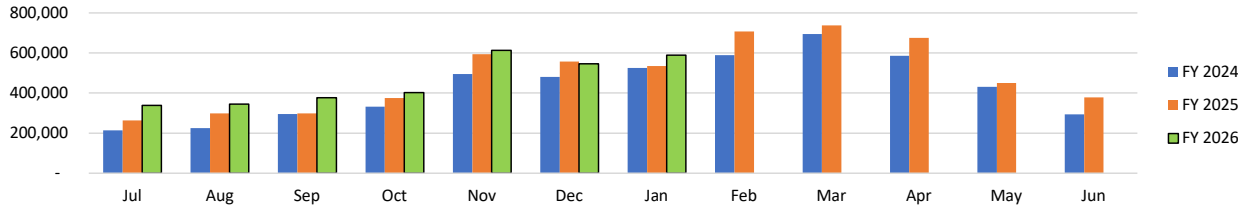


Operating:	PRE AGREEMENT						POST AGREEMENT					Through Jan FY2026	Budget FY 2026	Cumulative Actuals
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY2024	FY2025			
<b>Revenue</b>														
36 Hole	500,158	1,883,452	1,798,304	2,171,484	2,367,136	2,593,395	3,522,083	3,674,489	3,856,880	4,724,718	4,933,178	2,691,312	4,311,050	34,716,589
Pusch Ridge	-	105,370	99,134	59,726	106,184	98,316	-	380,375	414,225	528,346	619,276	303,894	528,628	2,714,847
F&B - Overlook	-	606,171	708,594	745,766	671,582	554,336	448,782	671,479	725,222	766,679	865,944	487,213	785,400	7,251,768
<b>Total Revenue</b>	<b>500,158</b>	<b>2,594,993</b>	<b>2,606,032</b>	<b>2,976,976</b>	<b>3,144,902</b>	<b>3,246,047</b>	<b>3,970,865</b>	<b>4,726,343</b>	<b>4,996,327</b>	<b>6,019,743</b>	<b>6,418,398</b>	<b>3,482,420</b>	<b>5,625,078</b>	<b>44,683,203</b>
<b>Expenses</b>														
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	2,602,974	4,468,886	42,936,226
Pusch Ridge	-	253,513	256,769	236,160	230,196	287,112	-	319,702	390,959	478,320	516,762	292,466	508,480	3,261,960
F&B - Overlook	-	861,740	823,383	841,866	785,499	701,538	440,382	630,509	596,910	684,037	756,376	433,489	751,271	7,555,728
<b>Total Expenses</b>	<b>1,112,252</b>	<b>4,703,967</b>	<b>5,017,041</b>	<b>4,895,958</b>	<b>4,787,401</b>	<b>4,879,991</b>	<b>4,355,598</b>	<b>4,691,193</b>	<b>4,917,626</b>	<b>5,425,364</b>	<b>5,638,594</b>	<b>3,328,930</b>	<b>5,728,637</b>	<b>53,753,914</b>
<b>Profit/(Loss)</b>														
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	88,338	(157,836)	(8,219,637)
Pusch Ridge	-	(148,143)	(157,635)	(176,434)	(124,012)	(188,796)	-	60,673	23,266	50,026	102,514	11,428	20,148	(547,113)
F&B - Overlook	-	(255,569)	(114,789)	(96,100)	(113,917)	(147,202)	8,400	40,970	128,312	82,642	109,569	53,724	34,129	(303,960)
<b>Total Operating Profit/(Loss)</b>	<b>(612,094)</b>	<b>(2,108,974)</b>	<b>(2,411,009)</b>	<b>(1,918,982)</b>	<b>(1,642,499)</b>	<b>(1,633,944)</b>	<b>(384,733)</b>	<b>35,150</b>	<b>78,701</b>	<b>594,379</b>	<b>779,804</b>	<b>153,490</b>	<b>(103,559)</b>	<b>(9,070,711)</b>
<b>Capital Investments</b>		45,116	47,909	29,464	-	-	131,035	2,828,061	4,619,904	2,184,848	743,897	119,998	630,000	10,750,233
<b>Initial purchase (1)</b>		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

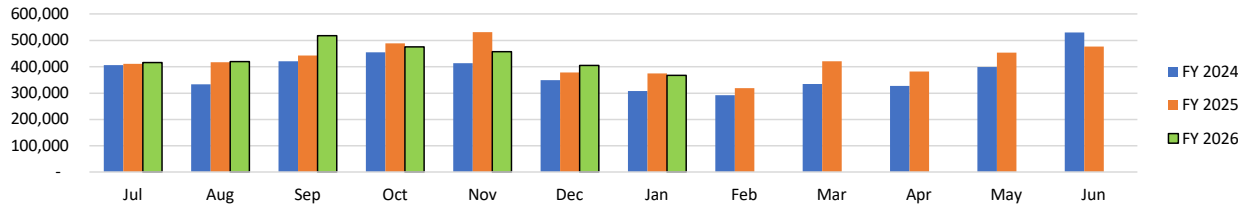
**Town of Oro Valley  
Golf Analysis - Contractor Financials**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>FY 2024</b>												
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)
<b>FY 2025</b>												
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)
<b>FY 2026</b>												
Gross Margin	337,860	344,855	377,531	402,476	613,880	545,516	588,783					
Expenses	416,385	419,190	518,351	474,811	456,611	404,521	367,544					
Net Income/(Loss)	(78,525)	(74,335)	(140,820)	(72,334)	157,270	140,995	221,239	-	-	-	-	-

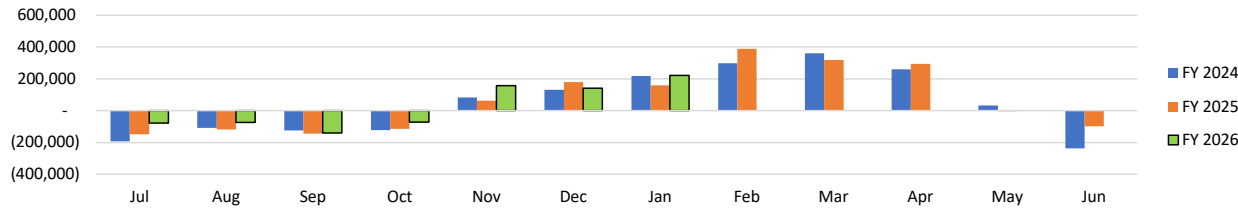
**Comparison of Gross Income by Month - Total Golf Operations**



**Comparison of Total Expenses by Month - Total Golf Operations**



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





Consolidated Year-to-Date Financial Report through January 2026

APPENDIX 3

FY 2025/2026

<b>Fund</b>	<b>FY 25/26 Beginning Fund Balance</b>	<b>Revenue</b>	<b>Other Fin Sources/ Transfers In</b>	<b>Total In</b>	<b>Personnel</b>	<b>O&amp;M</b>	<b>Capital</b>	<b>Debt Service</b>	<b>Other Fin Uses/ Transfers Out</b>	<b>Total Out</b>	<b>Fund Balance Through January 2026</b>
General Fund	20,702,401	32,640,158	-	<b>32,640,158</b>	20,988,265	8,029,382	87,806	-	8,203,829	<b>37,309,282</b>	16,033,277
Highway Fund	1,598,787	2,571,537	1,000,000	<b>3,571,537</b>	773,070	604,355	1,977,377	-	-	<b>3,354,802</b>	1,815,522
Grants and Contributions Fund	60,787	389,765	59,109	<b>448,874</b>	406	119,054	336,442	-	-	<b>455,902</b>	53,759
Seizure & Forfeiture - Justice/State	374,906	22,805	-	<b>22,805</b>	-	-	-	-	-	-	397,711
Community Center Fund	2,921,900	4,923,074	-	<b>4,923,074</b>	698,776	3,938,479	516,985	-	172,968	<b>5,327,209</b>	2,517,765
Municipal Debt Service Fund	53,800	112,180	3,918,566	<b>4,030,746</b>	-	8,413	-	4,013,071	-	<b>4,021,483</b>	63,063
Water Resource System & Dev. Impact Fee Fund	6,481,181	952,266	2,709,812	<b>3,662,078</b>	-	84,040	7,722,254	557,505	-	<b>8,363,799</b>	1,779,460
Townwide Roadway Dev Impact Fee Fund	3,095,031	516,932	-	<b>516,932</b>	-	-	-	-	-	-	3,611,962
Parks & Recreation Impact Fee Fund	381,038	321,872	-	<b>321,872</b>	-	-	-	-	-	-	702,910
Police Impact Fee Fund	122,916	101,516	-	<b>101,516</b>	-	-	-	-	38,765	<b>38,765</b>	185,667
Capital Fund	16,847,866	1,021,952	4,500,000	<b>5,521,952</b>	-	22,205	6,612,394	-	1,059,109	<b>7,693,708</b>	14,676,110
PAG/RTA Fund	446,926	8,598	-	<b>8,598</b>	-	8,400	70,000	-	-	<b>78,400</b>	377,124
Water Utility	14,762,151	13,858,348	-	<b>13,858,348</b>	2,012,450	5,818,806	995,385	3,695,379	2,712,816	<b>15,234,835</b>	13,385,664
Stormwater Utility	1,447,723	953,945	-	<b>953,945</b>	532,716	194,892	-	-	-	<b>727,608</b>	1,674,060
Benefit Self Insurance Fund	3,995,323	2,412,170	-	<b>2,412,170</b>	-	2,898,647	-	-	-	<b>2,898,647</b>	3,508,846
Recreation In-Lieu Fee Fund	52,018	887	-	<b>887</b>	-	-	-	-	-	-	52,905
<b>Total</b>	<b>73,344,754</b>	<b>60,808,004</b>	<b>12,187,487</b>	<b>72,995,491</b>	<b>25,005,684</b>	<b>21,726,671</b>	<b>18,318,642</b>	<b>8,265,955</b>	<b>12,187,487</b>	<b>85,504,439</b>	<b>60,835,806</b>



**Local Sales Tax Collections**

<b>FY 2025/26</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>TOTAL</b>
Construction Sales Tax	179,150	163,435	98,998	89,454	243,032	156,790	253,437						<b>1,184,296</b>
Utility Sales Tax	302,786	412,779	407,129	429,423	372,182	261,920	293,969						<b>2,480,187</b>
Retail Sales Tax	941,576	897,606	867,961	893,562	934,258	1,001,735	1,345,143						<b>6,881,842</b>
Remote Seller Sales Tax	192,279	205,970	220,208	196,932	221,954	259,550	305,982						<b>1,602,874</b>
Bed Tax	112,651	91,706	92,611	115,225	146,552	178,739	154,051						<b>891,535</b>
Restaurant & Bar Sales Tax	269,228	238,235	263,782	292,127	270,580	270,346	335,217						<b>1,939,515</b>
All Other Local Sales Tax *	115,341	108,925	133,051	119,804	136,567	153,290	161,223						<b>928,200</b>
<b>Monthly Total</b>	<b>\$ 2,113,010</b>	<b>\$ 2,118,656</b>	<b>\$ 2,083,741</b>	<b>\$ 2,136,528</b>	<b>\$ 2,325,125</b>	<b>\$ 2,282,369</b>	<b>\$ 2,849,021</b>						<b>\$ 15,908,449</b>
<b>Cumulative Total</b>	<b>\$ 2,113,010</b>	<b>\$ 4,231,666</b>	<b>\$ 6,315,407</b>	<b>\$ 8,451,935</b>	<b>\$ 10,777,059</b>	<b>\$ 13,059,428</b>	<b>\$ 15,908,449</b>						
Monthly variance	\$ (220,775)	\$ (201,284)	\$ (240,986)	\$ (191,015)	\$ (279,060)	\$ (262,332)	\$ (258,450)						
Cumulative variance	\$ (220,775)	\$ (422,059)	\$ (663,045)	\$ (854,060)	\$ (1,133,120)	\$ (1,395,452)	\$ (1,653,902)						
<b>FY 2024/25</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>TOTAL</b>
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	<b>3,876,815</b>
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	<b>3,958,432</b>
Retail Sales Tax	937,920	893,895	855,486	893,023	923,982	1,034,704	1,317,644	978,283	891,361	1,032,305	1,001,099	922,356	<b>11,682,057</b>
Remote Seller Sales Tax	164,541	176,303	174,003	175,191	187,988	229,019	275,105	193,315	178,898	200,958	196,195	199,852	<b>2,351,368</b>
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	<b>2,523,496</b>
Restaurant & Bar Sales Tax	271,259	239,294	251,212	286,989	268,563	287,017	374,825	280,614	314,687	382,887	280,512	327,412	<b>3,565,273</b>
All Other Local Sales Tax *	118,418	138,973	118,983	121,267	129,793	172,790	208,896	179,929	219,760	224,200	183,278	134,802	<b>1,951,088</b>
<b>Monthly Total</b>	<b>\$ 2,333,785</b>	<b>\$ 2,319,940</b>	<b>\$ 2,324,727</b>	<b>\$ 2,327,543</b>	<b>\$ 2,604,184</b>	<b>\$ 2,544,700</b>	<b>\$ 3,107,472</b>	<b>\$ 2,597,249</b>	<b>\$ 2,408,926</b>	<b>\$ 2,552,188</b>	<b>\$ 2,464,785</b>	<b>\$ 2,323,029</b>	<b>\$ 29,908,529</b>
<b>Cumulative Total</b>	<b>\$ 2,333,785</b>	<b>\$ 4,653,725</b>	<b>\$ 6,978,452</b>	<b>\$ 9,305,995</b>	<b>\$ 11,910,179</b>	<b>\$ 14,454,879</b>	<b>\$ 17,562,351</b>	<b>\$ 20,159,600</b>	<b>\$ 22,568,526</b>	<b>\$ 25,120,715</b>	<b>\$ 27,585,500</b>	<b>\$ 29,908,529</b>	

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



**General Fund State Shared Revenues**

<b>FY 2025/26</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>TOTAL</b>
State Shared Income Tax	793,555	793,555	793,555	793,555	793,555	793,556	793,555						<b>5,554,887</b>
State Shared Sales Tax	619,095	603,827	595,627	602,207	623,385	588,988	743,390						<b>4,376,519</b>
County Auto Lieu	216,240	215,390	219,757	235,357	160,740	250,037	216,183						<b>1,513,704</b>
Smart and Safe	-	-	-	-	-	131,143	-						<b>131,143</b>
<b>Monthly Total</b>	<b>\$ 1,628,891</b>	<b>\$ 1,612,772</b>	<b>\$ 1,608,939</b>	<b>\$ 1,631,119</b>	<b>\$ 1,577,680</b>	<b>\$ 1,763,724</b>	<b>\$ 1,753,127</b>						<b>\$ 11,576,253</b>
<b>Cumulative Total</b>	<b>\$ 1,628,891</b>	<b>\$ 3,241,663</b>	<b>\$ 4,850,602</b>	<b>\$ 6,481,721</b>	<b>\$ 8,059,402</b>	<b>\$ 9,823,125</b>	<b>\$ 11,576,253</b>						
Monthly variance	\$ (59,126)	\$ (41,479)	\$ (26,784)	\$ (47,715)	\$ (82,925)	\$ (36,755)	\$ 44,440						
Cumulative variance	\$ (59,126)	\$ (100,605)	\$ (127,389)	\$ (175,104)	\$ (258,029)	\$ (294,783)	\$ (250,344)						
<b>FY 2024/25</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>TOTAL</b>
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	<b>10,277,099</b>
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	<b>7,417,134</b>
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	<b>2,621,504</b>
Smart and Safe	-	-	-	-	-	138,177	-	-	15	-	-	148,981	<b>287,173</b>
<b>Monthly Total</b>	<b>\$ 1,688,016</b>	<b>\$ 1,654,252</b>	<b>\$ 1,635,723</b>	<b>\$ 1,678,834</b>	<b>\$ 1,660,605</b>	<b>\$ 1,800,479</b>	<b>\$ 1,708,688</b>	<b>\$ 1,757,469</b>	<b>\$ 1,696,614</b>	<b>\$ 1,653,254</b>	<b>\$ 1,719,357</b>	<b>\$ 1,949,620</b>	<b>\$ 20,602,911</b>
<b>Cumulative Total</b>	<b>\$ 1,688,016</b>	<b>\$ 3,342,268</b>	<b>\$ 4,977,991</b>	<b>\$ 6,656,825</b>	<b>\$ 8,317,430</b>	<b>\$ 10,117,909</b>	<b>\$ 11,826,596</b>	<b>\$ 13,584,065</b>	<b>\$ 15,280,679</b>	<b>\$ 16,933,933</b>	<b>\$ 18,653,291</b>	<b>\$ 20,602,911</b>	

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
<b>Municipal Debt Service Fund</b>									
<u>Excise Tax Revenue Bonds</u>									
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
<b>Total Municipal Debt Service Fund</b>	<b>4,013,070</b>	<b>3,697,070</b>	<b>3,541,843</b>	<b>3,150,700</b>	<b>3,143,574</b>	<b>15,035,597</b>	<b>12,718,673</b>	<b>3,063,900</b>	
<b>Community Center Fund</b>									
<u>Contracts Payable</u>									
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
<b>Total Community Center Fund</b>	<b>238,012</b>	<b>160,698</b>	<b>12,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>WRSDIF Fund</b>									
<u>Excise Tax Revenue Bonds</u>									
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
<b>Total WSRDIF Fund</b>	<b>1,005,032</b>	<b>980,065</b>	<b>979,643</b>	<b>958,501</b>	<b>932,304</b>	<b>4,620,237</b>	<b>2,343,196</b>	<b>2,343,196</b>	
<b>Water Utility Fund</b>									
<u>Excise Tax Revenue Bonds</u>									
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
<u>Water Revenue Loans</u>									
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
<b>Total Water Utility Fund</b>	<b>4,024,671</b>	<b>3,859,432</b>	<b>2,234,549</b>	<b>1,952,794</b>	<b>1,232,692</b>	<b>5,104,220</b>	<b>1,562,131</b>	<b>1,562,131</b>	
<b>TOTAL DEBT SERVICE - ALL FUNDS</b>	<b>9,280,785</b>	<b>8,697,265</b>	<b>6,768,834</b>	<b>6,061,995</b>	<b>5,308,571</b>	<b>24,760,053</b>	<b>16,624,000</b>	<b>6,969,227</b>	

- (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 infrastructure 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%).

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

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
<b>LGIP</b>												
Ending Market Value	\$ 11,048,264	\$ 10,564,199	\$ 9,802,412	\$ 8,759,464	\$ 10,446,793	\$ 10,759,658	\$ 12,183,963					
Investment Income	\$ 34,213	\$ 41,256	\$ 34,954	\$ 31,477	\$ 35,518	\$ 33,762	\$ 33,536					
1-Month Yield	4.33%	4.32%	4.18%	4.09%	3.97%	3.81%	3.71%					
<b>PFM Asset Management</b>												
Closing Market Value	\$ 39,752,553	\$ 38,301,783	\$ 37,918,398	\$ 37,062,569	\$ 35,042,894	\$ 34,056,344	\$ 30,665,973					
Investment Income	\$ 199,738	\$ 172,343	\$ 102,243	\$ 130,423	\$ 207,951	\$ 80,876	\$ 168,167					
Annualized Yield to Maturity at Cost	4.51%	4.54%	4.53%	4.53%	4.54%	4.53%	4.55%					
<b>Wells Fargo Sweep</b>												
Ending Balance	\$ 3,413,781	\$ 6,187,767	\$ 2,581,008	\$ 4,856,250	\$ 4,081,463	\$ 3,859,896	\$ 8,892,243					
Investment Income	\$ 13,910	\$ 10,451	\$ 15,825	\$ 13,151	\$ 10,020	\$ 9,793	\$ 13,057					
7-Day Simple Yield	4.18%	4.18%	4.01%	4.00%	3.84%	3.65%	3.57%					
<hr/>												
<b>Total Ending Balance</b>	\$ 54,214,597	\$ 55,053,750	\$ 50,301,818	\$ 50,678,283	\$ 49,571,151	\$ 48,675,898	\$ 51,742,179					
<b>Total Investment Income</b>	\$ 247,861	\$ 224,050	\$ 153,022	\$ 175,052	\$ 253,489	\$ 124,431	\$ 214,760					

### 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?
<b>Distribution</b>		
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 NWRD to La Canada Res. (Ind.)	\$5,880,000	
Interconnect to Tangerine Rd. (Ind.)	\$270,000	Yes
Interconnect to Lambert Lane (Ind.)	\$510,000	Yes