



KNOW YOUR TOWN'S BUDGET

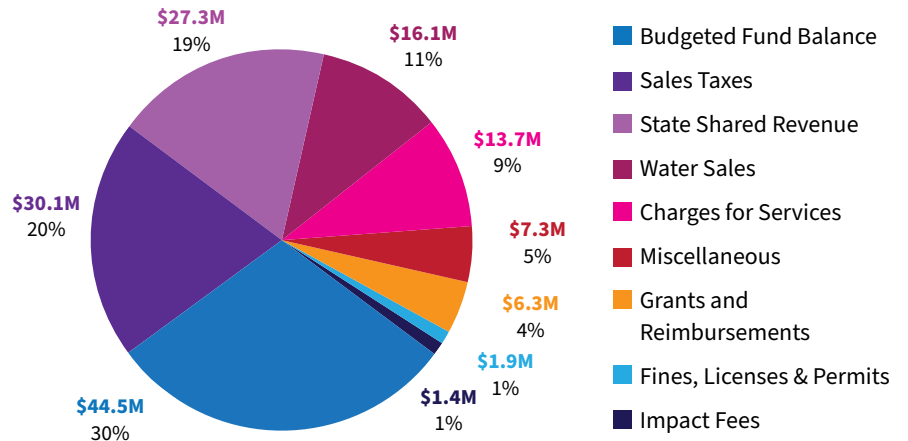
TOWN OF ORO VALLEY | FY 2023/24 BUDGET

Fiscal Year 2023/24 budget is in the amount of \$148.5 million; a \$785,000, or 0.5% increase from the adopted FY 2022/23 budget totaling \$147.7 million.

TOTAL SOURCES

TOWN-WIDE BY CATEGORY

	FY24 Budget	Millions	
Budgeted Fund Balance	44,462,876	\$44.5M	29.9%
Sales Taxes	30,124,334	\$30.1M	20.3%
State Shared Revenue	27,287,830	\$27.3M	18.4%
Water Sales	16,060,000	\$16.1M	10.8%
Charges for Services	13,719,757	\$13.7M	9.2%
Miscellaneous	7,265,241	\$7.3M	4.9%
Grants and Reimbursements	6,339,761	\$6.3M	4.3%
Fines, Licenses & Permits	1,867,118	\$1.9M	1.3%
Impact Fees	1,362,473	\$1.4M	0.9%
	148,489,391	\$148.5M	

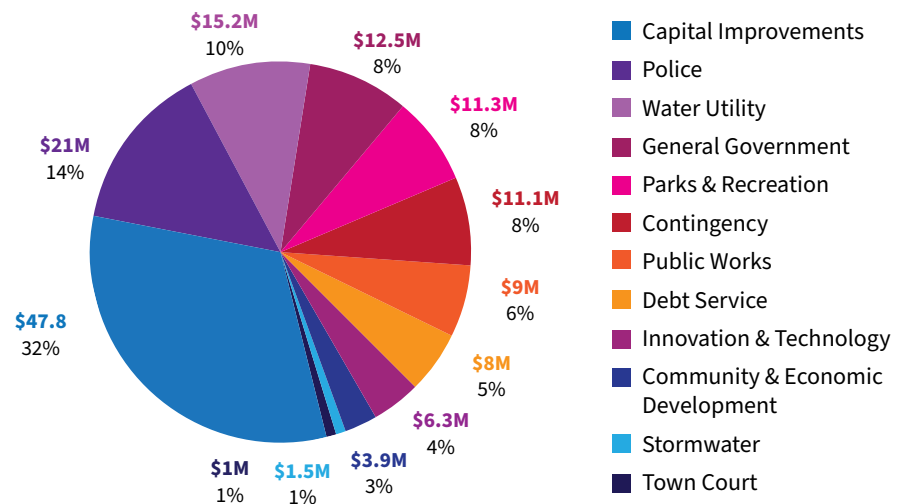


THE TOWN DOES NOT LEVY A PROPERTY TAX

TOTAL USES

TOWN-WIDE BY CATEGORY

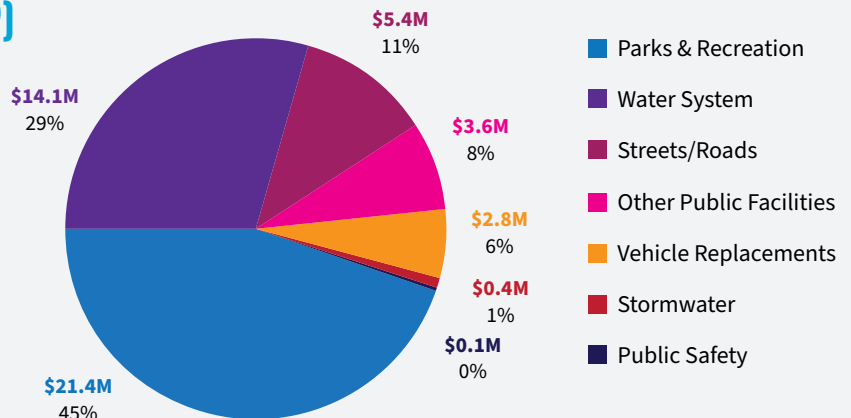
	FY24 Budget	Millions	
Capital Improvements	47,771,435	\$47.8M	32.2%
Police	21,001,948	\$21.0M	14.1%
Water Utility	15,236,316	\$15.2M	10.3%
General Government	12,537,682	\$12.5M	8.4%
Parks & Recreation	11,255,838	\$11.3M	7.6%
Contingency	11,071,610	\$11.1M	7.5%
Public Works	9,035,121	\$9.0M	6.1%
Debt Service	7,957,564	\$8.0M	5.4%
Innovation & Technology	6,271,309	\$6.3M	4.2%
Community & Economic Development	3,882,445	\$3.9M	2.6%
Stormwater	1,457,461	\$1.5M	1.0%
Town Court	1,010,662	\$1.0M	0.7%
	148,489,391	\$148.5M	



CAPITAL IMPROVEMENT PROGRAM (CIP)

FY24 CIP BUDGET BY CATEGORY

	FY24 Budget	Millions	
Parks & Recreation	21,441,089	\$21.4M	44.9%
Water System	14,069,792	\$14.1M	29.5%
Streets/Roads	5,427,534	\$5.4M	11.4%
Other Public Facilities	3,569,820	\$3.6M	7.5%
Vehicle Replacements	2,818,200	\$2.8M	5.9%
Stormwater	365,000	\$0.4M	0.8%
Public Safety	80,000	\$0.1M	0.2%
FY2023/24 Total CIP	\$47,771,435	\$47.8M	



THE TOWN BUDGET: PLANNING FOR THE FUTURE

The budget reflects the careful allocation of available resources towards the services our residents, businesses and visitors value and deserve. The budget is also a long-range planning tool that allows the Town of Oro Valley to review the community's goals and objectives, evaluate and determine what is required to meet those objectives, and develop an implementation strategy.

CAPITAL INVESTMENTS

The Town's budget once again reflects a robust capital investment strategy using one-time revenues to complete the Parks and Recreation bond-funded projects, fund the Town's highly successful Pavement Preservation Program that maintains our high-quality roads, deliver additional CAP water to residents and businesses, and ensure Town facilities are in optimal condition for public use and safety.

RECREATION AND CULTURE

The Town will spend the remaining proceeds from its \$25 million Parks and Recreation bond issuance in FY 2023/24. Supplemented with Capital Fund reserves, Community Center Fund reserves, parks impact fees and federal funding, Naranja Park amenities include additional multi-purpose fields, a splash pad, pickleball courts, skate park and pump track. Community Center improvements include golf course irrigation replacement, multi-use path connections, and parking lot and tennis court reconstruction and expansion.

The master plan process continues for the 202-acre Vistoso Trails Nature Preserve acquired in July 2022. ADA restrooms and other capital improvements for the preserve are included in the FY 2023/24 budget. Continued investment in the historical Steam Pump Ranch property will include the completion of the BBQ and Bunk House restoration and design of the Tack Building renovation. The Community Center, Aquatic Center, and golf courses will also see numerous equipment and facility upgrades and replacements to enhance and improve residents' experience.

PUBLIC SAFETY

Funding public safety continues to be one of the Town's top priorities, with capacity included in the budget for training, up to date equipment and vehicles, health and wellness investments, and a focus on community education and awareness. The Police Department will proactively further best practices by achieving accreditation from the Arizona Law Enforcement Accreditation Program in the FY 23/24 for the Town's evidence facility. Part of the overall public safety ecosystem includes the Town Court and Legal Services, and FY 23/24 will see the commencement of a \$3.1 million expansion and improvement of the Town's Court building to address critical lobby deficiencies and space constraints and vastly improve the efficiency and safety of Court operations.

GENERAL PLAN UPDATE

Nearly \$300,000 is included in the FY 2023/24 budget to begin the process of updating the Town's General Plan, including contract personnel, consulting, interactive website costs and community engagement efforts. Following an extensive and inclusive process, the updated plan will be brought to voters in the fall of 2026.

FINANCIAL STABILITY AND SUSTAINABILITY

The Town is primarily supported by sales tax collections and state-shared revenues, and does not levy a property tax. Long-standing conservative and structurally sound budget practices contribute to healthy reserves, safeguarding the Town and allowing it to continue providing the high level of services our residents expect and deserve. The Town's AA+ debt rating saves the Town and its residents money on debt issuances. Strategic Plan objectives include prioritizing financial stability by evaluating costs, as well as current and potential new revenue sources, and an update of the Town's annexation strategies.

WHAT KINDS OF TAXES DO ORO VALLEY RESIDENTS PAY?



The Town of Oro Valley does NOT levy a property tax; however, Oro Valley property owners pay more than \$31 million every year in property taxes to Pima County and other taxing districts (school districts, fire districts, etc.).

Town residents and visitors pay approximately \$30 million in local sales taxes to Oro Valley each year.

- **4% utility tax (~\$3.5 million/year)**
- **2.5% retail tax and 2.5% restaurant/bar tax (~\$11 million/year)**
- **2.5% + 6.0% hotel and bed tax (~\$3 million/year)**
- **4.0% construction tax (~\$4-7 million/year)**
- **All other categories (~\$2 million/year)**

HOW IS THE BUDGET BALANCED AND HOW ARE FUND BALANCES USED?

The FY 2023/24 Adopted Budget of \$148.5 million comprises 17 separate funds, each with its own balanced budget. Each fund contains its own "savings" account, otherwise known as its fund balance. When revenues are less than expenditures, the Town draws from its fund balance. For FY 2023/24, the Town plans to spend approximately \$33.4 million from its overall beginning fund balance total of \$87 million, leaving \$68.6 million on hand at year end. These are planned uses of funds that have been building up over a period of time being used primarily to cash-fund one-time capital projects and initiatives. In FY 2023/24, the Town is planning to utilize a fund balance of about \$5.2 million in the General Fund.