Town Manager's Office

TOWN COUNCIL REPORT

DATE: May 26, 2026

TO: Mayor and Council

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

SUBJECT: March 2026 Financial Update

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

Financial Status Fiscal Year to Date: March 2026

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	$ 20,011,509	$ 20,753,738	$ 32,470,107	$ (11,716,369)	64%	$ 28,421,308
State Shared Revenues	15,280,679	14,871,307	19,863,884	(4,992,577)	75%	19,809,058
Licenses & Permits	1,368,805	1,972,790	2,116,123	(143,333)	93%	2,342,437
Grants	521,762	563,000	466,851	96,149	121%	731,368
Intergovernmental	1,449,868	1,406,158	2,320,362	(914,204)	61%	2,300,860
Charges for Service	2,274,341	2,345,920	3,050,223	(704,303)	77%	3,192,254
Other Revenue	1,309,383	684,049	916,480	(232,431)	75%	922,905
Total Revenues	$ 42,216,347	$ 42,596,962	$ 61,204,030	$ (18,607,068)	70%	$ 57,720,190

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	$ 25,822,451	$ 26,218,700	$ 37,457,276	$ 11,238,576	70%	$ 36,218,440
Operations and Maintenance	10,484,519	9,781,429	15,317,790	5,536,361	64%	14,452,790
Capital Outlay	170,180	87,806	211,000	123,194	42%	211,000
Transfers Out	7,243,019	9,453,829	8,831,579	(622,250)	107%	10,831,579
Total Uses	$ 43,720,169	$ 45,541,764	$ 61,817,645	$ 16,275,881	74%	$ 61,713,809

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Revenues	$ 42,216,347	$ 42,596,962	$ 61,204,030	$ 57,720,190
Total Uses	(43,720,169)	(45,541,764)	(61,817,645)	(61,713,809)
Change in Fund Balance	$ (1,503,822)	$ (2,944,802)	$ (613,615)	$ (3,993,619)

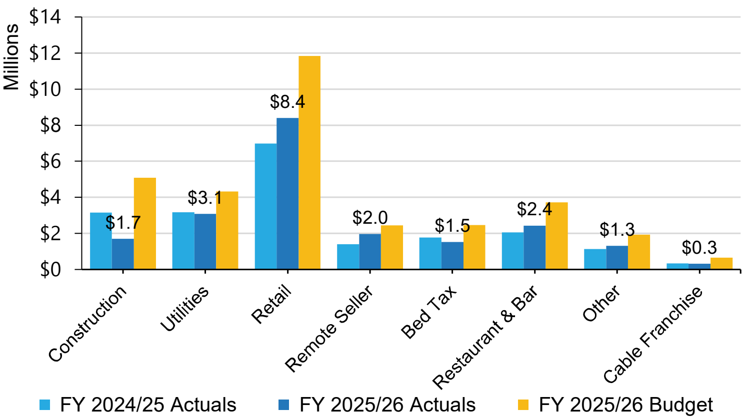
Beginning Fund Balance	$ 20,702,401
Estimated Ending Fund Balance	$ 16,708,782

Note: The estimated ending fund balance exceeds the Town's 25% expenditure reserve policy by a margin of about $4 million.

Financial Status Fiscal Year to Date: March 2026

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	$ 3,155,861	$ 1,701,931	$ 5,086,266	$ (3,384,335)	33%	$ 2,599,280
Utilities	3,177,940	3,088,399	4,316,890	(1,228,491)	72%	3,846,900
Retail	6,981,039	8,407,669	11,836,368	(3,428,699)	71%	11,449,868
Remote Seller	1,403,491	1,968,325	2,444,773	(476,448)	81%	2,666,660
Bed Tax	1,770,794	1,521,064	2,464,858	(943,794)	62%	2,044,300
Restaurant & Bar	2,059,570	2,423,987	3,726,636	(1,302,649)	65%	3,395,947
Other	1,130,728	1,321,477	1,941,265	(619,788)	68%	1,765,303
Cable Franchise	332,087	320,886	653,051	(332,165)	49%	653,051
Local Sales Tax Total	$ 20,011,509	$ 20,753,738	$ 32,470,107	$ (11,716,369)	64%	$ 28,421,308

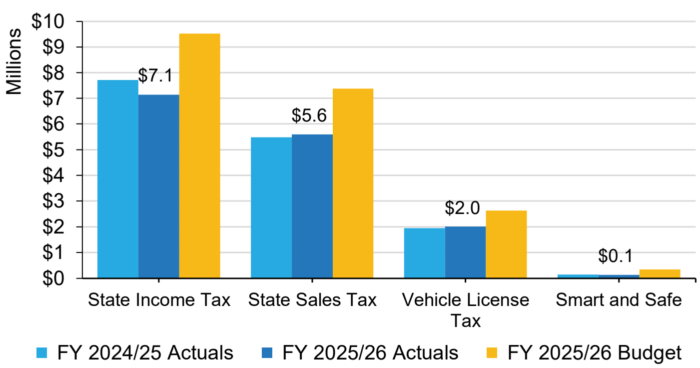


Overall, Local sales tax revenues are forecasted to fall short of budget expectations by $4.0 million or 12.5%.
Collections decreased 6.8% compared to the same period last year, primarily reflecting reduced activity in the construction and hotel sectors, including project delays at the Marketplace hotel and Vistoso Golf Club apartment developments. Construction-related revenues have begun to recover in recent months from the Oro Valley Marketplace apartment project, with this trend expected to continue through year-end. Restaurant and bar collections came in 1.9% below prior year through March, falling short of growth assumptions and resulting in a year-end estimate approximately 6.2% below budget. Retail collections are projected to finish slightly below budget at 0.2%, while remote seller collections are expected to exceed budget by 12.3%.

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	$ 7,707,824	$ 7,141,997	$ 9,522,662	$ (2,380,665)	75%	$ 9,522,662
State Sales Tax	5,489,200	5,591,555	7,376,599	(1,785,044)	76%	7,376,599
Vehicle License Tax	1,945,462	2,006,612	2,629,797	(623,185)	76%	2,629,797
Smart and Safe	138,192	131,143	334,826	(203,683)	39%	280,000
State Shared Total	$ 15,280,679	$ 14,871,307	$ 19,863,884	$ (4,992,577)	75%	$ 19,809,058

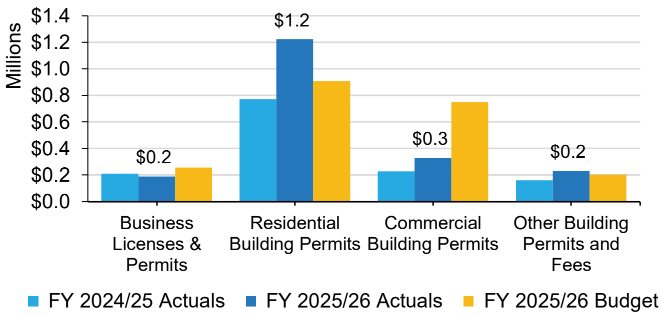


Total state shared revenues are performing in line with expectations with the exception of Smart & Safe revenues.
Smart & Safe distributions occur twice per year, and the first payment was lower than the prior year. Although statewide cannabis sales tax collections are up compared to last year, distributions 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.

Financial Status Fiscal Year to Date: March 2026

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	$ 210,093	$ 189,456	$ 255,000	$ (65,544)	74%	$ 229,304
Residential Building Permits	771,298	1,223,045	908,066	314,979	135%	1,400,000
Commercial Building Permits	226,678	328,095	750,077	(421,982)	44%	452,101
Other Building Permits and Fees	160,736	232,194	202,980	29,214	114%	261,032
Licenses & Permits Total	$ 1,368,805	$ 1,972,790	$ 2,116,123	$ (143,333)	93%	$ 2,342,437

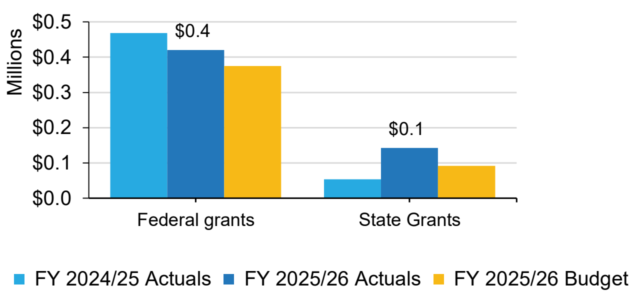


Licenses and permits revenue is projected to exceed budget by 10.7%, driven by stronger building permit activity, partially offset by a reduction in the business license and permit forecast due to FY25 actuals coming in below estimates.

A total of 84 Single Family Residential (SFR) permits have been issued through March (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	$ 468,073	$ 420,458	$ 375,000	$ 45,458	112%	$ 561,368
State Grants	53,690	142,542	91,851	50,691	155%	170,000
Grants Total	$ 521,762	$ 563,000	$ 466,851	$ 96,149	121%	$ 731,368

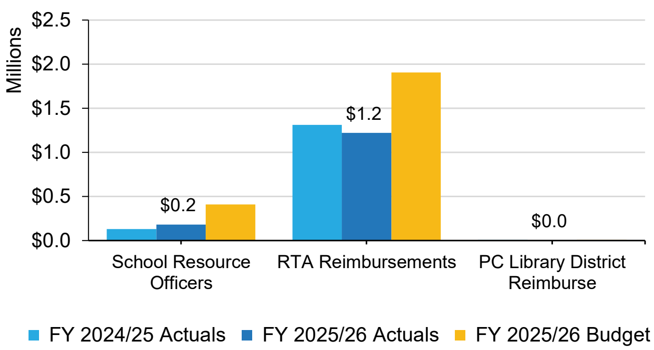


Grant revenues continue to perform better than expected. A significant portion of budgeted grants are allocated to the Police Department, and these can fluctuate based on factors such as officer scheduling, overtime, and the timing of reimbursements and awards. Year-end estimates have been adjusted to reflect current program activity.

Financial Status Fiscal Year to Date: March 2026

Intergovernmental Revenue

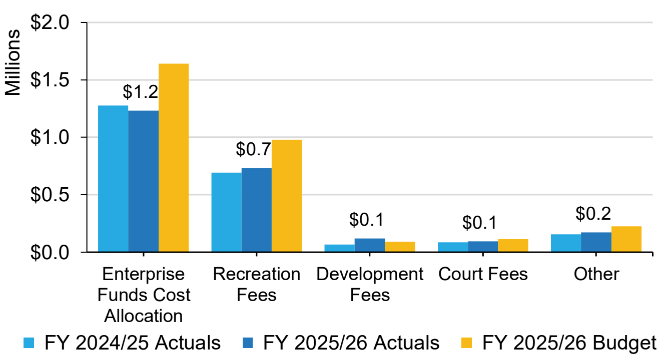
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
School Resource Officers	$ 131,488	$ 182,529	$ 409,502	$ (226,973)	45%	$ 390,000
RTA Reimbursements	1,311,508	1,220,663	1,904,860	(684,197)	64%	1,904,860
PC Library District Reimburse	6,872	2,966	6,000	(3,034)	49%	6,000
Intergovernmental Total	$ 1,449,868	$ 1,406,158	$ 2,320,362	$ (914,204)	61%	$ 2,300,860



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. The year-end estimate for school resource officer revenues was reduced by $19,500, reflecting current activity trending below budget. The variance may reflect scheduling, or reimbursement timing and will continue to be monitored.

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	$ 1,276,319	$ 1,231,010	$ 1,641,347	$ (410,337)	75%	$ 1,641,347
Recreation Fees	691,332	731,392	978,950	(247,558)	75%	1,074,928
Development Fees	65,668	118,091	90,110	27,981	131%	140,150
Court Fees	85,225	94,074	115,000	(20,926)	82%	120,000
Other	155,796	171,353	224,816	(53,463)	76%	215,829
Charges for Service Total	$ 2,274,341	$ 2,345,920	$ 3,050,223	$ (704,303)	77%	$ 3,192,254



Charges for services are performing slightly above expectations.

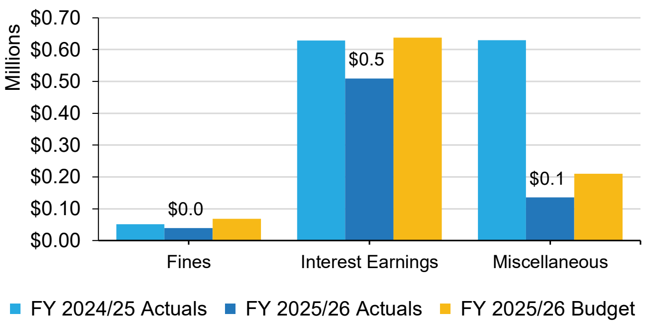
Cost allocation charges to the Town's enterprise funds for shared services, along with Parks & Recreation fees, represent the majority of this revenue category. The enterprise fund allocations are budgeted amounts distributed evenly across all 12 months. The year-over-year decrease is mainly due to one-time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

Recreation fee revenues are projected to exceed budget by 9.8%, with the year-end estimate revised upward by approximately $65,000, driven largely by swimming pool user fees along with field and court rentals and miscellaneous fees. Development fee revenues were revised upward by $20,000, reflecting stronger than expected zoning and subdivision fees

Financial Status Fiscal Year to Date: March 2026

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	$ 51,705	$ 40,005	$ 68,680	$ (28,675)	58%	$ 50,000
Interest Earnings	628,330	508,708	637,500	(128,792)	80%	660,000
Miscellaneous	629,349	135,335	210,300	(74,965)	64%	212,905
Other Revenue Total	$ 1,309,383	$ 684,049	$ 916,480	$ (232,431)	75%	$ 922,905

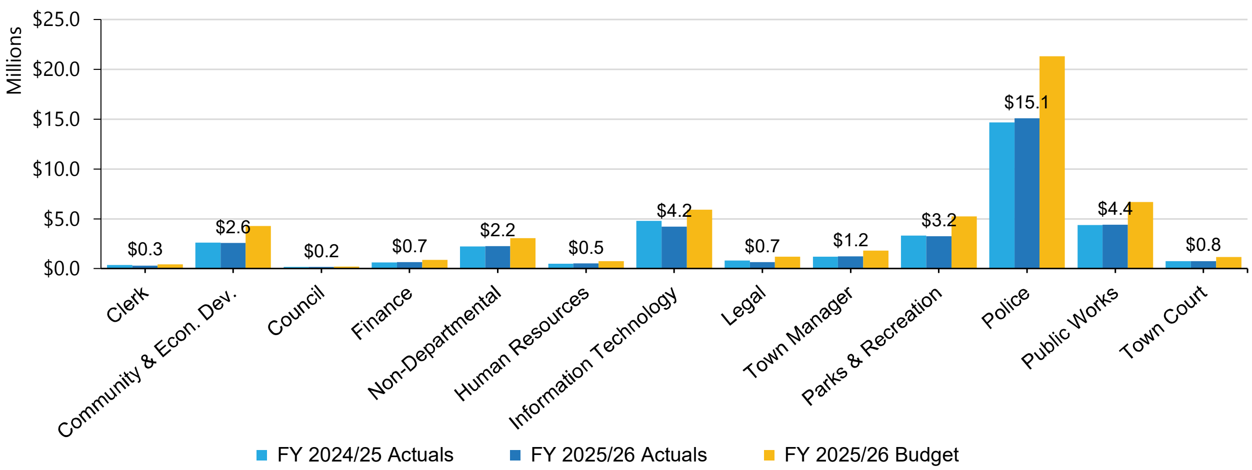


Other revenues are projected to finish above budget overall, supported by stronger-than-anticipated interest earnings, insurance recoveries, and asset sales. The decline in miscellaneous revenue compared to the prior year reflects a one-time AMRRP insurance rebate in FY 2024/25 that did not recur.

Financial Status Fiscal Year to Date: March 2026

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	$ 382,213	$ 313,900	$ 446,275	$ 132,375	70%	$ 436,887
Community & Econ. Dev.	2,605,494	2,571,547	4,275,011	1,703,464	60%	4,009,588
Council	178,797	168,309	216,163	47,854	78%	203,163
Finance	635,515	657,057	870,300	213,243	75%	884,808
Non-Departmental	2,234,999	2,248,474	3,052,282	803,808	74%	3,052,282
Human Resources	486,009	517,149	744,887	227,738	69%	709,060
Information Technology	4,804,050	4,203,834	5,925,996	1,722,162	71%	5,777,034
Legal	818,885	658,725	1,193,587	534,862	55%	921,432
Town Manager	1,202,570	1,223,435	1,812,726	589,291	67%	1,749,402
Parks & Recreation	3,327,898	3,248,610	5,230,510	1,981,900	62%	4,924,785
Police	14,669,263	15,097,391	21,333,810	6,236,419	71%	20,695,667
Public Works	4,387,756	4,413,503	6,702,762	2,289,259	66%	6,392,019
Town Court	743,701	766,000	1,181,757	415,757	65%	1,126,102
Total Department Expenditures	$ 36,477,150	$ 36,087,935	$ 52,986,066	$ 16,898,131	68%	$ 50,882,230



Overview:
Departments are spending within budget limits through March. 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 $18,000 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 25% under budget, primarily due to 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. Three of four budgeted additional contributions have been made; no further excess contributions are planned as the pension plan has exceeded 100% funded status. The department is forecasted to finish within budget due to this reduction in excess pension contributions, vacancy savings, and benefit election differences from budget assumptions.

Public Works: Public Works personnel costs are projected to come in under budget by approximately $61,000, primarily due to vacancies in heavy equipment operator positions, partially offset by higher Transit personnel costs driven by increased ridership demand requiring additional driver hours. Transit costs are reimbursed to the Town by the Regional Transportation Authority (RTA). Operations and maintenance costs are also projected to come in under budget by $250,000 or 10%, reflecting savings in fuel and vehicle repair and maintenance. Fuel savings are primarily in Transit operations and persist despite sharply rising prices in March.

Financial Status Fiscal Year to Date: March 2026

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	$ 27,315	$ 40,194	$ 30,000	$ 10,194	134%	$ 50,000
Highway User Revenue	3,120,298	3,138,047	4,456,367	(1,318,320)	70%	4,290,852
Interest Earnings	79,614	104,838	99,000	5,838	106%	140,000
Miscellaneous	3,017	48,125	2,500	45,625	1925%	50,687
Transfers In	3,000,000	1,500,000	2,000,000	(500,000)	75%	2,000,000
Total Sources	$ 6,230,244	$ 4,831,204	$ 6,587,867	$ (1,756,664)	73%	$ 6,531,539

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	$ 961,342	$ 984,863	$ 1,348,218	$ 363,355	73%	$ 1,349,962
O&M	764,699	780,715	1,433,935	653,220	54%	1,376,757
Capital Outlays	3,408,214	2,090,619	4,674,000	2,583,381	45%	3,215,010
Total Expenditures	$ 5,134,255	$ 3,856,198	$ 7,456,153	$ 3,599,955	52%	$ 5,941,730

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Sources	$ 6,230,244	$ 4,831,204	$ 6,587,867	$ 6,531,539
Total Expenditures	(5,134,255)	(3,856,198)	(7,456,153)	(5,941,730)
Change in Fund Balance	$ 1,095,989	$ 975,006	$ (868,286)	$ 589,809
Beginning Fund Balance				$ 1,598,787
Estimated Ending Fund Balance				$ 2,188,596

Highway Fund revenues and expenditures are performing generally in line with expectations through March. Due to capital projects not anticipated to be completed this year, the fund balance is expected to end about $1.4M greater 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 in four equal quarterly installments over the course of the fiscal year.

Expenditures:
Personnel expenditures are projected to exceed budget by approximately 0.1%, primarily due to pay range adjustments in the adopted pay plan that were not included in the original personnel forecast.

Operations and maintenance costs are projected to come in under budget by approximately $57,000 or 4%, primarily due to lower than anticipated demand for street maintenance and waste disposal services.

Budgeted capital outlays include the Town’s annual pavement preservation program and several capital improvement projects. Capital Outlay is projected to come in approximately $1.4 million under budget due to several projects. The Traffic Signal at Tangerine Rd / Mussette Dr project ($676k) will carry over into next year, as will the Operations Laydown Yard (Electricity) ($33k). The Lambert Lane MUP project ($350k) will not be completed this year; with the passage of RTA Next which include improvements to Lambert Lane, the project is being reassessed. Additionally, $350k of the $400k budgeted for Shannon Road Improvements is projected to remain unspent, as the project will not be completed this year. With RTA Next including a larger widening project for Shannon Road, these interim improvements are no longer needed.

Financial Status Fiscal Year to Date: March 2026

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	$ 2,889,104	$ 593,099	$ -	$ 593,099	na	$ 593,099
Contracted Operating Revenues	3,946,203	5,121,564	5,625,078	(503,514)	91%	6,604,000
Town Operating Revenues	1,028,132	1,086,790	1,534,043	(447,253)	71%	1,675,125
Other Revenues	167,323	44,334	60,172	(15,838)	74%	86,452
Total Revenues	$ 8,030,763	$ 6,845,787	$ 7,219,293	$ (373,506)	95%	$ 8,958,676

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	$ 3,680,731	$ 4,276,219	$ 5,728,637	$ 1,452,418	75%	$ 5,989,482
Town Operating Expenditures	1,618,475	1,631,608	2,427,461	795,853	67%	2,325,009
Capital Outlay	951,988	1,028,756	2,408,700	1,379,944	43%	2,360,700
Transfers Out	1,717,149	172,968	172,968	-	100%	172,968
Total Uses	$ 7,968,343	$ 7,109,551	$ 10,737,766	$ 3,628,215	66%	$ 10,848,159

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Year End Estimate
Total Revenues	$ 8,030,763	$ 6,845,787	$ 7,219,293	$ 8,958,676
Total Uses	(7,968,343)	(7,109,551)	(10,737,766)	(10,848,159)
Change in Fund Balance	$ 62,420	$ (263,764)	$ (3,518,473)	$ (1,889,483)
Beginning Fund Balance				$ 2,921,900
Estimated Ending Fund Balance				$ 1,032,417

Supplemental: Operating Analysis

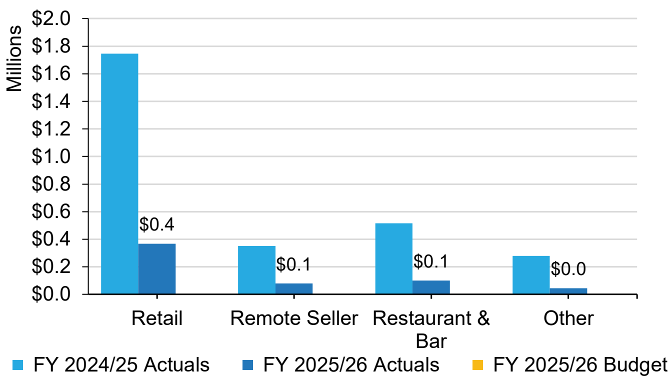
The following presents operating revenues and expenditures for the Golf Contractor and Town Operations separately. This section excludes Local Sales Tax, Capital Outlay, and Transfers Out, which are reported at the fund level above.

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Golf Contractor						
Operating Revenues	$ 3,946,203	$ 5,121,564	$ 5,625,078	$ (503,514)	91%	$ 6,604,000
Operating Expenditures	3,680,731	4,276,219	5,728,637	(1,452,418)	75%	5,989,482
Net Operating Income/(Loss)	$ 265,473	$ 845,345	$ (103,559)	$ 948,904		$ 614,518
Town Operations						
Operating Revenues	$ 1,028,132	$ 1,086,790	$ 1,534,043	$ (447,253)	71%	$ 1,675,125
Operating Expenditures	1,618,475	1,631,608	2,427,461	(795,853)	67%	2,325,009
Net Operating Income/(Loss)	$ (590,343)	$ (544,818)	$ (893,418)	$ 348,600		$ (649,884)

Financial Status Fiscal Year to Date: March 2026

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	$ 1,745,260	$ 367,836	$ -	$ 367,836	-	$ 367,836
Remote Seller	350,873	79,650	-	$ 79,650	-	79,650
Restaurant & Bar	514,892	101,493	-	101,493	-	101,493
Other	278,080	44,120	-	44,120	-	44,120
Local Sales Tax Total	$ 2,889,104	$ 593,099	$ -	$ 593,099	-	$ 593,099



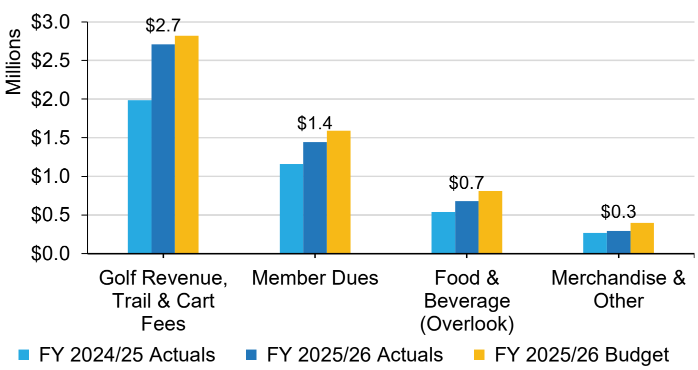
On August 13, 2025, the Town Council adopted Ordinance (O)25-04, removing the spending restrictions on the half-cent sales tax and redirecting those revenues to the General Fund, effective 30 days later in September. Accordingly, the FY 2025/26 actual revenues shown here reflect only the first two months 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 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	$ 1,982,019	$ 2,709,759	$ 2,818,625	$ (108,866)	96%	$ 3,424,000
Member Dues	1,162,537	1,442,331	1,590,560	(148,229)	91%	1,800,000
Food & Beverage (Overlook)	536,308	675,841	814,633	(138,792)	83%	924,000
Merchandise & Other	265,339	293,632	401,260	(107,628)	73%	456,000
Contracted Revenue Total	$ 3,946,203	$ 5,121,564	$ 5,625,078	$ (503,514)	91%	$ 6,604,000



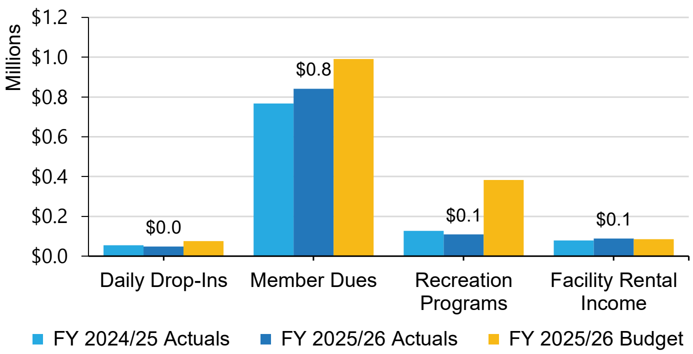
Contracted golf revenues are forecasted to exceed budget by approximately $979,000, or 17%, driven by strong membership numbers and increased public play. Through March, 86,401 rounds have been played, which is essentially in line with the prior year, reflecting a 1.6% decrease, and exceeding budget expectations by 9.9%.

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: March 2026

Town Operating Revenue

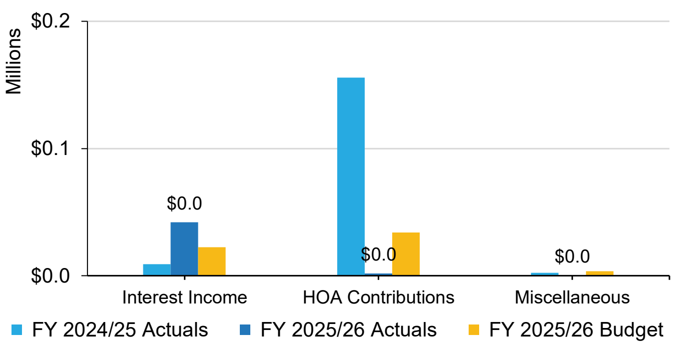
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Daily Drop-Ins	$ 54,625	$ 47,701	$ 75,625	$ (27,924)	63%	$ 66,349
Member Dues	767,272	841,679	990,420	(148,741)	85%	1,105,674
Recreation Programs	127,899	109,035	382,500	(273,465)	29%	394,963
Facility Rental Income	78,336	88,376	85,498	2,878	103%	108,138
Town Operating Revenue Total	$ 1,028,132	$ 1,086,790	$ 1,534,043	$ (447,253)	71%	$ 1,675,125



Year-end estimates incorporate Town Council-approved rate increases effective January 1, 2026, reflecting lower anticipated daily drop-in and recreation program revenues more than offset by higher member dues and facility rental income, with overall Town operating revenues projected to finish 9.2% above budget.

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	$ 9,157	$ 42,031	$ 22,500	$ 19,531	187%	52,000
HOA Contributions	155,750	1,950	34,050	(32,100)	6%	34,050
Miscellaneous	2,417	353	3,622	(3,269)	10%	402
Other Revenue Total	$ 167,323	$ 44,334	$ 60,172	$ (15,838)	74%	$ 86,452



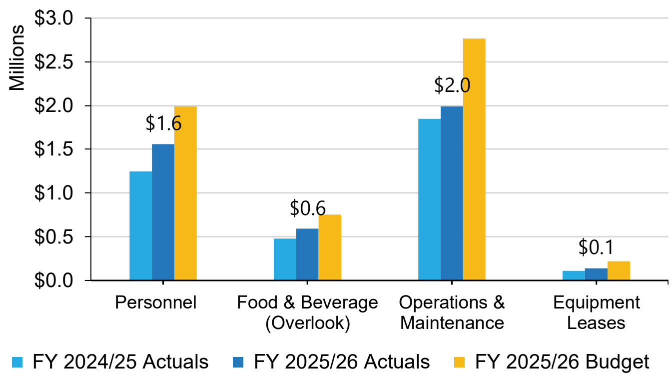
The FY 2025/26 HOA contribution budget pertains to the HOAs associated with the 9-hole Pusch Ridge course. FY 2025 was the final year of agreed upon annual contributions to golf from HOAs on the 36-hole course.

Due to stronger-than-anticipated interest income, the year-end estimate has been revised upward to $52,000.

Financial Status Fiscal Year to Date: March 2026

Contracted Operating Expenditures

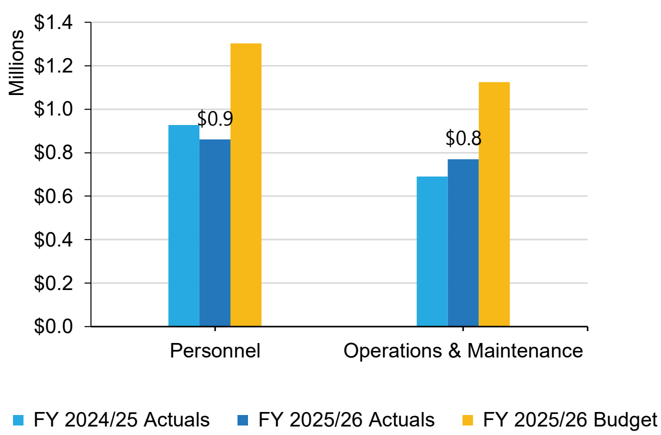
	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 1,245,113	$ 1,556,962	$ 1,992,268	$ 435,306	78%	$ 2,063,000
Food & Beverage (Overlook)	476,536	589,722	751,271	161,549	78%	837,000
Operations & Maintenance	1,850,626	1,991,152	2,768,538	777,386	72%	2,849,678
Equipment Leases	108,455	138,383	216,560	78,177	64%	239,804
Contracted Expenditures Total	$ 3,680,731	$ 4,276,219	$ 5,728,637	$ 1,452,418	75%	$ 5,989,482



Contracted golf operating expenditures rose 2% 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 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent	Year End Estimate
Personnel	$ 928,223	$ 861,315	$ 1,303,239	441,924	66%	$ 1,277,010
Operations & Maintenance	690,252	770,293	1,124,222	353,929	69%	1,047,999
Town Operating Expenditures Total	$ 1,618,475	$ 1,631,608	$ 2,427,461	$ 795,853	67%	$ 2,325,009



Town operating expenditures are trending under budget, primarily due to contracted instructors. Operations and maintenance costs, while higher at the beginning of the fiscal year due to credit card merchant fees, have since moderated and are also projected to come in under budget.

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	163,200
	2,408,700

Financial Status Fiscal Year to Date: March 2026

Sources

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent
Vehicle Reserves	$ 700,117	$ 771,694	$ 1,028,926	$ (257,232)	75%
Interest Earnings	472,593	423,576	470,000	(46,424)	90%
Miscellaneous	97,626	119,169	40,000	79,169	298%
Transfers In from General Fund	5,354,840	5,750,000	5,000,000	750,000	115%
Total Sources	$ 6,625,177	$ 7,064,440	$ 6,538,926	$ 525,514	108%

Uses

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget	Actual Vs. Budget Amount	Actual Vs. Budget Percent
O&M	$ 128,239	$ 71,694	$ -	$ (71,694)	na
Capital Outlays	3,535,754	6,839,283	12,329,372	5,490,089	55%
Transfers Out	3,000,000	1,559,109	2,234,200	675,091	70%
Total Uses	$ 6,663,993	$ 8,470,085	$ 14,563,572	$ 6,093,487	58%

Change in Fund Balance

	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Budget
Total Sources	$ 6,625,177	$ 7,064,440	$ 6,538,926
Total Uses	(6,663,993)	(8,470,085)	(14,563,572)
Change in Fund Balance	$ (38,816)	$ (1,405,646)	$ (8,024,646)
Beginning Fund Balance			$ 16,847,866
Estimated Ending Fund Balance			$ 8,823,220

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 building repair and maintence for the newly purchased Police Headquarters building as well as the purchase of smaller, non-capitalized equipment used to outfit new Police vehicles.
Capital outlays through March 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.

Financial Status Fiscal Year to Date: March 2026

Sources

	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	$ 13,498,079	$ 14,040,947	$ 18,511,000	$ (4,470,053)	76%	$ 18,858,905
Charges For Services	2,511,729	2,505,395	3,457,000	(951,605)	72%	3,493,050
Grants	-	572,221	-	572,221	-	841,639
Interest Earnings	244,101	287,136	100,000	187,136	287%	400,000
Miscellaneous	53,099	19,682	20,000	(318)	98%	22,388
Other Financing Sources	-	4,021,062	-	4,021,062	-	4,807,200
Total Sources	$ 16,307,008	$ 21,446,442	$ 22,088,000	$ (641,558)	97%	$ 28,423,182

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	$ 2,625,845	$ 2,562,659	$ 3,985,725	$ 1,423,066	64%	$ 3,783,194
O&M	7,634,931	7,581,560	11,552,175	3,970,615	66%	10,886,670
Capital Outlays	974,265	1,462,631	2,327,639	865,008	63%	2,320,896
Debt Service	3,254,278	3,695,379	3,890,977	195,598	95%	3,890,977
Transfers Out	4,028,458	5,510,327	9,883,004	4,372,677	56%	9,883,004
Total Uses	$ 18,517,778	$ 20,812,556	$ 31,639,520	$ 10,826,964	66%	$ 30,764,740

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 Sources	$ 16,307,008	$ 21,446,442	$ 22,088,000	$ 28,423,182
Total Uses	(18,517,778)	(20,812,556)	(31,639,520)	(30,764,740)
Change in Fund Balance	$ (2,210,769)	$ 633,886	$ (9,551,520)	$ (2,341,558)
Beginning Fund Balance				$ 9,058,512
Estimated Ending Fund Balance				$ 6,716,954

Revenues and Other Financing Sources:
Water sales are trending above budget, primarily driven by higher than anticipated irrigation and commercial water sales. Charges for services are expected to exceed budget, driven by groundwater preservation fees which are assessed based on water usage. Interest earnings are projected to exceed budget by $300,000, reflecting returns on invested bond and loan proceeds. Miscellaneous revenues are projected to exceed budget expectations due to insurance recoveries.

The Water Utility draws on a 2025 WIFA loan agreement that functions as a line of credit. Both the loan draws and the associated WIFA grant are recognized in grants revenue and other financing sources as funds are received.

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: Operations and maintenance costs are projected to come in under budget by approximately $666,000, or 6%, with savings spread across numerous accounts. The largest contributors are lower than anticipated power costs for pumping and CAP water delivery charges. Equipment repair and maintenance costs across wells, boosters, reservoirs, telemetry, and other infrastructure are collectively trending below budget, as routine maintenance demand has been lower than anticipated. Additional savings in testing, non-capitalized equipment, chemicals, and gasoline contribute to the overall favorable variance. These are partially offset by higher than expected costs in mains repair and maintenance and software maintenance and licensing.
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 NWRRDS 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.

Financial Status Fiscal Year to Date: March 2026

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	$ 1,146,890	$ 1,155,190	$ 1,527,000	$ (371,810)	76%	$ 1,543,127
Grants	-	-	239,200	(239,200)	-	210,991
Interest Earnings	33,443	34,659	20,000	14,659	173%	48,000
Total Revenues	$ 1,180,333	$ 1,189,849	$ 1,786,200	$ (596,351)	67%	$ 1,802,118

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	$ 672,766	$ 680,879	$ 990,258	$ 309,379	69%	$ 956,665
O&M	221,356	239,989	424,755	184,766	57%	356,886
Capital Outlays	-	6,855	738,000	731,145	1%	81,855
Total Expenses	$ 894,122	$ 927,722	$ 2,153,013	$ 1,225,291	43%	$ 1,395,406

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	$ 1,180,333	$ 1,189,849	$ 1,786,200	$ 1,802,118
Total Expenses	(894,122)	(927,722)	(2,153,013)	(1,395,406)
Change in Fund Balance	$ 286,211	$ 262,127	$ (366,813)	$ 406,712
Beginning Fund Balance				$ 1,447,723
Estimated Ending Fund Balance				$ 1,854,436

Revenues:
Charges for service are trending slightly higher than budget (1.1%). With respect to grant revenues, the federal grant supporting the Sierra Wash at Glover Road Infrastructure Repair and Rehabilitation capital project is not expected to be received within the current fiscal year. Offsetting this, grant revenues for the Sierra Wash at Via Mandarina Drainage Improvements project are projected to be received this year, as the project was completed in FY26 despite having been originally budgeted in FY25. Interest earnings continue to outperform projections, coming in $28,000, or 140%, above budget.

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, field supplies 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 Mandarina 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 be delayed into FY27.

APPENDIX 1

El Conquistador Golf Mgmt., LLC
El Conquistador Golf Course

Report Date: 3/31/2026

	Month-to-Date					Year-to-Date				
	Mar - 2026	**Budget**	**Mar - 2025**	**Bud Var**	**PY Var**	**Mar - 2026**	**Budget**	**Mar - 2025**	**Bud Var**	**PY Var**
Rounds										
Public	8,075	7,800	8,705	275	(630)	46,049	39,050	44,328	6,999	1,721
Member	5,461	4,425	5,015	1,036	446	36,598	33,390	36,479	3,208	119
Tournament	946	975	1,372	(29)	(426)	3,754	6,180	7,004	(2,426)	(3,250)
Total Rounds	**14,482**	**13,200**	**15,092**	**1,282**	**(610)**	**86,401**	**78,620**	**87,811**	**7,781**	**(1,410)**
Membership Fees	144,792.63	142,560.00	132,767.99	2,232.63	12,024.64	1,442,331.01	1,223,560.00	1,295,305.07	218,771.01	147,025.94
Total Membership Revenue	**144,792.63**	**142,560.00**	**132,767.99**	**2,232.63**	**12,024.64**	**1,442,331.01**	**1,223,560.00**	**1,295,305.07**	**218,771.01**	**147,025.94**
Sales - Green Fees	436,388.48	352,000.00	420,236.57	84,388.48	16,151.91	2,120,065.66	1,585,750.00	1,876,491.75	534,315.66	243,573.91
Sales - Tournament	42,407.50	49,000.00	56,381.67	(6,592.50)	(13,974.17)	156,405.28	263,500.00	289,189.36	(107,094.72)	(132,784.08)
Sales - Member Rounds	577.00	350.00	584.90	227.00	(7.90)	5,456.00	2,650.00	3,509.65	2,806.00	1,946.35
Lessons & Clinics	805.00	3,500.00	1,625.00	(2,695.00)	(820.00)	8,510.92	23,750.00	16,305.00	(15,239.08)	(7,794.08)
Range, Rental & Other Golf Related	15,789.15	13,175.00	15,248.96	2,614.15	540.19	106,226.85	78,475.00	103,226.36	27,751.85	3,000.49
Cart Fees	36,844.08	28,350.00	34,225.46	8,494.08	2,618.62	313,094.66	259,050.00	288,135.30	54,044.66	24,959.36
Golf Fees Revenue	**532,811.21**	**446,375.00**	**528,302.56**	**86,436.21**	**4,508.65**	**2,709,759.37**	**2,213,175.00**	**2,576,857.42**	**496,584.37**	**132,901.95**
Sales - Soft Goods	30,151.23	29,350.00	29,951.19	801.23	200.04	133,963.10	135,435.00	146,369.43	(1,471.90)	(12,406.33)
Sales - Hard Goods	17,832.63	14,800.00	16,505.47	3,032.63	1,327.16	114,293.85	85,600.00	101,633.67	28,693.85	12,660.18
Merchandise Revenue	**47,983.86**	**44,150.00**	**46,456.66**	**3,833.86**	**1,527.20**	**248,256.95**	**221,035.00**	**248,003.10**	**27,221.95**	**253.85**
Other Revenue	3,795.00	500.00	(1,965.56)	3,295.00	5,760.56	19,145.22	15,500.00	(4,708.84)	3,645.22	23,854.06
Other Revenue	**3,795.00**	**500.00**	**(1,965.56)**	**3,295.00**	**5,760.56**	**19,145.22**	**15,500.00**	**(4,708.84)**	**3,645.22**	**23,854.06**
Sales - Food	62,084.07	1,125.00	55,115.29	60,959.07	6,968.78	334,200.18	4,825.00	326,652.21	329,375.18	7,547.97
Sales - Beer	33,194.19	3,500.00	35,411.62	29,694.19	(2,217.43)	205,281.10	14,700.00	205,224.81	190,581.10	56.29
Sales - Wine	4,004.90	0.00	3,304.48	4,004.90	700.42	21,865.30	0.00	17,262.70	21,865.30	4,602.60
Sales - Liquor	12,375.69	375.00	12,148.14	12,000.69	227.55	76,417.78	1,658.00	75,685.50	74,759.78	732.28
Group Service Charges	5,631.22	0.00	2,975.04	5,631.22	2,656.18	64,306.96	0.00	20,437.55	64,306.96	43,869.41
Food & Beverage Revenue	**117,290.07**	**5,000.00**	**108,954.57**	**112,290.07**	**8,335.50**	**702,071.32**	**21,183.00**	**645,262.77**	**680,888.32**	**56,808.55**
TOTAL REVENUE	**846,672.77**	**638,585.00**	**814,516.22**	**208,087.77**	**32,156.55**	**5,121,563.87**	**3,694,453.00**	**4,760,719.52**	**1,427,110.87**	**360,844.35**
Expenses										
COS - Merchandise	30,727.62	30,211.00	40,972.75	(516.62)	10,245.13	183,298.37	154,529.75	186,457.90	(28,768.62)	3,159.53
COS - Food	24,531.94	337.50	20,685.00	(24,194.44)	(3,846.94)	129,335.16	1,447.50	122,970.78	(127,887.66)	(6,364.38)
COS - Beer	10,054.92	1,050.00	10,274.02	(9,004.92)	219.10	62,626.62	4,410.00	59,811.12	(58,216.62)	(2,815.50)
COS - Wine	2,526.57	0.00	1,018.52	(2,526.57)	(1,508.05)	7,049.86	0.00	5,511.25	(7,049.86)	(1,538.61)
COS - Liquor	2,637.15	112.50	3,880.96	(2,524.65)	1,243.81	20,497.41	497.40	20,181.64	(20,000.01)	(315.77)
Cost of Sales	**70,478.20**	**31,711.00**	**76,831.25**	**(38,767.20)**	**6,353.05**	**402,807.42**	**160,884.65**	**394,932.69**	**(241,922.77)**	**(7,874.73)**
Gross Margin	**776,194.57**	**606,874.00**	**737,684.97**	**169,320.57**	**38,509.60**	**4,718,756.45**	**3,533,568.35**	**4,365,786.83**	**1,185,188.10**	**352,969.62**

El Conquistador Golf Mgmt., LLC

Report Date: 3/31/2026

El Conquistador Golf Course

	Month-to-Date					Year-to-Date				
	Mar - 2026	**Budget**	**Mar - 2025**	**Bud Var**	**PY Var**	**Mar - 2026**	**Budget**	**Mar - 2025**	**Bud Var**	**PY Var**
Salaries & Wages	217,715.66	150,089.00	189,786.07	(67,626.66)	(27,929.59)	1,608,266.12	1,234,651.00	1,470,844.30	(373,615.12)	(137,421.82)
Payroll Taxes	17,509.57	12,750.00	15,940.84	(4,759.57)	(1,568.73)	123,067.19	101,900.00	119,762.70	(21,167.19)	(3,304.49)
Workers Comp	4,252.93	2,500.00	3,403.47	(1,752.93)	(849.46)	34,043.63	22,500.00	25,849.91	(11,543.63)	(8,193.72)
Employee Benefits	14,577.16	7,000.00	12,055.28	(7,577.16)	(2,521.88)	98,552.77	93,500.00	97,135.65	(5,052.77)	(1,417.12)
Other Employee Benefits	2,703.99	1,300.00	1,631.96	(1,403.99)	(1,072.03)	25,432.22	11,700.00	13,325.39	(13,732.22)	(12,106.83)
Total Payroll & Benefits	**256,759.31**	**173,639.00**	**222,817.62**	**(83,120.31)**	**(33,941.69)**	**1,889,361.93**	**1,464,251.00**	**1,726,917.95**	**(425,110.93)**	**(162,443.98)**
Meals & Entertainment	393.03	475.00	893.96	81.97	500.93	4,220.40	5,200.00	7,182.84	979.60	2,962.44
Travel	732.59	225.00	0.00	(507.59)	(732.59)	4,429.69	4,575.00	4,819.57	145.31	389.88
Other Employee Related	0.00	0.00	0.00	0.00	0.00	521.34	0.00	769.89	(521.34)	248.55
Total Employee Related	**1,125.62**	**700.00**	**893.96**	**(425.62)**	**(231.66)**	**9,171.43**	**9,775.00**	**12,772.30**	**603.57**	**3,600.87**
R&M - Equipment	9,121.03	11,500.00	11,507.30	2,378.97	2,386.27	128,550.93	112,800.00	110,565.55	(15,750.93)	(17,985.38)
R&M - Building	18.35	0.00	227.18	(18.35)	208.83	9,761.93	22,800.00	14,951.86	13,038.07	5,189.93
R&M - Golf Course & Tennis Courts	6,384.75	1,000.00	1,812.18	(5,384.75)	(4,572.57)	20,699.85	26,500.00	35,069.68	5,800.15	14,369.83
R&M - Other	413.07	400.00	0.00	(13.07)	(413.07)	7,697.63	3,600.00	2,807.28	(4,097.63)	(4,890.35)
Sod	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	1,067.72	1,500.00	1,067.72
Sand & Gravel	0.00	0.00	3,067.65	0.00	3,067.65	14,989.71	13,500.00	21,103.25	(1,489.71)	6,113.54
Seed & Mulch	0.00	0.00	0.00	0.00	0.00	117,258.78	145,000.00	125,961.34	27,741.22	8,702.56
Gas, Diesel, Oil & Lubricants	5,849.14	4,950.00	3,134.81	(899.14)	(2,714.33)	35,181.85	38,050.00	31,131.30	2,868.15	(4,050.55)
Fertilizers	445.67	31,000.00	26,273.44	30,554.33	25,827.77	35,120.51	85,800.00	64,376.93	50,679.49	29,256.42
Chemicals	28,519.30	3,300.00	8,212.46	(25,219.30)	(20,306.84)	102,361.04	59,650.00	49,248.65	(42,711.04)	(53,112.39)
Total Repairs & Maintenance	**50,751.31**	**52,150.00**	**54,235.02**	**1,398.69**	**3,483.71**	**471,622.23**	**509,200.00**	**456,283.56**	**37,577.77**	**(15,338.67)**
Marketing & Advertising	930.50	1,120.00	1,730.50	189.50	800.00	8,817.63	12,405.00	17,815.58	3,587.37	8,997.95
Computer Related	1,315.51	0.00	0.00	(1,315.51)	(1,315.51)	15,654.98	0.00	0.00	(15,654.98)	(15,654.98)
Dues & Subscriptions	3,562.50	3,870.00	3,677.38	307.50	114.88	33,053.49	34,830.00	31,431.35	1,776.51	(1,622.14)
Operating Supplies	13,932.14	6,400.00	9,643.18	(7,532.14)	(4,288.96)	89,639.22	77,050.00	100,960.56	(12,589.22)	11,321.34
Linens & Laundry	614.76	0.00	922.14	(614.76)	307.38	6,492.51	0.00	7,176.44	(6,492.51)	683.93
Postage	0.00	0.00	384.11	0.00	384.11	407.69	300.00	827.65	(107.69)	419.96
Member Relations	(7.40)	500.00	0.00	507.40	7.40	709.78	1,500.00	5,964.98	790.22	5,255.20
Uniforms	3,075.09	3,175.00	549.07	99.91	(2,526.02)	7,351.44	9,350.00	6,366.01	1,998.56	(985.43)
Other Operating	0.00	0.00	16.55	0.00	16.55	0.00	0.00	1,198.55	0.00	1,198.55
Merchant Processing Fees	11,268.58	11,500.00	14,577.22	231.42	3,308.64	71,052.52	61,300.00	68,323.53	(9,752.52)	(2,728.99)
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)	0.00	0.00	0.00	0.00	0.00	(35.73)	0.00	0.00	35.73	35.73
Late Fees & Penalties	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.56	0.00	22.56
Centralized Services	2,806.09	2,125.00	2,511.34	(681.09)	(294.75)	21,886.83	19,125.00	19,694.97	(2,761.83)	(2,191.86)
Tournament Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	969.15	0.00	969.15
Total Operating Expenses	**37,497.77**	**28,690.00**	**34,011.49**	**(8,807.77)**	**(3,486.28)**	**254,998.53**	**215,860.00**	**261,755.89**	**(39,138.53)**	**6,757.36**
Operating Profit	**430,060.56**	**351,695.00**	**425,726.88**	**78,365.56**	**4,333.68**	**2,093,602.33**	**1,334,482.35**	**1,908,057.13**	**759,119.98**	**185,545.20**

El Conquistador Golf Mgmt., LLC
El Conquistador Golf Course

Report Date: 3/31/2026

	Month-to-Date					Year-to-Date				
	Mar - 2026	**Budget**	**Mar - 2025**	**Bud Var**	**PY Var**	**Mar - 2026**	**Budget**	**Mar - 2025**	**Bud Var**	**PY Var**
Electric & Gas	18,348.92	22,000.00	16,638.50	3,651.08	(1,710.42)	199,753.53	226,000.00	206,679.39	26,246.47	6,925.86
Water	46,009.23	51,950.00	57,691.80	5,940.77	11,682.57	688,530.00	765,800.00	771,856.45	77,270.00	83,326.45
Telephone & Internet Connection	604.25	875.00	648.94	270.75	44.69	5,891.44	7,875.00	6,601.94	1,983.56	710.50
Other Third-party Services	6,105.78	5,875.00	2,246.08	(230.78)	(3,859.70)	38,698.07	47,525.00	43,811.40	8,826.93	5,113.33
Total Utilities	**71,068.18**	**80,700.00**	**77,225.32**	**9,631.82**	**6,157.14**	**932,873.04**	**1,047,200.00**	**1,028,949.18**	**114,326.96**	**96,076.14**
Lease Expense - Fixed	15,077.76	14,582.00	13,258.76	(495.76)	(1,819.00)	135,699.84	131,238.00	119,328.84	(4,461.84)	(16,371.00)
Lease Expense - Short-term & Other	298.11	298.00	298.11	(0.11)	0.00	2,682.99	3,232.00	3,255.84	549.01	572.85
Total Leases	**15,375.87**	**14,880.00**	**13,556.87**	**(495.87)**	**(1,819.00)**	**138,382.83**	**134,470.00**	**122,584.68**	**(3,912.83)**	**(15,798.15)**
Fixed Operating Expenses	**86,444.05**	**95,580.00**	**90,782.19**	**9,135.95**	**4,338.14**	**1,071,255.87**	**1,181,670.00**	**1,151,533.86**	**110,414.13**	**80,277.99**
Gross Operating Profit	**343,616.51**	**256,115.00**	**334,944.69**	**87,501.51**	**8,671.82**	**1,022,346.46**	**152,812.35**	**756,523.27**	**869,534.11**	**265,823.19**
Insurance	7,546.50	6,000.00	5,877.20	(1,546.50)	(1,669.30)	67,918.51	54,000.00	56,472.31	(13,918.51)	(11,446.20)
Bad Debt Expense	58.31	200.00	0.00	141.69	(58.31)	581.80	1,800.00	4,857.62	1,218.20	4,275.82
Fees, Permits, & Licenses	210.00	3,050.00	1,004.56	2,840.00	794.56	8,917.74	9,425.00	7,032.62	507.26	(1,885.12)
Base Management Fees	11,040.81	11,094.00	10,824.32	53.19	(216.49)	99,583.78	99,846.00	97,418.88	262.22	(2,164.90)
Other Expenses	**18,855.62**	**20,344.00**	**17,706.08**	**1,488.38**	**(1,149.54)**	**177,001.83**	**165,071.00**	**165,781.43**	**(11,930.83)**	**(11,220.40)**
Net Operating Income	**324,760.89**	**235,771.00**	**317,238.61**	**88,989.89**	**7,522.28**	**845,344.63**	**(12,258.65)**	**590,741.84**	**857,603.28**	**254,602.79**
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
NET INCOME	**324,760.89**	**235,771.00**	**317,238.61**	**88,989.89**	**7,522.28**	**845,344.63**	**(12,258.65)**	**582,711.22**	**857,603.28**	**262,633.41**
EBITDA	**324,760.89**	**235,771.00**	**317,238.61**	**88,989.89**	**7,522.28**	**845,344.63**	**(12,258.65)**	**582,711.22**	**857,603.28**	**262,633.41**

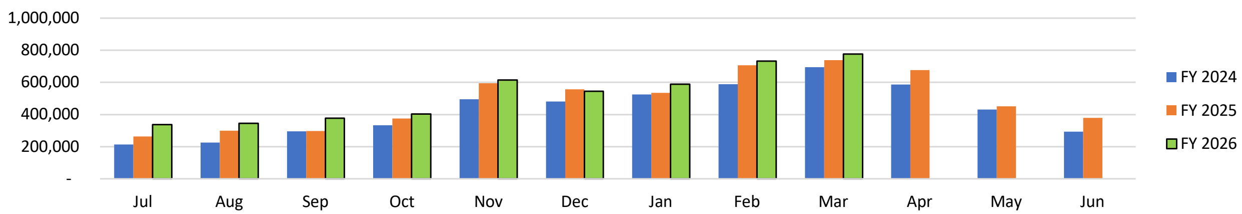
Town of Oro Valley
Golf Analysis

Operating:			PRE AGREEMENT				POST AGREEMENT					Through Mar	*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	3,902,203	4,311,050	35,927,480
Pusch Ridge	-	105,370	99,134	59,726	106,184	98,316	-	380,375	414,225	528,346	619,276	543,520	528,628	2,954,472
F&B - Overlook	-	606,171	708,594	745,766	671,582	554,336	448,782	671,479	725,222	766,679	865,944	675,841	785,400	7,440,396
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	5,121,564	5,625,078	46,322,348
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	3,297,135	4,468,886	43,630,387
Pusch Ridge	-	253,513	256,769	236,160	230,196	287,112	-	319,702	390,959	478,320	516,762	389,362	508,480	3,358,855
F&B - Overlook	-	861,740	823,383	841,866	785,499	701,538	440,382	630,509	596,910	684,037	756,376	589,722	751,271	7,711,961
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	4,276,219	5,728,637	54,701,204
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	605,068	(157,836)	(7,702,907)
Pusch Ridge	-	(148,143)	(157,635)	(176,434)	(124,012)	(188,796)	-	60,673	23,266	50,026	102,514	154,158	20,148	(404,383)
F&B - Overlook	-	(255,569)	(114,789)	(96,100)	(113,917)	(147,202)	8,400	40,970	128,312	82,642	109,569	86,119	34,129	(271,566)
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	845,345	(103,559)	(8,378,856)
Capital Investments		45,116	47,909	29,464	-	-	131,035	2,828,061	4,619,904	2,184,848	743,897	528,175	630,000	11,158,409
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	1,950	34,050	763,150

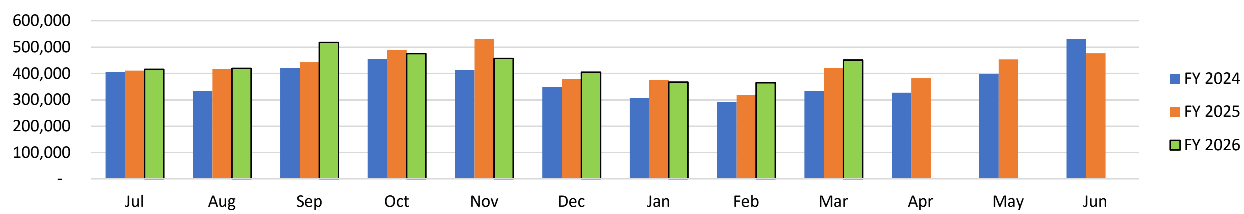
Town of Oro Valley
Golf Analysis - Contractor Financials

	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	377,531	402,476	613,880	545,516	588,783	731,659	776,195			
Expenses	416,385	419,190	518,351	474,811	456,611	404,521	367,544	364,566	451,434			
Net Income/(Loss)	(78,525)	(74,335)	(140,820)	(72,334)	157,270	140,995	221,239	367,094	324,761	-	-	-

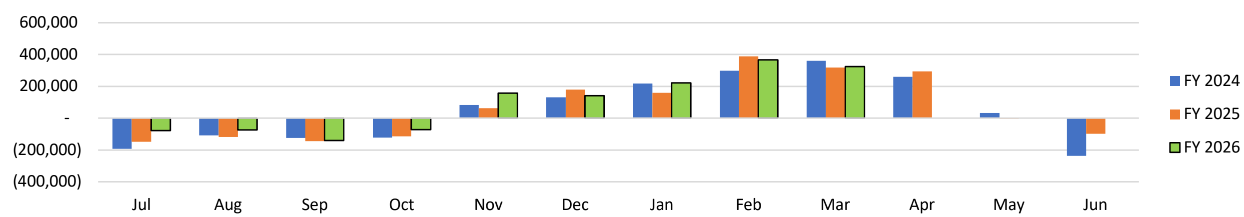
Comparison of Gross Income by Month - Total Golf Operations



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 March 2026

FY 2025/2026

Fund	FY 25/26 Beginning Fund 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 March 2026
General Fund	20,702,401	42,596,962	-	**42,596,962**	26,218,700	9,781,429	87,806	-	9,453,829	**45,541,764**	17,757,599
Highway Fund	1,598,787	3,331,204	1,500,000	**4,831,204**	984,863	780,715	2,090,619	-	-	**3,856,198**	2,573,793
Grants and Contributions Fund	60,787	609,694	59,109	**668,803**	406	163,612	336,442	-	-	**500,460**	229,131
Seizure & Forfeiture - Justice/State	374,906	25,895	-	**25,895**	-	-	-	-	-	**-**	400,801
Community Center Fund	2,921,900	6,845,787	-	**6,845,787**	861,315	5,046,513	1,028,756	-	172,968	**7,109,551**	2,658,136
Municipal Debt Service Fund	53,800	129,851	3,918,566	**4,048,417**	-	8,413	-	4,013,071	-	**4,021,483**	80,733
Water Resource System & Dev. Impact Fee Fund	8,104,970	1,837,855	11,538,916	**13,376,770**	-	84,040	16,269,861	557,505	-	**16,911,406**	4,570,334
Townwide Roadway Dev Impact Fee Fund	3,095,031	581,765	-	**581,765**	-	-	-	-	-	**-**	3,676,796
Parks & Recreation Impact Fee Fund	381,038	345,079	-	**345,079**	-	-	-	-	-	**-**	726,117
Police Impact Fee Fund	122,916	109,635	-	**109,635**	-	-	-	-	38,765	**38,765**	193,786
Capital Fund	16,847,866	1,314,440	5,750,000	**7,064,440**	-	71,694	6,839,283	-	1,559,109	**8,470,085**	15,442,220
PAG/RTA Fund	446,926	31,317	-	**31,317**	-	12,770	70,000	-	-	**82,770**	395,473
Water Utility	9,058,512	17,425,380	4,021,062	**21,446,442**	2,562,659	7,581,560	1,462,631	3,695,379	5,510,327	**20,812,556**	9,692,398
Stormwater Utility	1,447,723	1,189,849	-	**1,189,849**	680,879	239,989	6,855	-	-	**927,722**	1,709,850
Benefit Self Insurance Fund	3,995,323	3,081,234	-	**3,081,234**	-	3,786,140	-	-	-	**3,786,140**	3,290,417
Recreation In-Lieu Fee Fund	52,018	1,102	-	**1,102**	-	-	-	-	-	**-**	53,120
Total	**69,264,903**	**79,457,048**	**26,787,652**	**106,244,700**	**31,308,822**	**27,556,873**	**28,192,252**	**8,265,955**	**16,734,998**	**112,058,900**	**63,450,703**

APPENDIX 4

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	98,998	89,454	243,032	156,790	253,437	201,202	316,434				**1,701,931**
Utility Sales Tax	302,786	412,779	407,129	429,423	372,182	261,920	293,969	319,220	288,992				**3,088,399**
Retail Sales Tax	941,576	897,606	867,961	893,562	934,258	1,001,735	1,345,143	937,347	956,315				**8,775,505**
Remote Seller Sales Tax	192,279	205,970	220,208	196,932	221,954	259,550	305,982	228,931	216,170				**2,047,975**
Bed Tax	112,651	91,706	92,611	115,225	146,552	178,739	154,051	259,109	370,419				**1,521,064**
Restaurant & Bar Sales Tax	269,228	238,235	263,782	292,127	270,580	270,346	335,217	273,916	312,049				**2,525,479**
All Other Local Sales Tax *	115,341	108,925	133,051	119,804	136,567	153,290	161,223	189,792	247,605				**1,365,597**
Monthly Total	**$ 2,113,010**	**$ 2,118,656**	**$ 2,083,741**	**$ 2,136,528**	**$ 2,325,125**	**$ 2,282,369**	**$ 2,849,021**	**$ 2,409,518**	**$ 2,707,984**				**$ 21,025,951**
Cumulative Total	**$ 2,113,010**	**$ 4,231,666**	**$ 6,315,407**	**$ 8,451,935**	**$ 10,777,059**	**$ 13,059,428**	**$ 15,908,449**	**$ 18,317,967**	**$ 21,025,951**				
Monthly variance	$ (220,775)	$ (201,284)	$ (240,986)	$ (191,015)	$ (279,060)	$ (262,332)	$ (258,450)	$ (187,731)	$ 299,058				
Cumulative variance	$ (220,775)	$ (422,059)	$ (663,045)	$ (854,060)	$ (1,133,120)	$ (1,395,452)	$ (1,653,902)	$ (1,841,633)	$ (1,542,575)				

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	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	**11,682,057**
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	**2,351,368**
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	239,294	251,212	286,989	268,563	287,017	374,825	280,614	314,687	382,887	280,512	327,412	**3,565,273**
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	**1,951,088**
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	793,555	793,555	793,555	793,556	793,555	793,555	793,555				**7,141,997**
State Shared Sales Tax	619,095	603,827	595,627	602,207	623,385	588,988	743,390	602,202	612,834				**5,591,555**
County Auto Lieu	216,240	215,390	219,757	235,357	160,740	250,037	216,183	200,625	292,283				**2,006,612**
Smart and Safe	-	-	-	-	-	131,143	-	-	-				**131,143**
Monthly Total	**$ 1,628,891**	**$ 1,612,772**	**$ 1,608,939**	**$ 1,631,119**	**$ 1,577,680**	**$ 1,763,724**	**$ 1,753,127**	**$ 1,596,382**	**$ 1,698,672**				**$ 14,871,307**
Cumulative Total	**$ 1,628,891**	**$ 3,241,663**	**$ 4,850,602**	**$ 6,481,721**	**$ 8,059,402**	**$ 9,823,125**	**$ 11,576,253**	**$ 13,172,635**	**$ 14,871,307**				
Monthly variance	$ (59,126)	$ (41,479)	$ (26,784)	$ (47,715)	$ (82,925)	$ (36,755)	$ 44,440	$ (161,087)	$ 2,058				
Cumulative variance	$ (59,126)	$ (100,605)	$ (127,389)	$ (175,104)	$ (258,029)	$ (294,783)	$ (250,344)	$ (411,430)	$ (409,372)				

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	$ 9,802,412	$ 8,759,464	$ 10,446,793	$ 10,759,658	$ 12,183,963	$ 16,067,942	$ 17,851,684			
Investment Income	$ 34,213	$ 41,256	$ 34,954	$ 31,477	$ 35,518	$ 33,762	$ 33,536	$ 42,232	$ 52,618			
1-Month Yield	4.33%	4.32%	4.18%	4.09%	3.97%	3.81%	3.71%	3.68%	3.66%			
PFM Asset Management												
Closing Market Value	$ 39,752,553	$ 38,301,783	$ 37,918,398	$ 37,062,569	$ 35,042,894	$ 34,056,344	$ 30,665,973	$ 31,119,238	$ 30,437,154			
Investment Income	$ 199,738	$ 172,343	$ 102,243	$ 130,423	$ 207,951	$ 80,876	$ 168,167	$ 167,100	$ 63,960			
Annualized Yield to Maturity at Cost	4.51%	4.54%	4.53%	4.53%	4.54%	4.53%	4.55%	4.45%	4.41%			
Wells Fargo Sweep												
Ending Balance	$ 3,413,781	$ 6,187,767	$ 2,581,008	$ 4,856,250	$ 4,081,463	$ 3,859,896	$ 8,892,243	$ 3,852,677	$ 4,699,530			
Investment Income	$ 13,910	$ 10,451	$ 15,825	$ 13,151	$ 10,020	$ 9,793	$ 13,057	$ 15,364	$ 13,449			
7-Day Simple Yield	4.18%	4.18%	4.01%	4.00%	3.84%	3.65%	3.57%	3.56%	3.54%			
Total Ending Balance	$ 54,214,597	$ 55,053,750	$ 50,301,818	$ 50,678,283	$ 49,571,151	$ 48,675,898	$ 51,742,179	$ 51,039,857	$ 52,988,367			
Total Investment Income	$ 247,861	$ 224,050	$ 153,022	$ 175,052	$ 253,489	$ 124,431	$ 214,760	$ 224,696	$ 130,026			

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).

Description	Cost	Completed?
Parks and Recreation Facilities		
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