

KNOW YOUR TOWN'S BUDGET



TOWN OF ORO VALLEY | FY 2016-17 BUDGET

Fiscal Year 2016/17 budget is in the amount of \$117.4 million; a \$2.3 million, or 1.9% decrease from the adopted FY 2015/16 budget totaling \$119.7 million. The 1.9% decrease is attributable to a reduction in budgeted capital expenses due to project completions, as well as a decrease in contingency reserves due to the planned use of these reserves for one-time capital projects.

GENERAL FUND HIGHLIGHTS

- General Fund budget totals **\$33.1 million** (excluding contingency reserves of \$10.0 million).
- Estimated year-end contingency reserve balance in the General Fund for FY 2016/17 is **\$10.0 million**; 30% of the expenditure budget.
- General Fund is balanced, with surplus of **\$56,729**.



KEY REVENUE PROVISIONS

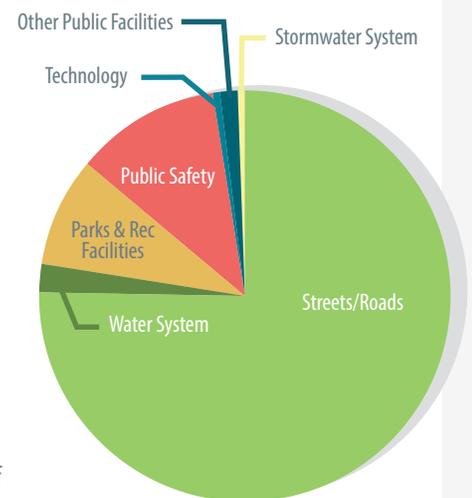
(Reflects all funds, except for first bulletpoint)

- Total FY 2016/17 General Fund revenues are **\$979,000**, or 3.0%, higher than FY 2015/16 budgeted General Fund revenues.
- Total FY 2016/17 local sales taxes are **\$548,000**, or 3.0%, higher than FY 2015/16 budget amounts.
- Charges for Services revenues are **\$807,000**, or 6.3%, lower than FY 2015/16 budget amounts due to reduced revenues budgeted from the Town's Community Center operations.
- Grant revenues are **\$852,000**, or 6.8%, lower than FY 2015/16 budget amounts, which corresponds to reimbursements projected for roadway widening projects occurring in town.
- There is an overall increase of 3.1%, or approximately **\$411,000**, in state-shared revenues (includes Highway User Revenue Funds).

KEY EXPENDITURE PROVISIONS

FY 2016/17 Capital Improvement Projects (CIP) in the amount of **\$19,803,000** include:

Streets/Roads	\$12,652,000
Water System	\$3,385,000
Parks & Rec Facilities	\$1,444,000
Public Safety	\$1,945,000
Technology	\$90,000
Other Public Facilities	\$237,000
Stormwater System	\$50,000



- Includes funding for merit and step increases for eligible employees at an estimated cost of **\$445,000** (all funds).
- Department operations and maintenance budgets in the General Fund are slightly higher by 1.2%, or **\$91,000**, than adopted FY 2015/16 levels.

The Town Budget: What's in it for residents?

The budget process—and the document itself—can be overwhelming. Sometimes residents just want a snapshot of what it means for them. How will budget decisions impact their quality of life?

Oro Valley Community Center

The Town acquired the El Conquistador Country Club on May 1, 2015 for the purpose of fulfilling a long-time request by the community for a Community Center. This facility serves as a community gathering place and focal point for programs for community members. This year's budget includes significant capital funding for continued facility improvements totaling \$596,000 in the golf, tennis, restaurant and fitness facilities. The budget also includes funding for new fitness machines and equipment and enhanced programming for all ages. The operations of the Community Center are accounted for in its own fund within the budget, separate from the General Fund, the Town's main operating fund.

Parks and Recreation

In an effort to continue meeting the community's needs for parks and recreational amenities, this year's budget includes funding of \$350,000 to begin the construction of two new unlit multi-purpose fields at Naranja Park. Funding of \$380,000 to complete the field construction is programmed in FY 2017/18. Also budgeted are improvements to the Aquatic Center pool heating system totaling \$148,000, expanded opportunities for kids' summer recreation camps, and \$50,000 in funding to oversee the grass fields at Naranja Park and CDO Riverfront Park.

Public safety programs

The Oro Valley Police Department (OVPD) implements several community-based programs to enhance public safety, including School Resource Officers, Dispose-A-Med, Adopt-A-Business, Rape Aggression Defense (RAD) Training, Coffee with a Cop and Citizen Volunteer Assistants Program (CVAP). These, and many more community-based programs and services, receive funding from the Town because they play a valuable role in keeping our residents actively engaged in public safety.

Pavement preservation

The Town of Oro Valley is well known for having quality infrastructure. The budget includes \$1.15 million for the Pavement Preservation Program in the Highway Fund, which maintains the current condition of our roads. Oro Valley is known for having the best roads in the region, and the amount of maintenance expected to be delivered remains at a level which will not allow the infrastructure to deteriorate.

Reliable, quality water

The Oro Valley Water Utility takes very seriously its responsibility to ensure the protection of public health and safety through the production and efficient delivery of water that meets and/or exceeds water quality standards. Great care is taken to manage this valuable resource, through use of reclaimed water, distribution of Central Arizona Project (CAP) water and advanced meter reading infrastructure.

Special events

The Town's budget ensures funding for special events that bring the community together in celebration, such as the annual July 4th Celebration, Holiday Tree Lighting Celebration, and seasonal festivals at Steam Pump Ranch. The Town also partners with community members and organizations to fund four concert series programs (34 concert performances), as well as the Oro Valley Festival of the Arts and the Cruise, BBQ and Blues Classic Car Show.

Transportation

Through its partnership with the Regional Transportation Authority, the Town of Oro Valley has begun its fourth year of funding Sun Shuttle Dial-A-Ride. This transit service, for which everyone is eligible, works in tandem with the Sun Tran system for the general public, and provides direct service for seniors and disabled community members. In addition, several major road improvements are planned for FY 2015/16 with nearly \$10 million included in the budget from the Pima Association of Governments (PAG) and the Regional Transportation Authority (RTA) to fund the widening of La Cholla Boulevard, Tangerine Road, West Lambert Lane and Naranja Road.

WHAT KIND 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 \$28 million every year in primary property taxes to Pima County.

Town residents pay approximately **\$465 per year, per household** in taxes to Oro Valley.

- 4% utility tax (\$3 million/year)
- 2.5% retail tax and 2.5% restaurant/bar tax (\$5.6 million/year)
- Total = \$8.6 million divided by 18,500 households = \$465 per household/year.

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

The FY 2016/17 Manager's Recommended Budget of \$117.4 is comprised of 23 separate funds, each with their own balanced budgets. Each fund contains its own "savings" account, otherwise known as its fund balance. When budgeted revenues are more than budgeted expenditures, the Town adds to its fund balance. When budgeted revenues are less than budgeted expenditures, the Town draws from its fund balance. For FY 2016/17, the Town plans to draw down, or spend, approximately \$6.6 million from its overall beginning fund balance total of nearly \$41 million, leaving approximately \$34 million on hand in the overall fund balance at year-end. These are planned uses of funds that have been building up over a period of time and are being used primarily to cash-fund capital projects in order to avoid going into debt to complete these projects. It is important to note that the Town's main operating fund, the General Fund, is planning to add to its fund balance in FY 2016/17 with a projected surplus of nearly \$57,000.