



Town of Oro Valley Annual Budget FY2015-16





ORO VALLEY, *it's in our nature*

ANNUAL BUDGET **2015 – 2016**



Community Vision

Oro Valley is a community defined by the highest standards of environmental integrity, education, infrastructure, services and public safety. It is a community of people working together to create the Town's future with a government that is responsive to residents and ensures the long-term financial stability of the Town.

Mission

Govern efficiently, inclusively and responsively to promote community health, safety and a sustainable quality of life for residents, business and visitors.

Organizational Values

We are strongly committed to:

- Honesty, Integrity, Trustworthiness
- Openness, Accountability, Transparent Government
- Respect for Diversity
- Creativity, Teamwork and Continuous Improvement
- Excellent Service

Table of Contents

Introduction

Budget Message	1
"Know Your Town's Budget"	11
Community Profile	15
History of Oro Valley	19
Budget Document Guide	23
Mayor and Council	27
Organizational Chart	29
Strategic Plan	31
General Plan	37
Fund Structure	39
Financial and Budgetary Policies	43
Budget Process	51

Financial Overview

Budget Overview	55
Fund Balances	61
Historical Fund Balances	65
Budget Summary	69
Revenue Summary	71
Revenue Schedule by Fund	75
Revenue Sources	85
Expenditure Summary	95
Expenditure Schedule by Fund	99
Expenditures by Program	101
Personnel Summary	105
Personnel Summary by Fund	107
Personnel Schedule	109
Debt Service	115
Debt Service Schedules	119
Long Term Forecast	125

Program Budgets

Clerk	131
Council	135
Development & Infrastructure Services	139
Finance	171
General Administration	177

Program Budgets Cont'd

Human Resources	179
Information Technology	183
Legal	193
Magistrate Court	197
Town Manager's Office	201
Bed Tax Fund	207
Parks and Recreation	209
Community Center & Golf Fund	223
Parks and Recreation Impact Fee Fund	225
Naranja Park Fund	227
Police	229
Police Impact Fee Fund	251
Water Utility	253
Alternative Water Resource Development Impact Fee Fund	261
Potable Water System Development Impact Fee Fund	263
Municipal Debt Service Fund	265
Oracle Road Improvement District Debt Service Fund	267
Library Impact Fee Fund	269
General Government CIP Fund	271
Benefit Self Insurance Fund	273

Capital Improvement Program

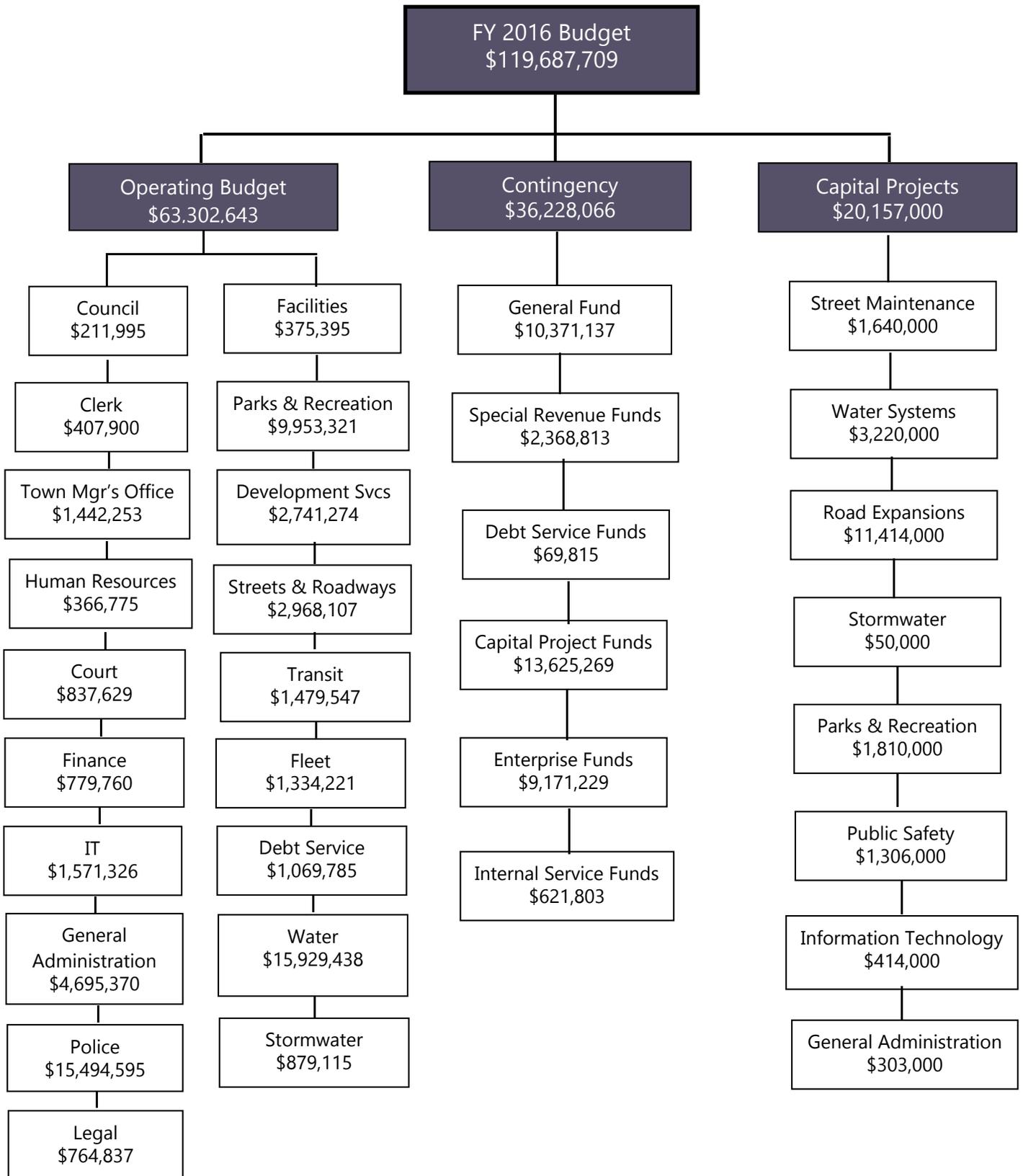
Program Overview	275
Projects by Fund	281
Map of Projects	287
Project Descriptions	288

Appendix

Resolution Adoption	309
Auditor General Statements	313
Glossary	325

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Financial Organizational Chart



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Oro Valley

Arizona

For the Fiscal Year Beginning

July 1, 2014

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Town of Oro Valley, Arizona for its annual budget for the fiscal year beginning July 1, 2014.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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INTRODUCTION

Budget Message
"Know Your Town's Budget"
Community Profile
History of Oro Valley
Budget Document Guide
Mayor and Council
Organizational Chart
Strategic Plan
General Plan
Fund Structure
Financial & Budgetary Policies
Budget Process



Budget Message

Greg Caton, Town Manager



To All Oro Valley Residents and the Honorable Mayor and Town Councilmembers:

It is my privilege to present the Town of Oro Valley balanced budget for fiscal year 2015/2016. The FY 2015/16 adopted budget totals \$119.7 million, a \$12.6 million, or 11.8%, increase from the adopted FY 2014/15 budget totaling \$107.1 million.

The budget represents the allocation of resources to achieve the goals identified in the newly-adopted Strategic Plan and the voter-approved General Plan.

During FY 2014/15, Town Council updated its two-year Strategic Plan, and the guiding principles in this document were used to develop the FY 2015/16 budget. The 2015 Strategic Plan is organized around the framework of five (5) focus areas. These focus areas, if addressed collectively, assist the Town in achieving its mission:

- Fiscal Responsibility
- Communication
- Economic Development
- Parks, Recreation, and Cultural Development
- Community Infrastructure and Services

Fiscal Responsibility

Fiscal responsibility is paramount to the operations at the Town of Oro Valley. We have been fiscally prudent for years and have taken operational savings and reinvested in technology and capital improvements to improve service to the community. We continue to use one-time revenues only for one-time expenses. This allows us to quickly adapt to a changing environment without impacts to service delivery that the community has grown accustomed to expect. We continue to “live within our means” on an operational basis and only using ongoing revenues to support ongoing expenses.

Growth Projections

Critical to our success in this area is the preparation of realistic growth assumptions that help guide our revenue projections. We continue to see modest economic growth in Oro Valley and the region. The FY 2015/16 budget reflects a slight softening of the forecasted growth trends included in the 2014/15 budget. The residential development market was the first to show signs of recovery post-recession. The projected residential development is considerable over the next five-year horizon; however, it will be spread out more than originally projected as we saw production homes going vertical at a slower pace than projected in FY 2014/15. Currently, there is an inventory of just over 1,600 residential lots available in residential developments under construction town-wide. In FY 2014/15, we estimate that 143 single family

residential (SFR) building permits will be issued. The FY 2015/16 budget includes the assumption that 200 SFRs will be issued during the year.

The adopted budget reflects modest commercial activity with some new construction and tenant improvements of previously-vacant space. We expect growth to be very slow in the short-term and gradually increase as more homes are added to the community.

Based on these assumptions, the FY 2015/16 adopted budget includes the transfer of one-time revenues totaling \$1.1 million from the General Fund to the General Government CIP Fund for capital projects.

Staffing and Compensation

During FY 2014/15, the Town implemented the results of a salary market survey that was conducted to compare our employee compensation to the market. With these adjustments to employee compensation through the last budget process, the organization is less likely to see employees leave strictly for compensation reasons. As a result, scarce funding is not spent on training new employees. Employee turnover can be very costly for an organization.

The organization reduced staffing over the recessionary period. The staff reduction was accomplished, for the most part, without major modifications to our service or program delivery. We continue to make significant investments in public safety, transportation and pavement preservation, parks and recreation, and water delivery. We provide these services with a very streamlined, efficient and well-trained work force.

One of the biggest challenges for the organization is that services and program expectations are outpacing our ability to increase staffing levels. Our staff has been "doing more with less" for several years now, and this is not sustainable in the long term. In the short term, staff is committed to providing the highest level of service with the current staffing levels. We are seeing increases in a variety of workload indicators. We have the ability to provide the current level of services and programs to the community with the resources we have; however, community expectations do not remain stagnant. This is where the challenge for management is created.

The Town of Oro Valley provides services and programs that are required by law and expected by the community members. The delivery of high-quality services and programs are a direct result of strong leadership and the Town's expert staff members.

During the recession, the Town reduced staff considerably. In FY 2008/09, the adopted budget included 389 full-time equivalent (FTE) positions. The FY 2015/16 adopted budget includes a total of 358 authorized FTE positions. The Town has also reduced full-time, benefited positions from 332 in FY 2008/09, to 296 in the FY 2015/16 budget.

The FY 2015/16 budget includes capacity for step and merit increases, new positions, reclassifications and health insurance premium increases as discussed below.

The following table outlines new positions that have been included in the FY 2015/16 budget:

NEW POSITIONS				
Position/Title	FTE	Department	Fund	FY 15/16 Salary + Benefits
Assistant Recreation Manager	1.00	Parks & Rec	CC & Golf Fund	46,796
Senior Office Specialist	1.00	Parks & Rec	CC & Golf Fund	39,555
Facilities Maintenance Technician	2.00	Parks & Rec	CC & Golf Fund	102,822
Custodian	0.96	Parks & Rec	CC & Golf Fund	25,688
Facility Attendant	2.94	Parks & Rec	CC & Golf Fund	54,288
Recreation Leader	0.96	Parks & Rec	CC & Golf Fund	29,640
Recreation Aide	2.00	Parks & Rec	CC & Golf Fund	49,296
Fitness Instructor	1.50	Parks & Rec	CC & Golf Fund	46,800
Recreation Leader	1.00	Parks & Rec	General Fund	44,794
Construction Inspector	1.00	DIS	PAG/RTA Fund	64,795
Heavy Equipment Operator III	1.00	DIS	Highway Fund	59,452
Water Resources & Planning Mgr	1.00	Water	Water Util Fund	129,678
TOTAL	16.36			\$693,604

The FTE increase attributable to the Town's new Community and Recreation Center totals 12.36, while the remaining four (4) full-time FTEs are for Parks and Recreation, Development and Infrastructure Services (DIS) and the Water Utility. In Parks and Recreation, a recreation leader is included in the General Fund to assist with and enhance the recreation programs currently offered by the Town. In DIS, a construction inspector is included in the new PAG/RTA Fund to assist with the large volume of Pima Association of Government (PAG) and Regional Transportation Authority (RTA) funded Town roadway construction projects on the horizon. This is a temporary position that will be fully funded by project proceeds from PAG and the RTA and will terminate when the projects are completed. A heavy equipment operator III is included in the Highway Fund to supervise a second Arizona Department of Corrections (ADC) crew. Utilizing ADC personnel to assist with median landscaping and vegetation control is a significant cost savings to the Town; therefore, this second crew was approved for FY 2015/16. Finally, a water resources and planning manager is included in the Water Utility for business continuity of the organization and efficient administration of department operations.

Other position changes include the removal of two (2) vacant, full-time senior park maintenance positions to be replaced by contract personnel, as well as the removal of a vacant school resource officer position in the Police Department for Pusch Ridge Christian Academy due to lack of funding. Additionally, there is approximately \$4,900 included in the budget for reclassifications of four (4) positions in the Water Utility department.

The FY 2015/16 budget continues the commitment to recognize the efforts of our Town employees with capacity included of approximately \$580,000 for public safety employee step increases and up to a 4% performance merit increase for non-public safety employees.

After years of trending low in our health claims costs, we have seen a spike in these costs during FY 2014/15. The FY 2015/16 budget includes 10% health insurance premium increases for both the employee

and the Town contributions, and it is expected that annual, incremental increases will continue over the next few years in order to adequately prepare for possible future large claims.

Vehicle and Computer Replacement

Fiscal responsibility also requires the discipline to develop and fund a vehicle replacement program, which we have done, in order to reduce one-time expense shocks to the budget. More specifically, when we purchase a vehicle, the following year, we begin to set aside funding to replace that vehicle when it completes its lifecycle. The FY 2015/16 budget includes \$184,000 set aside in the Fleet Fund for the future replacement of vehicles.

The budget also includes the replacement of seven (7) marked police vehicles; three (3) unmarked police vehicles; one (1) truck for DIS operations; and matching funds for five (5) grant-funded Transit vehicles at a total budgeted cost of \$523,600. The Water Utility will replace five (5) vehicles at a budgeted cost of \$179,000.

The budget also includes \$263,000 for the replacement of desktop computers, servers and mobile data computers (MDCs) to ensure that Town employees have the appropriate tools to do their jobs.

Communication

Communication is critical to educating and informing the community about the activities of the Town. We continue to support the mailing of the *Oro Valley Vista*, the Town's newsletter. Last year, we revamped the *Vista* to a bi-monthly publication and budgeted for the dissemination via the Town's water bill. This has been widely recognized as an improved method of communicating with residents. The FY 2015/16 budget includes \$11,750 to continue production on a bi-monthly basis.

Additionally, in the Communications Division, and throughout the organization, staff continues to utilize social media in an effort to promote events, activities, and general Town updates. The Town continues to invest in the Town's website, which has seen significant increased traffic since the redesign. These improvements are all accomplished through internal resources.

Face-to-face interaction with residents continues to be a critical component to communication. In the Police Department, programs such as Coffee with a Cop, Adopt-A-Business program, and the Citizens Police Academy continue to keep the Police Department engaged with the community and the community engaged with the Police Department. The Town also invests considerable resources into communicating via neighborhood meetings and homeowner association meetings. This has proven beneficial to maintaining two-way dialogue with residents.

The Town continues the process of updating the General Plan, which is expected to go before voters in November of 2016. The public outreach efforts on this project have won awards for the extensive, comprehensive approach that has been underway for the past two years. We continue our development of this important document and have had overwhelming community involvement. The FY 2015/16 budget includes \$180,000 to support these update efforts.

Economic Development

Economic development is the effort towards investing in our business sector, which will help create a vibrant community. The Town has a successful track record of recruiting and retaining primary employers. Primary employers are businesses that create more wealth than can be consumed in the local market. Additionally, the Town has built an excellent reputation as a community where bioscience and high-technology companies want to locate. We are increasing our investment in recruitment in order to build the pipeline for future businesses. We continue to work with the Arizona Commerce Authority (ACA) and Sun Corridor, formerly Tucson Regional Economic Opportunities (TREO), to assist us in our efforts.

Another important component to economic development is business retention and attraction. We have seen some recent retention efforts pay off and will continue to invest resources in this area. The Town also values its partnership with the Greater Oro Valley Chamber of Commerce, and the FY 2015/16 budget includes \$30,000 from the Bed Tax Fund to support this partnership.

The Town has made great progress in becoming a place to locate a business. In many cases, successful businesses in the metropolitan area are looking for additional locations in which to expand, and Oro Valley is their destination. We continue to work closely with businesses through our "shop local" campaigns. Oro Valley Dollars, the buy local gift card, continues to serve as a great tool for buying local and has proven to be a great way to encourage local spending for tourists visiting for local events.

An exciting project potentially on the horizon for the coming year is the development of a bioscience accelerator in Oro Valley. Partnering with the Town on this effort are Pima County and local stakeholders, which include a number of private sector companies and individuals. Funding for this project is included as part of a County-wide bond election in November 2015. Should this initiative pass, the bioscience accelerator will dramatically improve the Town's ability to "grow our own" businesses.

Tourism continues to be an important part of the Town's brand and our revenue stream. We have budgeted to increase the funding to Visit Tucson to \$215,000 in 2015/16, up from \$175,000 in the 2014/15 budget year. Visit Tucson serves as the regional visitor's bureau that markets the entire area. Visit Tucson has been a great partner with the Town as we look to meet our strategic goal of developing and attracting youth and amateur sporting events. They continue to create opportunities for events at the Aquatic Center and will certainly play a role in scheduling events at the Community and Recreation Center.

Parks, Recreation, and Cultural Development

Parks, Recreation, and Cultural Development is an area of significant increased investment over the recent years. Since the authorization of \$5 million for the Aquatic Center expansion in 2011/12, we have continued to add facilities, programs and events under the management of the Parks and Recreation Department.

In 2015/16, the largest addition to this area is the Community and Recreation Center. This is a new division within the Parks and Recreation Department and adds over \$8 million in operational and capital expenses and accompanying revenues of over \$7.4 million, including the 0.5% dedicated sales tax revenues of \$2 million. These operations will be accounted for in a new fund, the Community Center and Golf Fund. The acquisition of the El Conquistador Country Club for \$1 million for the purposes of a

Community and Recreation Center serves to fulfill a long-time request by community members. This facility will evolve over time, but will serve as a community gathering place and focal point for programs for community members. This will be a focus of our efforts for years to come as this facility transitions into the community center that meets the community's desires. The first of three annual payments (\$300,000) toward the \$1 million acquisition cost is included in the General Government CIP Fund in the FY 2015/16 budget.

Special events and recreation programs continue to be well-received by the community and are a strategic focus for the Town. In budget year 2014/15, we funded the Oro Valley Meet Yourself event, and we have included funding at \$20,000 for 2015/16.

The budget includes funding to continue several successful public-non-profit partnerships in this area. In 2014/15, the Town funded a \$200,000 one-time startup capital contribution to the Oro Valley Children's Museum and \$37,500 in operational contribution. For 2015/16, we have planned for the continued annual contribution of \$75,000 for the museum.

To further promote arts and culture in Oro Valley, our partnership with the Southern Arizona Arts & Cultural Alliance (SAACA) will continue with funding of \$32,300 included in the budget. This funding will continue to support the concert events at Oro Valley Marketplace and Steam Pump Ranch, as well as the Just for Kids Concert Series. Additional programming next year by SAACA includes the Oro Valley Festival of the Arts and the Cruise, BBQ and Blues Classic Car Show. Finally, funding in the amount of \$10,000 is included in the budget to partner with Tohono Chul Park on the planning and design of an outdoor performance venue at the park.

Other FY 2015/16 funded investments in our Parks and Recreation facilities include the following:

- Archery range improvements (\$15,000)
- Directional and trail kiosk signage at Honeybee Canyon Park (\$15,000)
- Large ramada at Naranja Park (\$40,000)
- Aquatic Center parking lot lighting (\$200,000)

Community Infrastructure and Services

All Town functions contribute to the overall quality of life for residents. From our recognized Police Department to the top-notch Water Utility, and everything in between, these services contribute to what makes Oro Valley a special place for residents to call home. The Town performed well during the recession because of its commitment to maintaining service levels in the Town's four primary service areas: Public Safety, Transportation, Water, and Parks and Recreation. Because we held true to these four primary service areas, these areas are now recognized for their exceptional service and programs provided to the community. The Town's strength in the delivery of community services has led to sustained activity in building development and economic development. The refocus, and streamlining, of the development process has placed Oro Valley on the map for the development community. The development community continues to see Oro Valley as a place to invest and do business.

The Town's departments on the front lines of programming and service delivery plan to continue the high quality the community has grown to expect. The operational departments are supported by internal service departments, such as Human Resources, Information Technology, Finance, Legal Services, etc.

These internal service departments are the backbone of the organization and have seen significant reductions in staffing. They continue to support the organization as we continue to push ourselves to outperform our previous service levels.

The Town has earned a great reputation for our excellent roadway system. Several major road improvements will impact our community over the coming years with funds included in the FY 2015/16 budget from PAG and the RTA. These include the following:

- Widening of La Cholla Blvd., from Lambert Lane to Tangerine (\$2M)
- Widening of Tangerine, from La Cañada Dr. to Shannon Rd. (\$2.86M)
- Widening of West Lambert Lane, from La Cañada Dr. to La Cholla Blvd. (\$4.05M)
- Widening of Naranja Rd., from La Cholla Blvd. to Shannon Rd. (\$2M)

The 2015/16 budget also includes \$1.35 million in the Highway Fund for the pavement preservation program.

The Town is completing the advanced metering infrastructure (AMI) project in the Water Utility during FY 2015/16 with \$1.8 million included in the budget for these efforts.

Other significant community infrastructure projects funded in the FY 2015/16 budget include the following:

- Police Evidence Facility - \$1.2M included to begin design and possible construction with completion in FY 2016/17
- Community Center and Golf Course Facility Improvements - \$1.115M included for ADA accessibility improvements, aesthetic interior and exterior improvements and golf course improvements
- Multi-Use Path along Palisades Road - \$284,000 requested from RTA for funding
- Courtroom Remodel and Bench Redesign - \$165,000 included for courtroom public seating replacement and remodel for improved safety and efficiency

New Initiatives

In recent years, we heard interest from the soccer community to oversee our parks during the winter season. In 2014/15, we implemented a pilot program of overseeding the grass at Riverfront Park in the winter months. This was very well received by the user groups, so we plan to continue the overseeding at Riverfront Park and expand the program to Naranja Park in 2015/16. This requires additional labor to maintain the winter turf and increased water costs for irrigation; therefore, the budget includes \$50,000 for overseeding at both parks. Additionally, after the recent \$2.3 million capital project at Naranja Park, it is our first park serviced by reclaimed water.

Another significant initiative in the Parks and Recreation Department is a pilot program to outsource a portion of the park maintenance efforts. We have eliminated two (2) full-time, benefited maintenance positions in the Parks division due to recent vacancies, and will utilize this budget capacity of \$100,000 to fund contracted resources that will perform similar duties.

As referenced earlier, the Town implemented a program several years ago to utilize Arizona Department of Correction (ADC) inmates to perform some maintenance and vegetation removal/clearing tasks. This program has been extremely successful, and we are adding another crew in FY 2015/16 at a budgeted cost of \$100,000 to include the supervisor, contract payment to ADC and one-time costs for a trailer and equipment. This will allow us to continue to meet the community's high expectations for vegetation appearance as additional in-house projects are accomplished.

Funding of \$15,000 is also included in the budget for video conferencing equipment to establish an "alternative to jail" program in partnership with Tucson City Court. This program includes establishing a video link to a Tucson City Court judge who will review arrest warrants to determine whether the defendants should be booked into jail or released with a new court date. This is intended to reduce both incarceration costs to the Town, as well as police transport time to and from the Pima County Jail.

Conclusion

The FY 2015/16 budget continues to further the goals and initiatives of the Town's Strategic Plan and allocates resources to the broad spectrum of community services so highly valued in Oro Valley. This budget continues to maintain the Town's fiscal health while investing in its future. The budget takes a measured approach to carefully plan where each new dollar generated from growth is allocated, ensuring that this and future budgets continue to be structurally balanced.

I appreciate the Town Council for providing the long-term vision and support that are crucial for the Town to achieve its goals. I would also like to recognize the contributions of the Town staff for continuing to deliver community services efficiently and effectively and within budgeted resources. The Town of Oro Valley is well-positioned to maintain an excellent quality of life for our residents and a strong economic base for local businesses.

Sincerely,



Greg Caton
Town Manager



Town of Oro Valley

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KNOW YOUR TOWN'S BUDGET



TOWN OF ORO VALLEY | FY 2015-16 BUDGET

The Fiscal Year 2015/16 budget is in the amount of \$119.7 million; a \$12.6 million, or 11.8% increase from the adopted FY 2014/15 budget totaling \$107.1 million. The 11.8% increase is due to the addition of the Community Center and Golf Fund operations, as well as an increase in outside funding for roadway widening projects.

GENERAL FUND HIGHLIGHTS

- General Fund budget totals **\$31.6 million** (excluding contingency reserves of \$10.4 million)
- Estimated year-end contingency reserve balance in the General Fund for FY 2015/16 is **\$10.4 million**; 33% of the expenditure budget.
- General Fund is balanced, with a surplus of **\$514,521**.



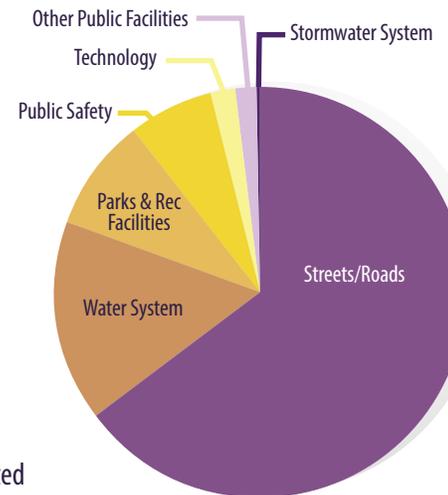
KEY REVENUE PROVISIONS

- Total FY 2015/16 General Fund revenues are **\$114,000**, or 0.4%, lower than FY 2014/15 budgeted General Fund revenues.
- Total FY 2015/16 local sales taxes are **\$1.7 million**, or 10%, higher than FY 2014/15 budget amounts, largely due to implementation of a new half-cent sales tax dedicated to Community Center and Golf Fund operations.
- Charges for Services revenues are **\$5.5 million**, or nearly 75%, higher than FY 2014/15 budget amounts due to the addition of the Community Center and Golf Fund operations.
- Grant revenues are **\$5.9 million**, or 89.4%, higher than FY 2014/15 budget amounts due to reimbursement for several roadway widening projects.
- There is an overall increase of 2.7%, or approximately **\$355,000**, in state-shared revenues (includes HURF).

KEY EXPENDITURE PROVISIONS

FY 2015/16 Capital Improvement Projects (CIP) in the amount of \$20,157,000 include:

Streets/Roads	\$13,054,000
Water System	\$3,220,000
Parks & Rec Facilities	\$1,810,000
Public Safety	\$1,306,000
Technology	\$414,000
Other Public Facilities	\$303,000
Stormwater System	\$50,000



- This budget includes funding for merit and step increases for eligible employees at an estimated cost of **\$580,000** (all funds).
- Department operations and maintenance budgets in the General Fund are slightly higher by 0.8%, or **\$61,000**, than adopted FY 2014/15 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 & Recreation 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 and recreation center. This facility will serve as a community gathering place and focal point for programs. This formerly semi-private facility is now open to the public and offers golf and fitness memberships, swimming, tennis, a full-service restaurant and café and a wide variety of cross-generational programming.

Parks and Recreation

In an effort to continue meeting the community's needs for parks and recreational amenities, this year's budget includes funding for additional improvements at the Aquatic Center and archery range, a new, large ramada at Naranja Park, and funding to oversee the grass fields at Naranja Park and CDO Riverfront Park.

Pavement preservation

The Town of Oro Valley is well known for having quality infrastructure. The budget includes \$1.3 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.

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.

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, Oro Valley Meet Yourself and seasonal festivals at Steam Pump Ranch. The Town also partners with community members and organizations to fund three concert series programs (29 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 \$27 million every year in primary property taxes to Pima County.

Town residents pay approximately \$448 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 (\$5.3 million/year)
- Total = \$8.3 million divided by 18,500 households = \$448 per household/year.

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

The adopted budget of \$119.7 comprises 24 separate funds, each with their own balanced budgets. Each fund contains its own "savings" account, otherwise known as a 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 2015/16, the Town plans to draw down, or spend, approximately \$3.6 million from its overall beginning fund balance total of nearly \$40 million, leaving approximately \$36 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 2015/16 with a projected surplus of nearly \$515,000.



Town of Oro Valley

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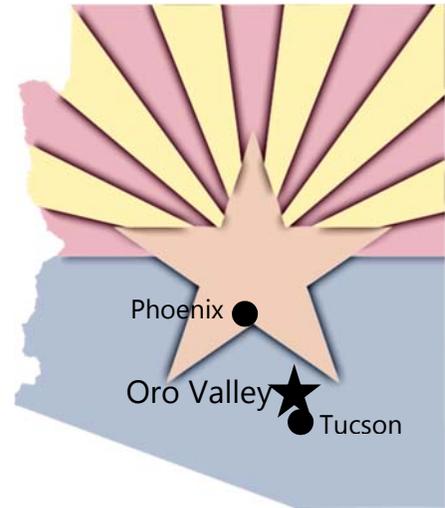
Community Profile

Oro Valley, Arizona

Oro Valley is located in northern Pima County approximately three miles north of the Tucson city limits. Nestled between the Catalina and Tortolita mountain ranges, the town sits at an elevation of 2,620 feet and covers more than 36 square miles.

ACCOLADES

- One of America’s 10 Safest Suburbs – Movoto Real Estate, 2014
- Best Place in Arizona to Raise Kids – Bloomberg Businessweek, 2013
- Playful City USA Community, 2011-2014
- 10 Best Towns for Families – Family Circle Magazine, August 2008
- 100 Best Places in America to Live and Launch a Small Business – Fortune Small Business Magazine, April 2008



CLIMATE

When it comes to climate, Oro Valley is one of the sunniest, most comfortable places in the country. High temperatures average 83.4 degrees while lows average 53.8 degrees.

PRINCIPAL ECONOMIC ACTIVITIES

- Biotechnology/medical
- Recreation/resort/leisure
- Arts and culture

Basic Information

Founded: 1881	Distance to Major Cities:
Incorporated: 1974	Phoenix 109 miles, Tucson 3 miles
County: Pima	Legislative District: 9, 11
Congressional District: 1	Form of Government: Council – Manager

Age & Gender Composition

Male	47.4%
Female	52.6%
Median Age	49.6

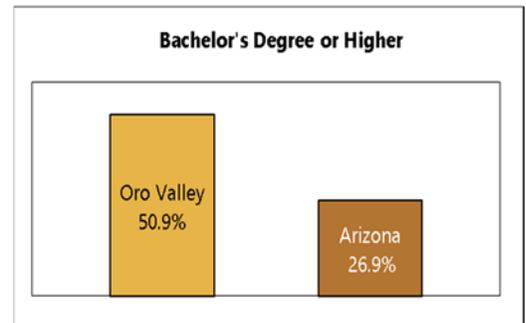
Under 5 years	4.1%
5 to 9 years	6.0%
10 to 14 years	5.1%
15 to 19 years	6.6%
20 to 34 years	11.7%
35 to 44 years	10.1%
45 to 54 years	14.2%
55 to 64 years	14.9%
65 + years	27.3%

Source: US Census Bureau, 2013 American Community Survey

<u>Population</u>	1990	2000	2013 (est.)
Oro Valley	6,670	29,700	41,668
Pima County	666,880	843,746	996,046
Arizona	3,665,228	5,130,632	6,581,054

Source: US Census Bureau and Arizona Department of Commerce

Education Attainment

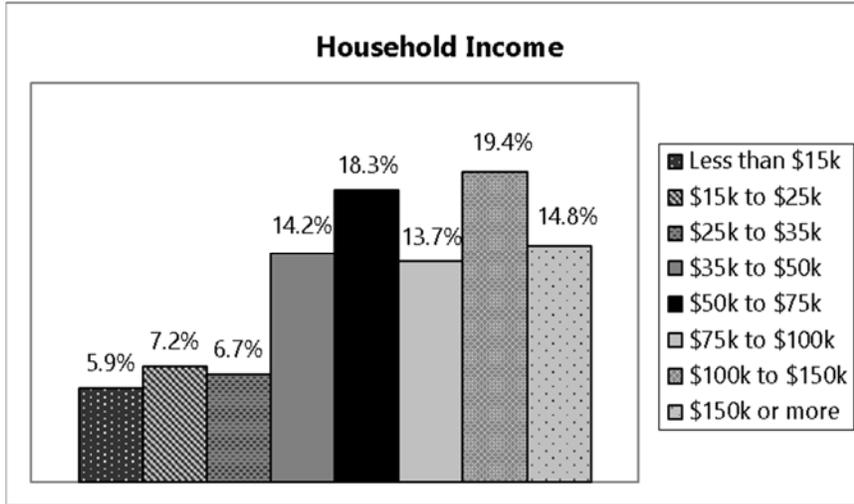


Source: US Census Bureau, 2013 American Community Survey

<u>Labor Force</u>	1990	2000	2013
Civilian Labor Force	3,201	13,741	17,974
Unemployed	102	353	1,075
Unemployment Rate	3.2%	2.6%	6.0%

Source: US Census Bureau and Arizona Department of Commerce

Community Profile



Source: US Census Bureau, 2013 American Community Survey

Major Employers

Ventana Medical Systems, a member of the Roche Group

Oro Valley Hospital

Amphitheater School District

Hilton El Conquistador Golf & Tennis Resort

Town of Oro Valley

Walmart

Fry's Food & Drug Store

Meggitt Securaplane

Splendido at Rancho Vistoso

Home Values

Less than \$50k	1.8%
\$50k to \$99k	1.0%
\$100k to \$199k	17.1%
\$200k to \$299k	35.7%
\$300k to \$499k	32.4%
\$500k to \$999k	10.9%
\$1M or more	1.0%

Source: US Census Bureau, 2013 American Community Survey

Community Facilities

Oro Valley is home to more than 440 acres of parks, a recently acquired community and recreation center, a competition-level aquatic center, an archery range, lighted ball fields, tennis courts and an accessible playground. In addition to aquatic events, Oro Valley hosts a number of sporting events, including triathlons, duathlons and marathons.

Educational Institutions	Public	Private
Elementary	Y	Y
High School	Y	Y

Financial

Number of banks: 10

Government

Fire Departments:

Golder Ranch Fire District, Mountain Vista Fire District

Law Enforcement: Oro Valley Police Department

Medical

Oro Valley Hospital, Rancho Vistoso Urgent Care, Southern Arizona Urgent Care

Hotel & Lodging

Number of Rooms: 585

Source: AZ Dept of Commerce and Oro Valley Business Navigator

Taxes

Property Tax Rate

(per \$100 assessed valuation)

Elementary/High Schools	\$5.85
Countywide	\$7.70
Fire District	\$2.18
Town of Oro Valley	\$0.00

Total \$15.73

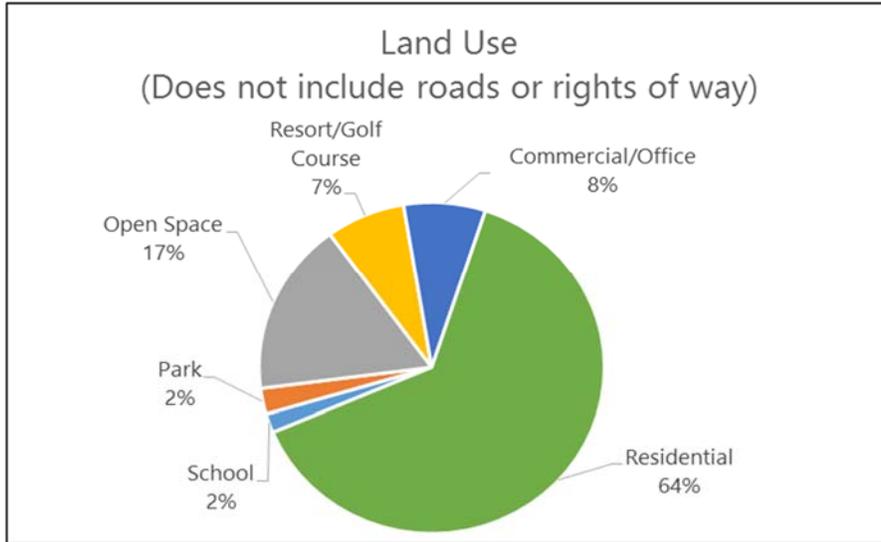
Source: Pima County Treasurer's Office, 2014

Sales Tax

City/Town	2.5%
County	0.5%
State	5.6%

Source: League of Arizona Cities and Towns, Arizona Dept of Revenue

Community Profile



Disclaimer: Non-surveyed data – for planning purposes only

Service Statistics



Police:

Sworn Personnel: 100.00
 Non-Sworn Personnel: 33.13
 Total Police Personnel: 133.13
 Avg. Emergency Response Time:
 Priority 1 calls 3.55 minutes
 Priority 2 calls 4.78 minutes



Water:

Customer Base: 19,176
 Conservation Audits: 106
 Billing Collection Rate: 98.8%



Parks and Recreation:

Number of Parks: 7
 Park Acres Maintained: 772
 Miles of Trails & Paths: 76
 Recreation Programs Offered: 33



Street Maintenance:

Total Town Lane Miles: 421
 FY 14/15 Lane Miles Resurfaced: 101



Transit:

FY 14/15 New registered riders: 359
 FY 14/15 Avg. Daily Ridership: 139

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History of Oro Valley



The area of Oro Valley has been inhabited intermittently for nearly two thousand years by various groups of people. The Native American Hohokam tribe lived in the Honeybee Village located in the foothills of the Tortolita Mountains on Oro Valley's far north side around 500 AD. Hohokam artifacts are still being discovered in the Honeybee Village site that the Hohokam inhabited continuously for nearly 700 years.

Early in the 16th century, Native American tribes known as the Apache arrived in the southern Arizona area, including Oro Valley. These tribes inhabited the region only a few decades prior to the arrival of the Spanish Conquistadors, including Francisco Coronado. The Spanish established forts in the area, including the Presidio at Tucson (1775) beginning in the late 16th century.

Arizona Territorial Period

Beginning in the 19th century, Americans increasingly settled in the Arizona Territory, following the Mexican-American War and the subsequent Gadsden Purchase that included the area of southern Arizona. George Pusch, a German immigrant, settled in the area of Oro Valley in 1874 and established a cattle ranch. This ranch was unique because it utilized a steam pump to provide water, eventually popularizing Pusch's property as the Steam Pump Ranch on the Cañada del Oro. The steam pump was one of only two in the Arizona Territory.



Pusch's ranch provided respite for settlers and travelers entering and leaving the Tucson area. Pusch Ridge is named in honor of George Pusch.

Ranching in the area continued to flourish as greater numbers of Americans settled in the Arizona Territory. Large ranching families in the Oro Valley area included the Romeros and the Rooneys.

Gold rushers into the American West also were attracted to southern Arizona, where gold was said to be in abundance in and around the Santa Catalina mountains north of Tucson. Fueled by the legend of the lost Iron Door Gold Mine in the mountains, those in search of gold trekked through the Oro Valley area focusing their attention along the Cañada del Oro washbed.

Post-World War II Period

After World War II, the Tucson area experienced dramatic population growth, impacting Oro Valley as well. In the early 1950s, the Oro Valley Country Club opened at the base of Pusch Ridge, affirming the area's future as an affluent community. Although one tract housing development was built in the area in the early 1950s, the majority of the original homes in the Oro Valley area were built by individual land owners in a large ranch residential style.

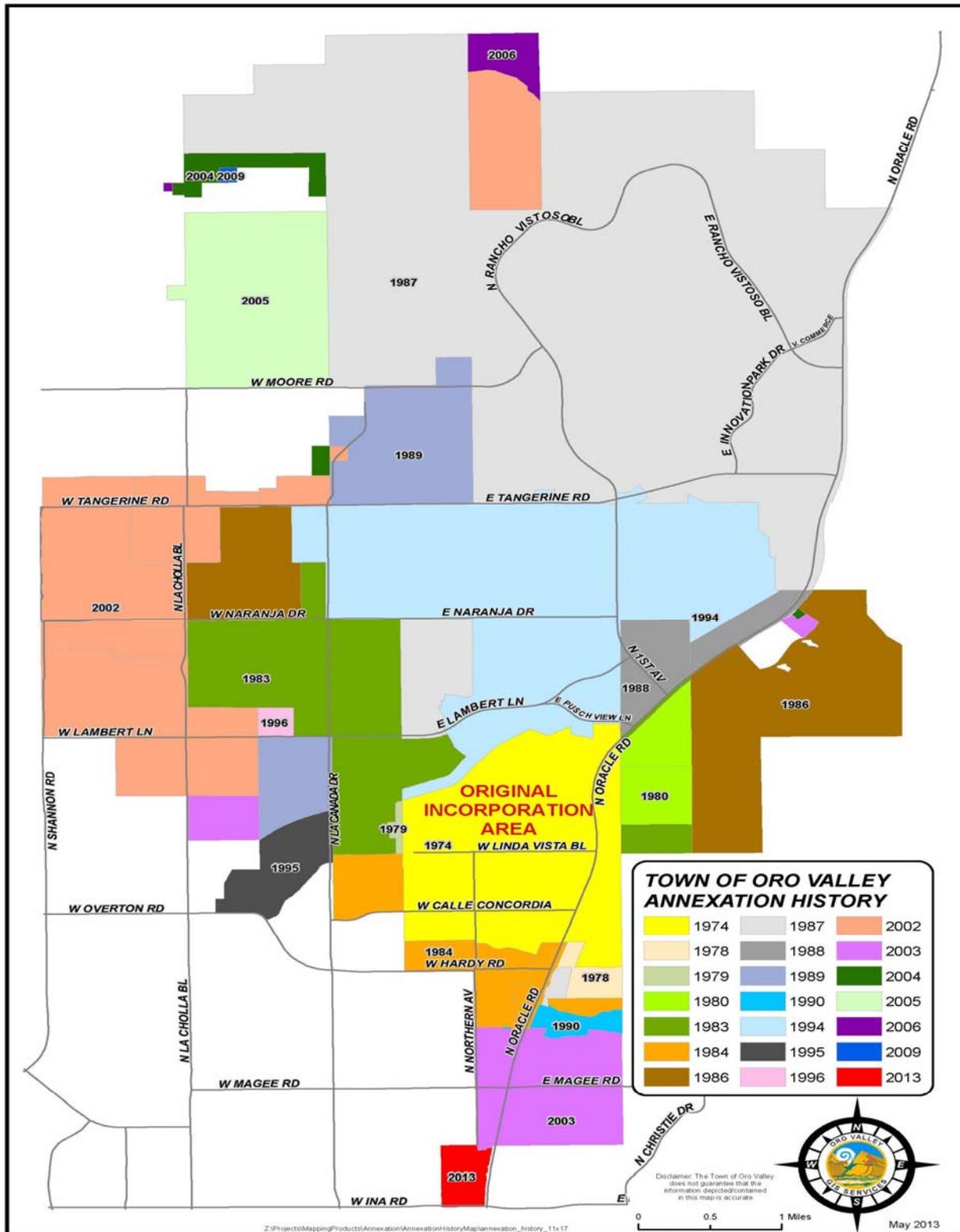
History of Oro Valley

Founding of the Town

The community continued to grow gradually, and area residents increasingly desired local control of the land in the area. In the late 1960s, incorporation became a greater focus in Oro Valley. Tucson Mayor James M. Corbett, Jr. expressed great interest in expanding the Tucson city limits to the far north side of Pima County. Corbett vowed to bring the Oro Valley area into Tucson "kicking and screaming," alluding to the reservations Oro Valley residents expressed about joining Tucson.

A petition to incorporate began to circulate in Oro Valley. The Pima County Board of Supervisors officially refused to allow Oro Valley to incorporate, and litigation followed. Ultimately, in 1974 a group of area residents successfully incorporated the Town of Oro Valley, then only 2.4 square miles in size. Oro Valley was centered primarily around the Oro Valley Country Club and Canyon del Oro High School. The Town began with a population of nearly 1,200. The map on the following page depicts Oro Valley's growth since its inception.

History of Oro Valley



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Budget Document Guide

The budget document seeks to implement the Town of Oro Valley's adopted General Plan and Strategic Plan within the boundaries of its available financial resources. The budget is a policy document, financial plan, operations guide and communication device.

The purpose of this guide is to provide the reader with some basic understanding on the organization of the budget document and what is included in each of the sections.

The budget document is comprised of the following five major areas:

Introduction

The introduction section includes the Manager's budget message, a "Know Your Town's Budget" synopsis document, a community profile and town history, the Town's Strategic Plan, General Plan, financial policies, fund structure and the budget process.

The Manager's budget message provides an introduction to the budget. The message outlines the assumptions used in the development of the budget, goals for the upcoming fiscal year, any new program enhancements or changes in service levels, and any challenges for the upcoming year.

Also included is a budget synopsis or "snapshot" document called "Know Your Town's Budget", a community profile containing interesting facts about the town, and a history of the town. The section also includes information on the Town's elected officials, an organization chart, elements of the Town's Strategic Plan and General Plan, financial policies of the Town and the budget development process.

Financial Overview

The financial overview section illustrates the total financial picture of the Town, sources and uses of funds, as well as types of debt issued and their uses.

The financial overview begins with the total sources and uses of funds. Summary tables and graphs depict revenue sources and expenditure categories.

Consolidated financial summaries and schedules provide a look, by major fund levels, at the sources and uses of funds, beginning and ending fund balances, and explanations of variance in these balances.

The revenue and expenditure section provides a detailed history of sources and uses both at the fund level and the program level. It also contains a section on revenue sources which discusses their use, assumptions used in forecasting, and anticipated growth. The expenditure section includes an explanation of year-over-year changes in expenditure categories.

The personnel summary provides an overview of personnel and employee compensation, staffing levels, employee benefit matching rates, FTEs per capita and consolidated personnel schedules.

The debt section provides an overview on the types of debt issued by the Town, their uses and future debt requirements.

The long term forecast discusses the broader economic outlook for the Town and includes five-year forecasts of the Town's General Fund, Highway Fund and the Bed Tax Fund.

Budget Document Guide

Program Budgets

The program budget section contains the operating piece of the budget document. Specifics on types of services offered, along with associated costs and revenues are found in this section.

Each program budget begins with a department overview. Organizational charts and summary budget schedules are shown for departments with multiple funds, divisions or program areas. Program budgets also contain the following information -

- Accomplishments: Highlights achieved by departments in the previous fiscal year.
- Objectives: Tie to the Town's Strategic Plan and lists what the departments plan to accomplish this budget year.
- Strategic Plan Program Performance: Performance measures that provide an assessment of strategic plan progress.
- Departmental Budgets: Each departmental budget is divided into program areas. The program areas give a brief description of each program and the service provided. It includes data on personnel, expenditures by category and explanations on variances between budget years.

Capital Improvement Program (CIP)

The capital improvement section contains information on the projects budgeted in this fiscal year and their operating impacts on the budget.

The capital improvement section describes the process and timeline for compiling the CIP budget, a summary of revenue sources to support the program, and a fifteen-year CIP plan.

It also includes a description and justification for each of the projects budgeted and their future operating impact.

Appendix

The appendix section contains several additional documents pertaining to the budget and a glossary of terms.

The appendix section contains the resolution adopting the budget, Auditor General Statements and a glossary of frequently used terms.



Town of Oro Valley

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Mayor and Council



Oro Valley's Mayor and Council are committed to providing high-quality municipal services and responsible development. Through the Town Manager, the Mayor and Council provide policy direction by adopting rules, regulations, and procedures to meet community needs. The Mayor and Council remain accountable and accessible to the residents through their commitment to full, honest, and timely communication.

Dr. Satish I. Hiremath, DDS
Mayor
Term Expires: November 2018



Lou Waters
Vice-Mayor
Term Expires:
November 2018



Mike Zinkin
Councilmember
Term Expires:
November 2016



William Garner
Councilmember
Term Expires:
November 2016



Mary Snider
Councilmember
Term Expires:
November 2018



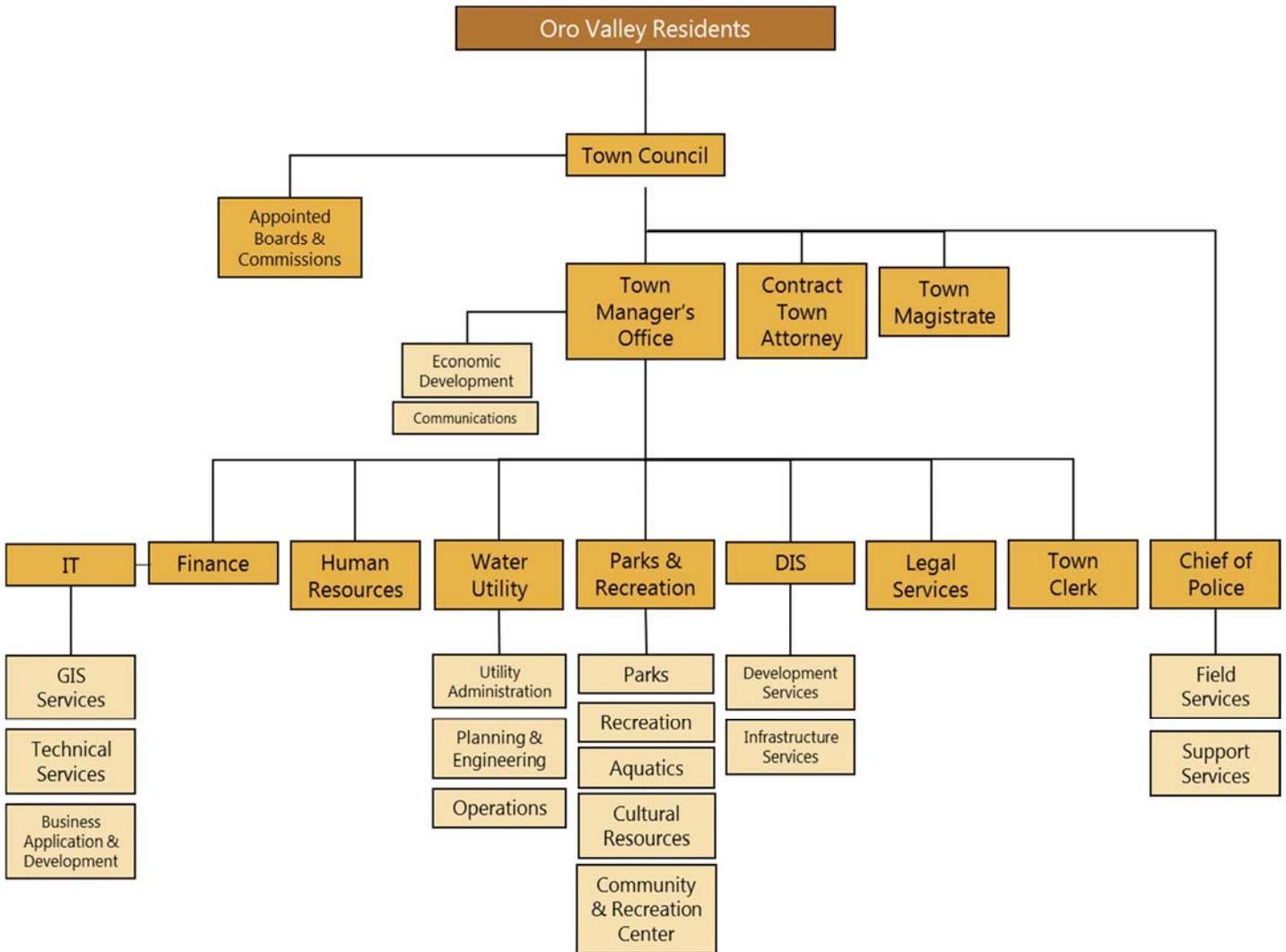
Joe Hornat
Councilmember
Term Expires:
November 2018



Brendan Burns
Councilmember
Term Expires:
November 2016

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Organizational Chart



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Strategic Plan

Introduction

The Town of Oro Valley updates its Strategic Plan every two years. The Strategic Plan 2015 was adopted by Council on February 18, 2015. In October 2014, Town Council held a work session to develop a framework for the revised plan. Staff then developed Strategies and Actions to support the Goals and Focus areas developed by Council.

The Strategic Plan represents the shared vision and priorities of Town Council. This document will provide strategic direction to the organization over the course of the next two years. While the Strategic Plan guides short-term decision-making, the General Plan provides a long-term (up to 20 years) direction regarding the growth, development and redevelopment of the community.

Vision for Our Future

Oro Valley is committed to taking strategic action toward implementing a community vision and managing town resources. The Strategic Plan 2015 is organized around a framework of five focus areas. Each focus area is deemed to be important and not intended to be listed in any priority order. The following focus areas, if addressed collectively, assist the town in achieving its mission.

- **Fiscal Responsibility**
- **Communication**
- **Economic Development**
- **Parks, Recreation, and Cultural Development**
- **Community Infrastructure and Services**

These focus areas provide the policy direction for the Town. Within each of the five focus areas is a "goal" and "strategy" that provide strategic direction. The goals and strategies provide the foundation for strategy development over the next two to five year period. Within each strategy are bullet points or actions to achieve the overall goals.

Focus Areas indicate where Oro Valley must direct effort to address community needs and desires.

Goals describe a fundamental achievement desired or broad priority direction.

Strategy identifies the action that will be taken to move the town toward achieving its goals.

The overall purpose of the Strategic Plan is to direct decision-making and budgeting by the Town of Oro Valley and provide guidance to staff. The Strategic Plan also communicates to the residents or stakeholders the Town's priorities.

FOCUS AREA: FISCAL RESPONSIBILITY

GOAL: Maintain long-term financial health through diversified revenue sources while strategically investing in community initiatives.

STRATEGY: Evaluate opportunities to diversify the Town's revenue sources.

Strategic Plan

- Review and update Town-wide fees and charges for services, as necessary, to ensure appropriate cost recovery.
- Review current revenue enhancement options, as well as research future options.
- Continue pursuit of grant funding.
- Research annexation opportunities.
- Explore the possibility of a special taxing district for a cultural/historical center or downtown area.

STRATEGY: Prioritize investments in capital infrastructure.

- Determine return on investment, cost avoidance, applicability to general plan, and identify core services in determining capital infrastructure priorities, including town facilities.

FOCUS AREA: COMMUNICATION

GOAL: Ensure citizens are educated about and highly engaged in Oro Valley activities and moving future initiatives forward.

STRATEGY: Provide opportunities for residents to become engaged in and knowledgeable about the role of local government.

- Expand opportunities to engage youth and build on the success of the Youth Advisory Council, Police Explores, School Resource Officer programs, and Your Voice, Our Future student outreach efforts.
- Partner with other organizations and events to share information about Town services, programs, departments, and events.

STRATEGY: Continue expanding the Town's use of technology to improve communication.

- Develop new intranet to build and streamline internal communications for employees.
- Continue customizing the Town's website to meet the ever-changing communications needs of residents and employees.
- Explore the possibility of adding more information kiosks on Town property.
- Expand the use of social media and video to reach a variety of audiences.

FOCUS AREA: ECONOMIC DEVELOPMENT

GOAL: Establish Oro Valley as the home for globally-competitive high technology and biosciences businesses and employees while maximizing the Town's visitor destination opportunities.

Strategic Plan

STRATEGY: Support the creation of jobs and promote partnerships to enhance our community.

- Partner with existing high-tech and biosciences businesses to determine expansion and supplier needs.
- Establish a public/private partnership to create an Oro Valley Business Accelerator at Innovation Park.
- Explore the possibility of recruiting a satellite campus for a major university or other educational institution.
- Maintain regional partnerships with the Greater Oro Valley Chamber of Commerce, Pima County One Stop, Tucson Regional Economic Opportunities, Inc., and Visit Tucson.
- Continue marketing Innovation Park as Oro Valley's bioscience corridor locally, regionally, nationally, and internationally.
- Pursue annexation opportunities that will deliver long-term benefits to the Town.
- Support public safety efforts to maintain a low crime rate, which will appeal to bioscience business and other business expansion opportunities.

STRATEGY: Support cultural, entertainment, and sporting venues.

- Maintain park systems, multi-use paths, and the development of family-oriented recreation centers.
- Continue developing Steam Pump Ranch as a cultural and historical destination.
- Evaluate the development of an entertainment district that includes music, sports, museums, and private/nonprofit galleries.
- Partner with a local event coordinator and develop one or more Oro Valley endurance events.
- Provide a safe environment for family-friendly events.

FOCUS AREA: PARKS, RECREATION, AND CULTURAL DEVELOPMENT

GOAL: Develop exceptional recreation and cultural facilities and programs that attract visitors and events that enhance residents' quality of life and strengthens the economy.

STRATEGY: Provide infrastructure and support for events.

- Explore and implement appropriate public/private partnerships for enhanced cultural, parks, and recreational development.
- Upgrade and maintain existing facilities such as baseball fields, archery, restrooms, lighting, etc.
- Strategically invest in multi-purpose, sport-specific, and cultural facilities.
- Embrace emerging sports such as lacrosse and mountain biking.
- Recruit, retain, and/or develop events such as triathlons, marathons, archery, golf, tennis competitions, or other recurring/seasonal events.

Strategic Plan

- Develop infrastructure in and around venues/parks, including telecommunications where appropriate.
- Support public safety to protect town assets and provide a safe environment for recreational activities.
- Host cultural and culinary events, such as Oro Valley Meet Yourself.

FOCUS AREA: COMMUNITY INFRASTRUCTURE AND SERVICES

GOAL: Serve as the model for innovative partnerships, services, and performance in providing basic town services.

STRATEGY: Improve transportation infrastructure.

- Invest in Oro Valley transportation infrastructure such as bike routes, transit, and multi-use paths, as well as loop connections to Pima County.
- Monitor, determine, and develop action strategies to address transportation and infrastructure needs as issues arise, including right-of-way and safety issues.
- Promote and support public safety programs like Traffic Incident Management and High Visibility Enforcement to reduce primary and secondary traffic collisions.
- Continue to work with Arizona Department of Transportation (ADOT) to improve traffic flow on Oracle Road, including the request for ADOT to evaluate the synchronization of traffic lights.
- Continue and improve the pavement preservation program and provide timely notifications regarding schedule and traffic restrictions.

STRATEGY: Improve Town resources and processes.

- Manage assets through inventory such as sites, infrastructure, systems, etc.
- Promote Town of Oro Valley assets by utilizing various channels, such as organizations like Visit Tucson.
- Improve processes to allow appropriate flexibility to regulations (e.g. sign code), streamline processes, determine new practices, encourage innovation, and implement new ideas.
- Invest in technology, automated processes, and build applications that tie into website, MUNIS, and/or intranet.
- Communicate and network with other jurisdictions, developers, and consultants on processes and uniform regulations.

STRATEGY: Continue our commitment to environmental stewardship.

- Promote water conservation through partnerships, education, and monitoring.
- Implement the Energy Efficiency Project for the wells and pumps in the water system.

Strategic Plan

STRATEGY: Deliver a safe and reliable water system to all Water Utility customers.

- Meet and comply with all water quality standards and regulatory requirements.
- Complete the Advanced Metering Infrastructure Project for the Oro Valley Water Service Area.
- Partner with Tucson Water to amend the Reclaimed Water Intergovernmental Agreement.
- Plan for the delivery of additional Central Arizona Project water for new growth.

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General Plan

Arizona State law requires all cities, town and counties in Arizona to prepare, update or readopt a document known as a General Plan every 10 years to guide and inform critical decisions about a community's future and quality of life. Although the General Plan addresses immediate concerns, it focuses primarily on the future of the community, particularly on future improvements, land development and growth.

The adoption or re-adoption of the General Plan must be approved by the affirmative vote of at least two-thirds of the members of Town Council and ratified by voters. The last General Plan was adopted and ratified in 2005 and consisted of the following 11 main elements:

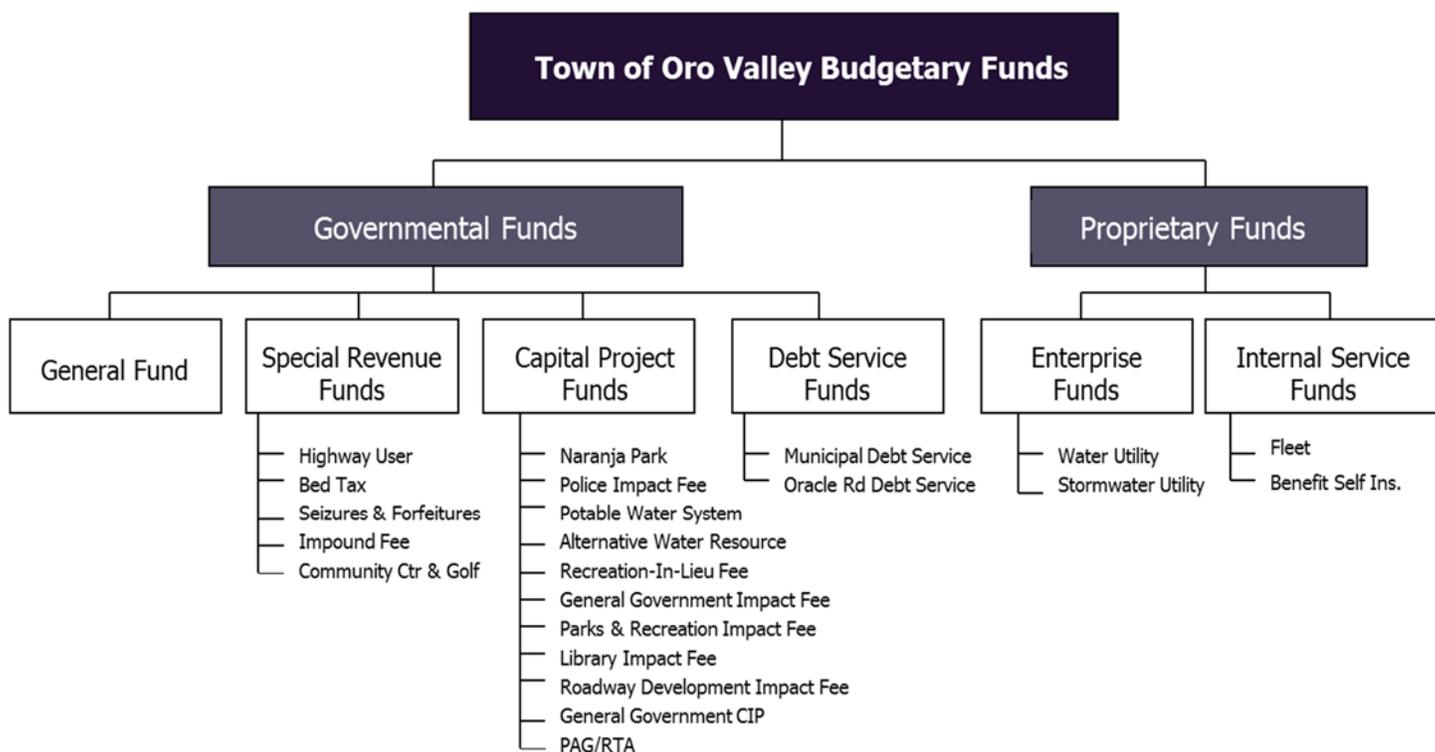
Land Use	Orderly growth that focuses primarily on low-density development is especially important to the community, as is development that is sensitive to and compatible with the Sonoran Desert environment.
Community Design	The Town should integrate the manmade elements into the natural environment with great sensitivity and with minimal disruption to existing topographic forms and ecosystems.
Economic Development	Diversification in the local revenue base is desirable; however, any new development must be consistent with the community's vision for the future and values.
Cost of Development	This Cost of Development element articulates the Town's interest in ensuring that new development does its fair share to perpetuate the high standards that the Town has established since its incorporation.
Transportation/Circulation	Oro Valley's transportation system must provide residents and visitors with safe, convenient and efficient mobility.
Public Facilities, Services and Safety	This element is to provide the Town with development oversight strategies that ensure orderly, rational development of infrastructure to support projected growth and address safety needs of residents.
Housing	Efforts should continue to be made to provide a mix of housing at various densities and price ranges to allow people of all ages to enjoy the splendor of Oro Valley.
Parks and Recreation	This element is intended to protect and enhance the resort/residential image the Town wishes to maintain.
Arts and Culture	To enhance the quality of life by promoting and sustaining arts and culture in our community.
Archaeological and Historic Resources	To preserve the unique archaeological, cultural, and historic resources within Oro Valley to the degree not already regulated by the state of Arizona.
Open Space and Natural Resources Conservation	This element is intended to identify and address the Town's environmental resources in a comprehensive manner. The protection, restoration, and maintenance of environmental resources require an integrated approach.

The ten-year update to the Town's General Plan, named the *Your Voice, Our Future* project, is currently undergoing public review and comment, and is slated to be presented to Town Council for approval in the fall of 2015. The final draft will be presented for voter ratification in November 2016.

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Fund Structure

The Town’s accounting and budget structure is segregated into various funds. In governmental accounting, a fund is a separate, self-balancing set of accounts that are created and maintained for specific purposes.



The **General Fund** is the primary operating fund of the Town and is set up to account for the resources devoted to finance services traditionally associated with local government. Police, parks and recreation, development services, human resources, finance, legal services and magistrate court are some examples of services in the General Fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The Highway User Revenue Fund accounts for the Town’s share of motor fuel tax revenues, which are expended on street/roadway construction, maintenance and improvements. The Bed Tax Fund accounts for the collection of the 6% bed tax revenues, which fund economic development and tourism initiatives. The Impound Fee Fund accounts for the collection of administrative fees for processing vehicles impounded by the police department. The Seizure & Forfeiture Funds account for state and federal police seizures and forfeitures received by the Town. The Community Center & Golf Fund accounts for the operations of the Town’s Community and Recreation Center, contract-managed golf and tennis facilities.

Capital Project Funds are used to account for revenue received and expenditures related to infrastructure improvements such as streets, water, buildings and park facilities. Examples of revenue sources include impact fees, the issuance of bonds, outside funding and special assessments. Most of the Town’s Capital Project Funds consist of impact fee funds.

Fund Structure

Debt Service Funds are used to account for the payment of principal and interest on general long term debt obligations that are not serviced by the General, Special Revenue and Enterprise Funds. It does not include contractual obligations accounted for in the individual funds.

Enterprise Funds are funds in which the services provided are financed and operated similarly to those of a private business. User fees are established to ensure that revenues are adequate to meet all expenses. The Town's major Enterprise Fund is the Water Utility Fund, which is used to account for the costs to operate, construct and finance the town's water system. The Town's nonmajor Enterprise Fund is the Stormwater Utility Fund, which accounts for costs of maintaining the town's stormwater drainage system.

Internal Service Funds are funds that account for services provided to other divisions and departments within the Town government. The Fleet Fund accounts for replacement, preventative maintenance and repair of the Town's fleet of vehicles and heavy equipment. The Benefit Self Insurance Fund is used to manage costs related to the Town's self-funding of health and dental insurance.

BUDGET BASIS VERSUS ACCOUNTING BASIS

Budget Basis

The Town's governmental and proprietary fund budgets are prepared using the modified accrual basis of accounting. *Modified Accrual Basis* is the method under which revenues are recognized when they become susceptible to accrual; that is when they become both "measurable" and "available to finance expenditures of the current period." Revenue and expenditure recognition is determined by near-term inflows and outflows of financial resources.

Accounting Basis

The basis of accounting refers to when revenues and expenditures or expenses are to be recognized and reported in the Town's financial statements.

Full Accrual Basis is the method under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenses are recorded when goods and services are received (whether cash disbursements are made at the time or not).

In accordance with generally accepted accounting principles (GAAP), the Town's proprietary fund financial statements are prepared using the full accrual basis of accounting, while the Town's governmental fund financial statements are prepared using the modified accrual basis of accounting.

Because the accounting basis differs from the budgeting basis for the Town's proprietary funds, the following differences are noted:

- Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (budget basis)
- Principal payments on long-term debt within the enterprise funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a budget basis
- Capital outlays within the proprietary funds are recorded as assets on a GAAP basis and expended on a budget basis



Town of Oro Valley

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Financial and Budgetary Policies

The Town of Oro Valley has an important responsibility to its residents to carefully account for public funds, manage its finances prudently and plan for the adequate funding of services desired by the public. Sound financial policies help to ensure the Town's capability to adequately fund and provide the government services desired by the community. The policies contained herein are designed to foster and support the continued financial strength and stability of the Town of Oro Valley. Following these policies enhances the Town's financial health as well as its image and reputation with residents, the general public, bond and credit rating agencies and investors. The policies serve as guidelines for the Town's overall fiscal planning and management. In addition, both the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB) recommend formal adoption of financial policies by the jurisdiction's governing board. The most recent Town Council amendment and readoption of the policies occurred on June 17, 2015 per Resolution (R)15-50.

A. Financial Planning Policies

A.1 Balanced Budgeting and Fiscal Planning Policies

Fiscal planning is the process of identifying resources and allocating those resources among multiple and competing needs. The primary vehicle for this planning is the preparation, monitoring and analysis of the Town's budget.

The Town shall develop an annual budget whereby recurring Town revenues shall be sufficient to support recurring operating expenditures with no use of General Fund contingency to support ongoing operational expenses.

The Town's annual budget will include contingency appropriation to provide for unanticipated increases in service delivery costs, emergencies, and needs that may arise through the fiscal year. The contingency appropriation may only be expended upon Council approval.

Budget development will use strategic multi-year fiscal planning; conservative revenue forecasts and a program/performance based budgeting method. This method requires each department to establish fiscal year goals and objectives that will be evaluated to determine the effectiveness and efficiency of both department and Town resources. Utilization of a program/performance budget format will provide a basis for evaluation of service and other impacts of potential increases or decreases in funding.

Monthly budget to actual revenue and expenditure reports will be prepared for all Town funds by the Finance Department and presented to Town Council. The reports will also include revenue and expenditure projections through the end of the fiscal year.

The Town will not use one-time (non-recurring) revenues to fund continuing (recurring) uses, or use external borrowing for operational requirements. The budget will incorporate the best available estimates of revenues and expenditures.

All budgetary appropriations that have not been expended or lawfully encumbered shall lapse at the end of the fiscal year, June 30th. Appropriations for capital projects in progress at fiscal year-end shall be made for the subsequent fiscal year.

The Town shall work to minimize the financial burden on its taxpayers by routinely evaluating both its administrative and direct service delivery systems in terms of efficiency, effectiveness and responsiveness. Technology shall be utilized when feasible to increase efficiency and cost-effectiveness.

Any fiscal year-end special revenue fund balance amounts in other special revenue funds of the Town shall be maintained, preserved separately, and carried forward within those funds and not considered as part of the contingency reserve requirement for the Town's General Fund.

Financial and Budgetary Policies

The Town's annual budget shall be adopted by the Town Council at the fund level, except in the General Fund, where it shall be adopted at the department level. To provide sufficient control and accountability, budgets shall be prepared and monitored by major expenditure categories (personnel, operations and maintenance, capital outlay, debt service). (A *fund* is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources).

The Town shall promote the understanding that its employees are its most valuable resource and shall employ sound management practices when planning for service delivery. The Town is committed to maintaining and improving the productivity of staff through a pleasant working environment, appropriate equipment including office automation and computer applications, necessary training and adequate supplies and materials as resources and adopted policies permit.

A.2 Long Range Planning

As part of the annual Town budget preparation cycle, the Finance Department shall prepare a minimum 5-year financial forecast of projected revenues and expenditures to measure the financial sustainability of the Town's operations and service levels.

A.3 Cash Management & Investment Policy

Cash and investment programs will be maintained in accordance with the Town's adopted Investment Policy and will ensure that proper controls and safeguards are maintained. Town funds are managed with an emphasis of safety of principal, liquidity and financial yield, in that order.

Bond funds will be segregated from all other funds for arbitrage and accounting purposes.

Ownership of the Town's investment securities will be protected through third party custodial safekeeping.

All Town bank accounts shall be reconciled and reviewed on a monthly basis.

The Town will consolidate cash balances from various funds for investment purposes, and will allocate investment earnings to each participating fund. This will allow the Town to maximize yields from its overall portfolio.

Investment performance will be reviewed and reported on as outlined in the current adopted investment policy.

All treasury activities with financial institutions will be conducted based upon written contracts between the Town and the respective financial institution(s).

A.4 Asset Inventory

Capital assets are assets with an acquisition cost of \$5,000 or more and an estimated useful life of two or more years. Such assets shall be depreciated in the Town's financial statements over their estimated useful lives.

Minor assets are assets with an acquisition cost of \$1,000 or more but less than \$5,000 and an estimated useful life of two or more years. Such assets will not be depreciated in the Town's financial statements.

Expendable items are machinery and equipment purchases whose cost is less than \$1,000. These items will not be depreciated.

The Town will depreciate capital assets using the straight line depreciation method.

The Town will project equipment and vehicle replacement needs for the next five years and will update this projection each year. Subject to funding availability, Town departments will be charged an annual contribution amount to accumulate funds for this purpose based on a portion of their annual asset depreciation.

The Finance Department shall be responsible for verifying the actual physical existence of capital and minor assets and the accuracy of the Town's asset database. The process will be monitored through asset audits of Town departments and divisions. Any significant irregularities are reported to the Town Manager.

Financial and Budgetary Policies

The Town will maintain capital assets and infrastructure at a sufficient level to protect the Town's investment, to minimize future replacement and maintenance costs, and to continue service levels.

B. Revenue Policies

B.1 Revenue Diversification

The Town will strive for a General Fund revenue base consisting of a balance of sales taxes, state shared revenues, user fees and other revenue sources.

The Town will maintain a diversified and stable revenue base to protect against short term fluctuations in any single revenue source and economic changes locally and nationally.

The Town will estimate revenues in a realistic and moderate manner in order to minimize the risk of a revenue shortfall.

B.2 Fees and Charges

All non-enterprise user fees and charges shall be examined annually to determine the cost recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by Town Council or as otherwise specified in Town code.

Development impact fees for capital expenses attributable to new development will be reviewed periodically to ensure the fees recover all direct and indirect development related expenses and be approved by Town Council.

For enterprise fund operations, the Town will establish rates and fees at levels to cover fully the total direct and indirect costs, including operations, capital outlay, debt service, debt coverage requirements and unrestricted cash reserve balances. Enterprise funds will not be used to subsidize the operations of other funds. Interfund charges will be assessed for the administrative support of the enterprise activity.

B.3 Use of One-Time Revenues

The Town will utilize one-time (non-recurring) revenues to fund one-time operating expenditures, prepay existing debt, or supplement "pay as you go" capital outlay. One-time revenues shall not be used to fund recurring expenditures.

B.4 Use of Unpredictable Revenues

If the Town should receive unpredictable revenues from sales tax audits, unbudgeted grant funding, gifts or donations, the Town shall account for these revenues as one-time revenues. They shall not be used to fund recurring expenditures.

C. Expenditure Policies

C.1 Debt Capacity, Issuance and Management

The Town will seek to maintain and, if possible, improve its current bond rating in order to minimize borrowing costs and preserve access to credit. The Town will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.

Future bond issue proposals will be accompanied by an analysis showing how the new issue, combined with current debt, impacts the Town's debt capacity and conformance with Town debt policies.

The general policy of the Town is to fund capital projects with new, dedicated streams of revenue or voter-approved debt. Non voter-approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenditures.

Financing shall not exceed the useful life of the acquired asset.

The Town shall not use long term debt to finance current operations.

The Town will establish debt repayment schedules with fixed annual principal and interest payments.

Financial and Budgetary Policies

Proceeds from bonded debt will be used in accordance with the purpose of the issuance. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

The Town shall comply with the Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.

Interest earnings on bond proceeds will be limited to 1) funding or acquiring the improvement(s) or asset(s) or 2) payment of debt service on the bonds.

All projects funded with bonded debt must be included in the Town's Capital Improvement Program.

When considering refunding any outstanding bonded debt, the Town will perform a cost benefit analysis to determine if the cost savings of refunding will be greater than the cost to refund. Considerations will be made with regard to the existing bond covenants when refunding any bonded debt.

When utility revenues are pledged as debt service payments, the Town will strive to maintain a 1.3 times debt service coverage ratio to ensure debt coverage in times of revenue fluctuation. This will be in addition to the required ratio in the bond indenture.

The Town will communicate, and where appropriate, coordinate with all jurisdictions with which we share a common tax base concerning our collective plans for future debt issues.

The Arizona Constitution limits the Town's bonded debt capacity (outstanding principal) to a certain percentage of the Town's secondary assessed valuation by the type of project to be constructed. The limit for general purpose municipal projects is 6%. For water, light, sewer, open space, public safety, park, law enforcement, fire and emergency services, and streets and transportation facilities projects, the limit is 20%.

C.2 Capital Improvement Program

The purpose of the Capital Improvement Program (CIP) is to systematically identify, plan, schedule, finance, track and monitor capital projects to ensure cost effectiveness as well as conformance to established policies.

A five-year* Capital Improvement Program will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure, equipment purchases or construction which results in or makes improvements to a capitalized asset costing more than \$50,000 and having a useful life of five or more years.

The Capital Improvement Program will include, in addition to estimated operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

Proposed capital projects will be reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital and operating) and overall consistency with the Town's goals and objectives. Financing sources will then be identified for the projects ranking the highest based on the established ranking systems and limited monies.

Capital improvement lifecycle costs will be coordinated with the development of the operating budget. Future operating, maintenance and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources and included in the operating budget.

The current fiscal year of the Capital Improvement Plan will become the capital budget.

* Town transitioned to a 15-year program beginning FY 13/14

Financial and Budgetary Policies

Staff will monitor projects to ensure their timely completion or determine if an adjustment to the Capital Improvement Plan needs to be presented to Council. A quarterly status report will be presented to the Town Council to monitor each project's progress and identify any significant issues.

C.3 Fund Balance Reserve Policies

Fund balance reserves will be established to offset difficult economic times, stabilize fluctuations in cash flow requirements, provide for emergency situations threatening the public health or safety and provide for unanticipated increases in service delivery costs, unanticipated declines in revenues, unforeseen opportunities and contingencies. Use of reserves should be utilized only after all budget sources have been examined for available funds, and subject to Town Council approval.

In accordance with Governmental Accounting Standards Board Statement No. 54, fund balances will be classified in the following components:

- D. **Nonspendable Fund Balance:**
That portion of a fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid items, supplies inventory or loans receivable; or (b) legally or contractually required to be maintained intact, such as the principal portion of an endowment. This category was traditionally reported as a "reserved" fund balance under the old standard.
- E. **Restricted Fund Balance:**
That portion of a fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either (a) externally imposed by creditors, such as debt covenants, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. This category was traditionally reported as a "reserved" fund balance under the old standard.

- A. **Committed Fund Balance:**
That portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, and remain binding unless removed in the same manner. This category was traditionally reported as a "designated" fund balance under the old standard.
- B. **Assigned Fund Balance:**
That portion of a fund balance that includes amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established at either the highest level of decision making, or by an official designated for that purpose. This category was traditionally reported as a "designated" fund balance under the old standard.
- C. **Unassigned Fund Balance:**
That portion of a fund balance that includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report this category of fund balance. This category was traditionally reported as an "undesigned" fund balance under the old standard.

The Town shall maintain, at a minimum, a fund balance contingency reserve in the General Fund that represents 25% of the General Fund's annual expenditures with no use of the General Fund contingency to support ongoing operational expenditures. This minimum reserve amount will be incorporated into the General Fund budget adopted by formal action taken by the Town Council. Accordingly, these reserves will be classified as committed fund balances.

Financial and Budgetary Policies

Fund balance reserves may only be appropriated by authorization of the Town Council. A plan will be developed to adequately replenish reserves when appropriations are projected to reduce reserves below the required minimum levels.

When multiple categories of fund balance reserves are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council and unassigned fund balance), the Town will start with the most restricted category – spending those funds first – before moving down to the next category with available funds.

The Water Enterprise Fund shall maintain a cash reserve in the operating fund of not less than 20% of the combined total of the annual budgeted amounts for personnel, operations & maintenance, and debt service. This cash reserve amount specifically excludes budgeted amounts for capital projects, depreciation, amortization and contingency. No cash reserve is required for the water utility impact fee funds.

All Town budgetary fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the Town's long-term financial forecast.

C.4 Operating Expenditure Accountability

Expenditures will be controlled as outlined in the approved budget.

Department heads are responsible for monitoring expenditures to prevent exceeding their total departmental expenditure budget. It is the responsibility of department heads to immediately notify the Finance Director and Town Manager of any circumstances that could result in a departmental budget being exceeded.

The Arizona Constitution sets a limit on the expenditures of local jurisdictions. The Town will comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements and audited reconciliation report as defined by the Uniform Expenditure Reporting System to the State Auditor General within prescribed timelines.

Monthly budget to actual revenue and expenditure reports will be prepared, for all Town funds, by the Finance Department and presented to the Town Council. The reports will also include revenue and expenditure projections through the end of the fiscal year.

To provide flexibility in the management of departmental budgets for major expenditures (personnel, operations & maintenance, capital outlay and debt service) the following budget amendment and transfer provisions shall apply:

- A. Transfers between funds shall require the recommendation of the Town Manager and formal action by the Town Council.
- B. Transfers between the line items within each major expenditure category shall be permitted upon recommendation of the Department Head and approval by the Town Manager.
- C. Transfers between the line items or major expenditure categories to fund additional personnel or increased expenditures as a result of personnel reclassifications shall require the recommendation of the Town Manager and formal action by the Town Council.
- D. Transfers between the operations and maintenance and capital outlay major expenditure categories shall be permitted upon recommendation of the Department Head and approval by the Town Manager.
- E. Transfers that would reduce or eliminate funding for items designated in the adopted Capital Improvement Program shall require the recommendation of the Town Manager and approval of the Town Council.
- F. Transfers that would reduce or eliminate funding for debt service shall require the recommendation of the Town Manager and formal Council action.

Financial and Budgetary Policies

D. Financial Reporting Policies

The Town's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

An annual audit of the Town's financial statements will be performed by an independent certified public accounting firm, with an audit opinion to be included with the Town's published Comprehensive Annual Financial Report (CAFR).

The Town's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference.

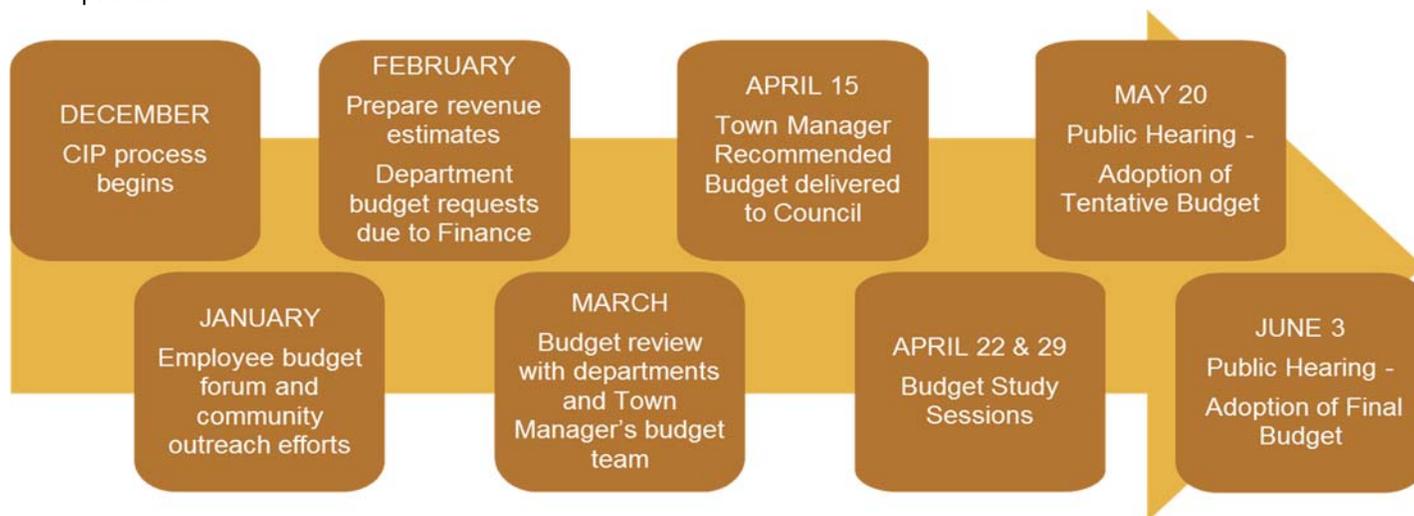
The Town's budget will be submitted annually to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends and resource choices.

Financial systems will maintain internal controls to monitor revenues, expenditures and program performance on an ongoing basis.

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Budget Process

The following diagram illustrates the timeline and step-by-step progression of the FY 2015-2016 budget process:



Initial Processes and Guidelines

The focus areas, goals and strategies outlined in the Council-adopted Strategic Plan provide an initial framework to guide management and staff on budget priorities for the upcoming fiscal year. The five focus areas are:

- Fiscal Responsibility
- Communication
- Economic Development
- Parks, Recreation and Cultural Development
- Community Infrastructure and Services

The FY 2015-2016 budget process began in December 2014 with initial planning of the Capital Improvement Program (CIP). CIP project requests were submitted to an internal, cross-departmental team for initial review.

In January, the Town began soliciting community feedback on the budget through the use of a brief, online questionnaire. Participants were given the opportunity to rank potential capital improvement project categories, indicate priority levels on Town programs and services and rate general statements about the Town. An informational budget forum was held with Town employees. CIP meetings occurred in late January and early February to rank all of the requested projects.

Each department within the Town develops their budget at the line-item level. The departments project year-end estimates and formulate next year's requests. This information is compiled on a program level and an overall department level.

Although the local and national economies continue to improve, the Town still relies heavily on volatile revenue sources. As a result, continued importance and emphasis are placed on the need to control costs and obtain greater operating efficiencies both in operations and maintenance and personnel costs. In

Budget Process

preparing their budgets, departments were instructed to maintain flat operational costs whenever feasible. This “hold the line” approach emphasizes cost containment with continued current service level provisions to town residents.

Budget Review

Once departments have submitted their budget requests for personnel, O&M, and capital, Finance staff reviews the requests and compiles a financial package for the Town Manager. Budget review meetings are held between each department, the Town Manager and the Town Manager’s budget team to ensure that departmental initiatives are aligned with the budget priorities outlined by Town Council. Any gaps existing between revenue and expenditures are discussed among the budget team and Town management with a recommendation for closure.

The Town Manager ultimately recommends a budget for Council consideration. The Town Manager’s recommended balanced budget and a 15-year Capital Improvement Program are delivered to the Council. Council members, during budget work sessions, have the option of adding new items for consideration, as well as amending or removing existing staff recommended budget items. Upon Council’s revisions to the Town Manager’s recommended budget, Finance compiles and finalizes the proposed tentative budget.

Budget Adoption

The proposed budget was delivered and presented to Council for tentative adoption on May 20, 2015. Simultaneously, a financial sustainability plan was updated and presented to Council that includes various assumption factors, projected revenue and departmental costs to complete a five-year financial picture.

The adoption of the tentative budget sets the expenditure limitation for the fiscal year. In addition to having been available on the Town’s website, the budget is also published via newspaper and two public hearings are held. After completion of public hearings, the final budget was adopted on June 3, 2015.

Expenditure Limitation

The State of Arizona imposes an expenditure limitation on local jurisdictions. State statute sets the limit unless otherwise approved by the voters. If the limit imposed by the State is not sufficient to meet the Town’s needs, the budget law provides four options to potentially solve the problem. All of these options require voter approval.

- A local home rule (alternative expenditure limitation)
- A permanent base adjustment
- A capital projects accumulation fund
- A one-time override

The voters of the Town of Oro Valley adopted the Home Rule Option in 2014. The expenditure limit approved by the voters must be used in determining the Town’s expenditure limit until a new base is adopted. The Home Rule option is voted on every four years. The FY 2015-2016 expenditure limit for Oro Valley is \$119,687,709.

Budget Process

Budget Amendments

Because detailed budgets are considered by the Town to be a planning tool for department management, departments should have some degree of flexibility in establishing and adjusting such detail including major expenditure categories. To provide such flexibility, the following budget amendment and transfer provisions shall apply:

- a) Transfers between funds shall require the recommendation of the Town Manager and formal action by the Town Council.
- b) Transfers between line items within each major expenditure category shall be permitted upon recommendation of the department director and approval by the Town Manager.
- c) Transfers between the line items or major expenditure categories to fund additional personnel or increased expenditures as a result of personnel reclassifications shall require the recommendation of the Town Manager and formal action by the Town Council.
- d) Transfers between the operations and maintenance and capital outlay major expenditure categories shall be permitted upon recommendation of the department director and approval by the Town Manager.
- e) Transfers that would reduce or eliminate funding for items designated in the adopted Capital Improvement Program shall require the recommendation of the Town Manager and formal Council action.
- f) Transfers that would reduce or eliminate funding for debt service shall require the recommendation of the Town Manager and formal Council action.

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FINANCIAL OVERVIEW

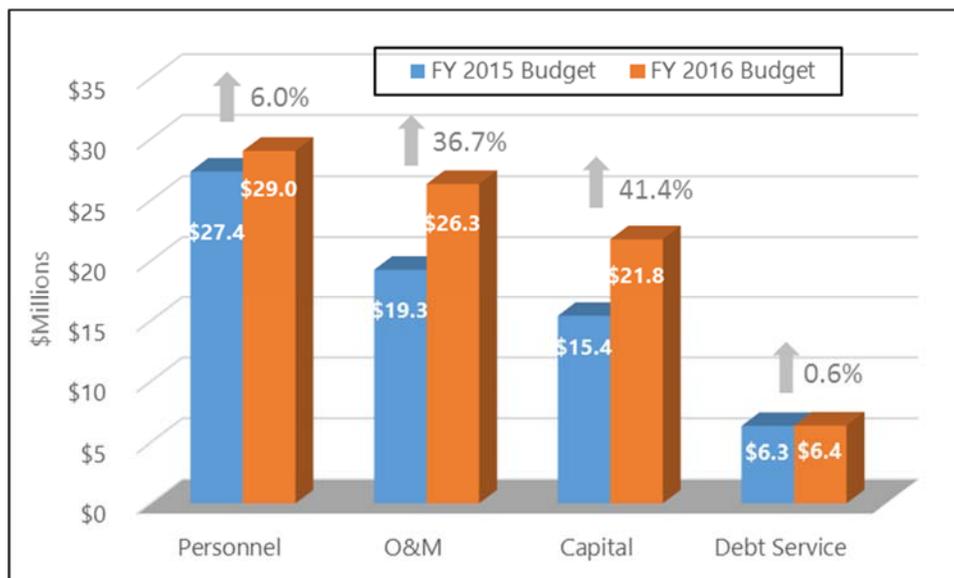
- Budget Overview
 - Fund Balances
- Historical Fund Balances
- Budget Summary
- Revenue Summary
- Revenue Schedule by Fund
- Revenue Sources
- Expenditure Summary
- Expenditure Schedule by Fund
- Expenditures by Program
- Personnel Summary
- Personnel Summary by Fund
- Personnel Schedule
- Debt Service
- Debt Service Schedules
- Long Term Forecast



Budget Overview

The budget for FY 2015/2016 totals \$119.7 million, which includes a \$63.3 million operating budget and \$20.2 million for capital projects, and represents a \$12.6 million, or 11.8% increase over the previous fiscal year budget of \$107.1 million. The increase over the previous fiscal year is due to the addition of the Community Center and Golf Fund operations, as well as an increase in outside funding for roadway widening projects. Budgeted capital for FY 15/16 is significant at nearly \$21.8 million; a \$6.4 million, or 41.4% increase over the previous fiscal year. This increase, as referenced above, is due primarily to outside-funded roadway projects. The capital budget also includes fleet and technology replacements, water system improvements, as well as improvements to the Community and Recreation Center, the Aquatic Center and public safety facilities. Refer to the Capital Improvement Program (CIP) for additional detail on budgeted projects. The FY 15/16 personnel budget provides funding for health insurance premium increases, as well as merit and step increases. The operations & maintenance (O&M) budget is increasing \$7.1 million, or 36.7%, primarily due to the addition of the Community Center and Golf Fund operations, as referenced above. Further discussion of O&M needs and initiatives are discussed in the budget message and expenditure summary section of this budget. A more detailed discussion on the changes to each category of the Town's budget can also be found in the expenditure summary section of this document.

Comprehensive Budget Overview

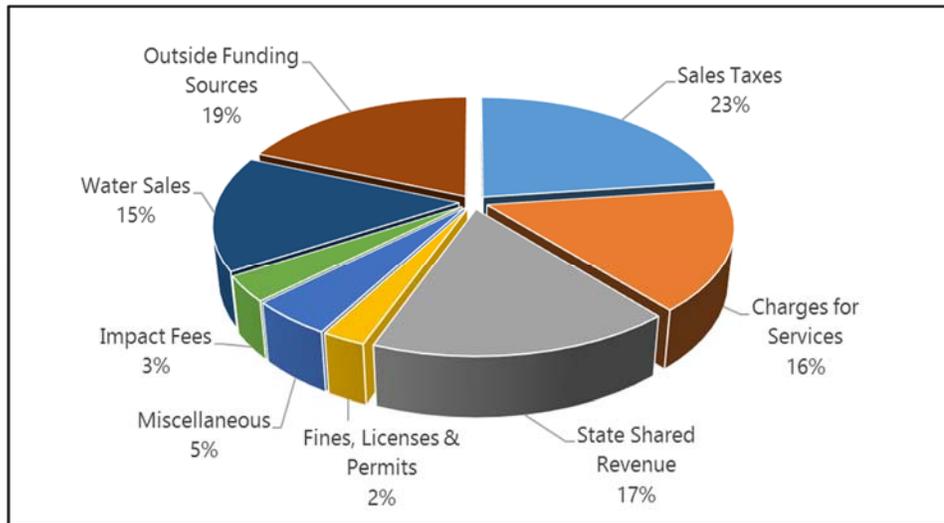


Revenues

Budgeted revenue for FY 15/16 totals \$79.9 million and represents a \$12.8 million, or 19.1% increase from FY 14/15. This increase is due to revenues anticipated from the Community Center and Golf Fund operations, as well as the aforementioned increase in outside funding for roadway widening projects. The Town receives a variety of funding sources to finance operations, which are discussed in further detail in the Financial Overview section of the budget document.

Budget Overview

In FY 15/16, the Town has budgeted revenue from Sales Taxes, which is a major funding source (23% of the total), State Shared Revenues (17% of total), and Water Sales (15% of total). Revenue from Outside Funding Sources (19% of total) includes \$12.6 million in state and federal grant proceeds.

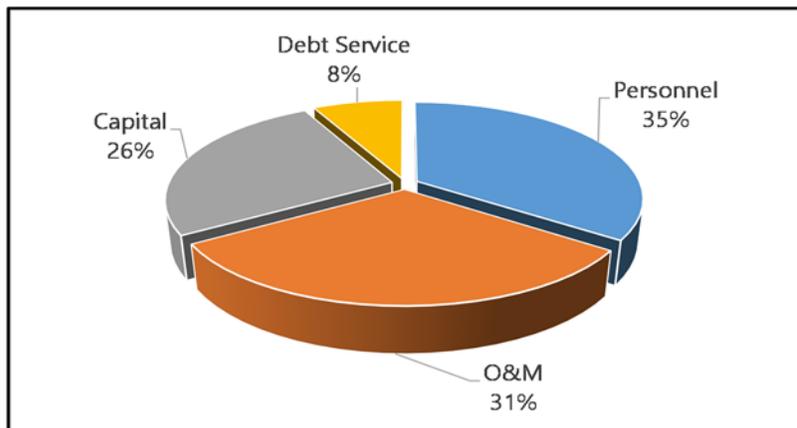


	FY 2014	FY 2014/15		FY 2015/16	Variance to Budget	%
	Actual	Budget	Projected	Budget		
Sales Taxes	15,857,732	16,621,476	16,507,038	18,295,654	1,674,178	10.1%
Charges for Services	7,274,439	7,313,898	9,024,741	12,770,200	5,456,302	74.6%
State Shared Revenue	12,316,164	13,058,709	13,186,207	13,413,995	355,286	2.7%
Fines, Licenses & Permits	2,288,931	2,037,547	1,667,108	1,935,000	(102,547)	-5.0%
Miscellaneous	4,402,569	3,180,181	3,280,052	3,718,432	538,251	16.9%
Impact Fees	4,359,068	3,459,771	1,721,219	2,657,179	(802,592)	-23.2%
Water Sales	12,169,375	12,078,800	11,793,000	12,160,500	81,700	0.7%
Outside Funding Sources	4,859,920	9,280,542	7,135,288	14,904,083	5,623,541	60.6%
Total Revenue	\$ 63,528,198	\$ 67,030,924	\$ 64,314,653	\$ 79,855,043	\$ 12,824,119	19.1%

Does not include interfund transfers or carry-forward fund balances

Expenditures

Budgeted expenditures for FY 15/16 total \$83.5 million and represent a 22.1% increase over FY 14/15. The budget includes \$63.3 million to support daily operations and services and \$20.2 million in capital projects to fund roadway expansions and improvements, technology improvements, Aquatic Center, Community Center and public safety facilities improvements, as well as water and



Budget Overview

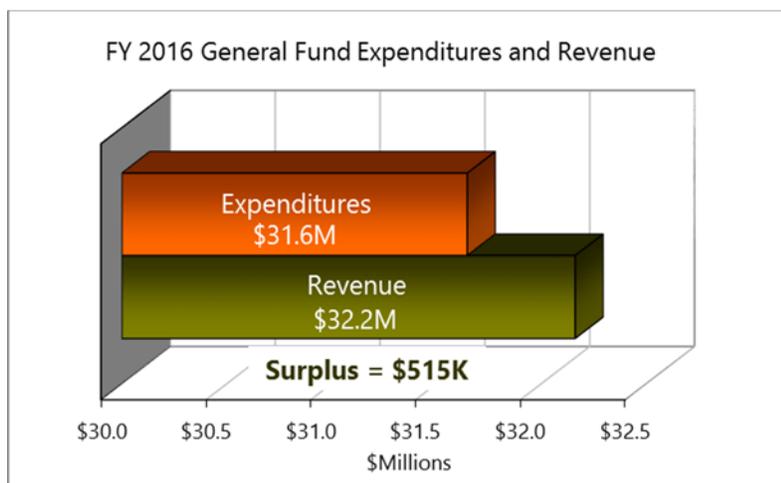
stormwater infrastructure improvements. Further detail on uses of expenditures and types can be found in the Financial Overview section of the budget document.

Budgeted Uses						
	FY 2014	FY 2014/15		FY 2015/16	Variance	
	Actual	Budget	Projected	Budget	to Budget	%
Personnel	24,821,952	27,352,674	26,981,649	29,003,278	1,650,604	6.0%
O&M	16,607,333	19,262,485	21,607,549	26,324,672	7,062,187	36.7%
Capital	9,135,142	15,394,119	13,042,156	21,774,563	6,380,444	41.4%
Debt Service	7,497,875	6,321,307	6,321,307	6,357,130	35,823	0.6%
Total Expenditures	\$ 58,062,302	\$ 68,330,585	\$ 67,952,661	\$ 83,459,643	\$ 15,129,058	22.1%

Does not include depreciation, amortization, interfund transfers or contingency amounts

Budget Policy

In accordance with the Town’s adopted Financial and Budgetary Policies, A.1 – Balanced Budgeting and Fiscal Planning Policies, “The Town shall develop an annual budget whereby recurring Town revenues shall be sufficient to support recurring operating expenditures with no use of General Fund contingency to support ongoing operational expenses.”

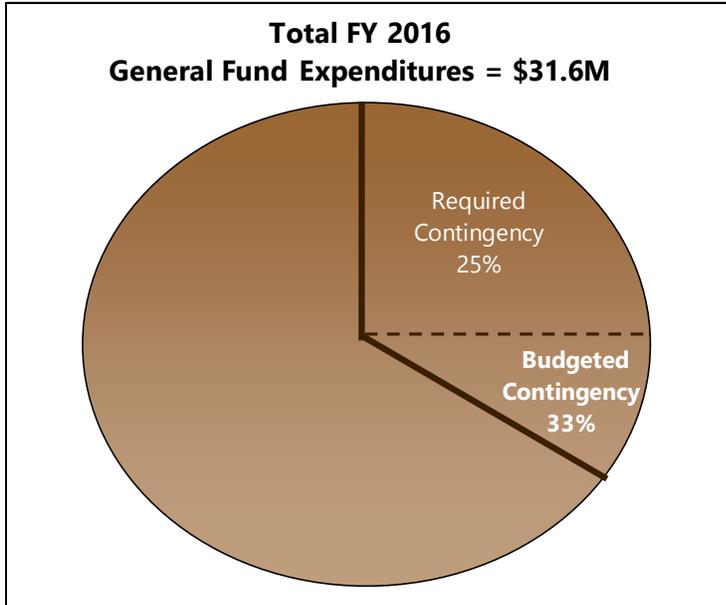


Revenues	\$ 32,162,264
Expenditures	<u>31,647,743</u>
Surplus/(Deficit)	\$ 514,521

All recurring expenditures are expected to be covered with budgeted revenues and a projected surplus of nearly \$515,000. This surplus will go towards increasing the General Fund contingency reserve balance.

Another section of Financial Policy A.1, involves contingencies, its uses, and the reserve requirement – “The Town’s annual budget will include contingency appropriation to provide for unanticipated increases in service delivery costs, emergencies, and needs that may arise through the fiscal year.” The policy set by Council mandates 25% of recurring expenditures must be set aside as a required contingency in the General Fund.

Budget Overview



Expenditures	\$31,647,743
Contingency Requirement	<u>25%</u>
Required Contingency	\$ 7,911,936

The General Fund budgeted contingency reserve for FY 15/16 is \$10,371,137, which equals 33% of budgeted expenditures. Of this amount, \$8.8 million is unassigned, while \$1.6 million is assigned for employee compensated absences (i.e. for accrued vacation, sick and compensatory time leave) and for unemployment compensation claims.



Town of Oro Valley

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Fund Balances

	General (1) Fund	Special (2) Revenue Funds	Enterprise Funds (3) Water Utility Fund	Non-Major Enterprise Fund	Capital (4) Projects Funds	Internal (5) Service Funds	(6) Debt Service Funds	2015-2016 Total
Revenues and Other Sources								
Taxes	\$ 15,350,654	\$ 2,945,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,295,654
Licenses and Permits	1,764,000	51,000	-	-	-	-	-	1,815,000
Fines	120,000	-	-	-	-	-	-	120,000
Water Sales	-	-	12,160,500	-	-	-	-	12,160,500
Charges for Services	1,873,834	5,568,763	3,184,200	787,000	22,500	1,333,903	-	12,770,200
State Shared Revenue	10,428,531	2,985,464	-	-	-	-	-	13,413,995
Intergovernmental	105,000	-	-	-	-	-	-	105,000
Grants	1,985,845	-	-	35,000	10,495,000	-	58,238	12,574,083
Seizures & Forfeitures	-	425,000	-	-	-	-	-	425,000
Impact Fees	-	-	-	-	2,657,179	-	-	2,657,179
Interest Income	94,400	27,200	59,520	250	42,180	-	175,153	398,703
Miscellaneous	135,000	10,000	-	-	30,000	3,054,729	90,000	3,319,729
Other Financing Sources	305,000	-	1,800,000	-	1,574,696	-	658,750	4,338,446
Total	\$ 32,162,264	\$ 12,012,427	\$ 17,204,220	\$ 822,250	\$ 14,821,555	\$ 4,388,632	\$ 982,141	\$ 82,393,489
Expenditures and Other Uses								
General Government								
<i>Clerk</i>	\$ 407,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 407,900
<i>Council</i>	211,995	-	-	-	-	-	-	211,995
<i>Finance</i>	779,760	-	-	-	-	-	-	779,760
<i>General Administration</i>	1,804,970	-	-	-	-	2,860,400	13,000	4,678,370
<i>Human Resources</i>	366,775	-	-	-	-	-	-	366,775
<i>Information Technology</i>	1,571,326	-	-	-	-	-	-	1,571,326
<i>Legal</i>	764,837	-	-	-	-	-	-	764,837
<i>Magistrate Court</i>	837,629	-	-	-	-	-	-	837,629
<i>Town Manager's Office</i>	769,521	672,732	-	-	-	-	-	1,442,253
Debt Service								
Principal	-	-	-	-	-	-	665,920	665,920
Interest	-	-	-	-	-	-	390,865	390,865
Capital Projects								
	-	-	-	-	2,693,000	-	-	2,693,000
Police	15,250,016	244,579	-	-	-	-	-	15,494,595
Dev. & Infrastructure Svcs.	4,596,216	4,505,312	-	929,115	-	1,389,221	-	11,419,864
Parks and Recreation	3,004,988	8,063,333	-	-	-	-	-	11,068,321
Water Utility								
<i>Personnel</i>	-	-	3,173,022	-	-	-	-	3,173,022
<i>Operations & Maintenance</i>	-	-	7,069,451	-	30,820	-	-	7,100,271
<i>Capital Outlay</i>	-	-	3,575,800	-	-	-	-	3,575,800
Debt Service								
Principal	-	-	3,493,349	-	244,188	-	-	3,737,537
Interest	-	-	1,475,518	-	87,290	-	-	1,562,808
Roadway Improvements	-	-	-	-	11,516,795	-	-	11,516,795
Other Financing Uses	1,281,810	762,910	33,030	-	460,696	-	-	2,538,446
Total	\$ 31,647,743	\$ 14,248,866	\$ 18,820,170	\$ 929,115	\$ 15,032,789	\$ 4,249,621	\$ 1,069,785	\$ 85,998,089
Increase/(Decrease)	514,521	(2,236,439)	(1,615,950)	(106,865)	(211,234)	139,011	(87,644)	(3,604,600)
Beginning Fund Balance	\$ 9,856,616	\$ 4,605,252	\$ 10,612,871	\$ 281,173	\$ 13,836,503	\$ 482,792	\$ 157,459	\$ 39,832,666
Ending Fund Balance	\$ 10,371,137	\$ 2,368,813	\$ 8,996,921	\$ 174,308	\$ 13,625,269	\$ 621,803	\$ 69,815	\$ 36,228,066

Fund Balances

The fund balances table depicts the estimated beginning fund balance at July 1, 2015, the budgeted revenues and expenditures for FY 15/16 and the projected ending fund balance at June 30, 2016.

- 1) The fund balance in the General Fund is increasing \$514,521, which will go towards increasing the contingency reserve balance.
- 2) Fund balances in the Special Revenue Funds are decreasing \$2,236,439, which will be used to fund capital projects, primarily roadway improvements and Community & Recreation Center improvements. These are planned uses of funds that have been accumulated for this purpose.
- 3) Fund balances in the Water Utility and Stormwater Utility Enterprise Funds are decreasing \$1,615,950 and \$106,865, respectively, which will be used to fund capital projects. These are planned uses of funds that have been accumulated for this purpose.
- 4) Fund balances in the Capital Project Funds are decreasing \$211,234, which will be used to fund capital projects. These are planned uses of funds that have been accumulated for this purpose.
- 5) Fund balances in the Internal Service Funds are increasing \$139,011. This increase is in the Fleet Fund and is being accumulated for future vehicle replacements.
- 6) Fund balances in the Debt Service Funds are decreasing \$87,644, which will be used to fund debt service payments. These are planned uses of remaining bond proceeds, which must be spent on debt service.



Town of Oro Valley

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Historical Fund Balances

	General Fund			Other Non-Major Governmental Funds		
	2014 Actual	2015 Estimate	2016 Budget	2014 Actual	2015 Estimate	2016 Budget
(A)						
Revenues and Other Sources						
Taxes	\$ 13,616,721	\$ 15,362,467	\$ 15,350,654	\$ 2,241,011	\$ 1,144,571	\$ 2,945,000
Licenses and Permits	2,069,443	1,488,226	1,764,000	47,257	58,882	51,000
Fines	172,232	120,000	120,000			
Water Sales						
Charges for Services	1,746,541	1,794,629	1,873,834	183,792	1,906,540	5,591,263
State Shared Revenue	9,636,906	10,303,762	10,428,531	2,679,257	2,882,445	2,985,464
Intergovernmental	31,957	15,000	105,000			
Grants	1,875,427	2,084,704	1,985,845	2,509,084	2,722,323	10,553,238
Seizures & Forfeitures				443,452	113,261	425,000
Impact Fees				4,359,068	1,721,221	2,657,179
Interest Income	197,757	90,000	94,400	1,572,960	252,170	244,533
Miscellaneous	165,119	135,000	135,000	118,045	100,425	130,000
Other Financing Sources	185,000	185,000	305,000	3,930,152	4,141,627	2,233,446
Total	\$ 29,697,103	\$ 31,578,788	\$ 32,162,264	\$ 18,084,078	\$ 15,043,465	\$ 27,816,123
Expenditures and Other Uses						
General Government						
<i>Clerk</i>	\$ 331,362	\$ 391,102	\$ 407,900			
<i>Council</i>	204,087	207,022	211,995			
<i>Finance</i>	643,557	737,182	779,760			
<i>General Administration</i>	1,724,760	1,805,600	1,804,970	8,055	18,850	13,000
<i>Human Resources</i>	447,365	371,998	366,775			
<i>Information Technology</i>	1,368,989	1,432,374	1,571,326			
<i>Legal</i>	643,058	743,405	764,837			
<i>Magistrate Court</i>	724,143	789,826	837,629			
<i>Town Manager's Office</i>	659,982	721,724	769,521	459,025	608,157	672,732
<i>Debt Service</i>						
Principal				1,824,000	609,440	665,920
Interest				462,661	413,911	390,865
<i>Capital Projects</i>				6,063	2,715,000	2,693,000
Police	13,675,969	14,759,198	15,250,016	625,180	768,536	244,579
Dev. & Infrastructure Svcs.	3,982,785	4,303,182	4,596,216	3,520,089	4,354,328	4,505,312
Parks and Recreation	2,563,708	2,722,617	3,004,988	1,555,918	2,722,109	8,063,333
Water Utility						
<i>Personnel</i>						
<i>Operations & Maintenance</i>				314,658	39,127	30,820
<i>Capital Outlay</i>				867,297	113,764	
<i>Debt Service</i>						
Principal				1,185,043	230,898	244,188
Interest				325,448	96,526	87,290
Roadway Improvements				1,427,721	2,641,439	11,516,795
Use of Contingency	1,069,691	300,000				
Other Financing Uses	3,260,729	3,970,965	1,281,810	1,251,245	352,543	1,223,606
Total	\$ 31,300,185	\$ 33,256,195	\$ 31,647,743	\$ 13,832,403	\$ 15,684,628	\$ 30,351,440
Increase/(Decrease)	(1,603,082)	(1,677,407)	514,521	4,251,675	(641,163)	(2,535,317)
Beginning Fund Balance	\$ 13,137,104	\$ 11,534,023	\$ 9,856,616	\$ 14,988,702	\$ 19,240,377	\$ 18,599,214
Ending Fund Balance	\$ 11,534,023	\$ 9,856,616	\$ 10,371,137	\$ 19,240,377	\$ 18,599,214	\$ 16,063,897

(A) Includes Special Revenue, Capital Projects and Debt Service Funds

Historical Fund Balances

	Enterprise Funds					
	Water Utility Fund			Non-Major Enterprise Fund		
	2014 Actual	2015 Estimate	2016 Budget	2014 Actual	2015 Estimate	2016 Budget
Revenues and Other Sources						
Taxes						
Licenses and Permits						
Fines						
Water Sales	12,169,375	11,793,000	12,160,500			
Charges for Services	3,315,859	3,143,500	3,184,200	759,405	789,300	787,000
State Shared Revenue						
Intergovernmental Grants						35,000
Seizures & Forfeitures						
Impact Fees						
Interest Income	61,338	75,000	59,520	1,201	250	250
Miscellaneous	11,831	21,024		23		
Other Financing Sources	400,000	2,200,000	1,800,000			
Total	\$ 15,958,403	\$ 17,232,524	\$ 17,204,220	\$ 760,629	\$ 789,550	\$ 822,250
Expenditures and Other Uses						
General Government						
<i>Clerk</i>						
<i>Council</i>						
<i>Finance</i>						
<i>General Administration</i>						
<i>Human Resources</i>						
<i>Information Technology</i>						
<i>Legal</i>						
<i>Magistrate Court</i>						
<i>Town Manager's Office</i>						
<i>Debt Service</i>						
Principal						
Interest						
<i>Capital Projects</i>						
Police						
Dev. & Infrastructure Svcs.				781,365	1,011,851	929,115
Parks and Recreation						
Water Utility						
<i>Personnel</i>	2,659,896	2,847,981	3,173,022			
<i>Operations & Maintenance</i>	5,475,342	6,926,443	7,069,451			
<i>Capital Outlay</i>	2,452,973	3,694,920	3,575,800			
<i>Debt Service</i>						
Principal	2,033,797	3,396,489	3,493,349			
Interest	1,666,926	1,574,043	1,475,518			
Roadway Improvements						
Use of Contingency						
Other Financing Uses	3,178	3,119	33,030			
Total	\$ 14,292,112	\$ 18,442,995	\$ 18,820,170	\$ 781,365	\$ 1,011,851	\$ 929,115
Increase/(Decrease)	1,666,291	(1,210,471)	(1,615,950)	(20,736)	(222,301)	(106,865)
Beginning Fund Balance	\$ 10,157,051	\$ 11,823,342	\$ 10,612,871	\$ 524,210	\$ 503,474	\$ 281,173
Ending Fund Balance	\$ 11,823,342	\$ 10,612,871	\$ 8,996,921	\$ 503,474	\$ 281,173	\$ 174,308

Note: Does not include depreciation or amortization

Historical Fund Balances

	Internal Service Funds			Total All Funds		
	2014 Actual	2015 Estimate	2016 Budget	2014 Actual	2015 Estimate	2016 Budget
Revenues and Other Sources						
Taxes				\$ 15,857,732	\$ 16,507,038	\$ 18,295,654
Licenses and Permits				2,116,700	1,547,108	1,815,000
Fines				172,232	120,000	120,000
Water Sales				12,169,375	11,793,000	12,160,500
Charges for Services	1,268,842	1,390,772	1,333,903	7,274,439	9,024,741	12,770,200
State Shared Revenue				12,316,163	13,186,207	13,413,995
Intergovernmental				31,957	15,000	105,000
Grants				4,384,511	4,807,027	12,574,083
Seizures & Forfeitures				443,452	113,261	425,000
Impact Fees				4,359,068	1,721,221	2,657,179
Interest Income				1,833,256	417,420	398,703
Miscellaneous	2,274,295	2,606,181	3,054,729	2,569,313	2,862,630	3,319,729
Other Financing Sources				4,515,152	6,526,627	4,338,446
Total	\$ 3,543,137	\$ 3,996,953	\$ 4,388,632	\$ 68,043,350	\$ 68,641,280	\$ 82,393,489
Expenditures and Other Uses						
General Government						
<i>Clerk</i>				\$ 331,362	\$ 391,102	\$ 407,900
<i>Council</i>				204,087	207,022	211,995
<i>Finance</i>				643,557	737,182	779,760
<i>General Administration</i>	2,196,187	2,792,847	2,860,400	3,929,002	4,617,297	4,678,370
<i>Human Resources</i>				447,365	371,998	366,775
<i>Information Technology</i>				1,368,989	1,432,374	1,571,326
<i>Legal</i>				643,058	743,405	764,837
<i>Magistrate Court</i>				724,143	789,826	837,629
<i>Town Manager's Office</i>				1,119,007	1,329,881	1,442,253
<i>Debt Service</i>						
Principal				1,824,000	609,440	665,920
Interest				462,661	413,911	390,865
<i>Capital Projects</i>				6,063	2,715,000	2,693,000
Police				14,301,149	15,527,734	15,494,595
Dev. & Infrastructure Svcs.	1,244,893	1,390,772	1,389,221	9,529,132	11,060,133	11,419,864
Parks and Recreation				4,119,626	5,444,726	11,068,321
Water Utility						
<i>Personnel</i>				2,659,896	2,847,981	3,173,022
<i>Operations & Maintenance</i>				5,790,000	6,965,570	7,100,271
<i>Capital Outlay</i>				3,320,270	3,808,684	3,575,800
<i>Debt Service</i>						
Principal				3,218,840	3,627,387	3,737,537
Interest				1,992,374	1,670,569	1,562,808
Roadway Improvements				1,427,721	2,641,439	11,516,795
Use of Contingency				1,069,691	300,000	
Other Financing Uses				4,515,152	4,326,627	2,538,446
Total	\$ 3,441,080	\$ 4,183,619	\$ 4,249,621	\$ 63,647,145	\$ 72,579,288	\$ 85,998,089
Increase/(Decrease)	102,057	(186,666)	139,011	4,396,205	(3,938,008)	(3,604,600)
Beginning Fund Balance	\$ 567,401	\$ 669,458	\$ 482,792	\$ 39,374,468	\$ 43,770,673	\$ 39,832,666
Ending Fund Balance	\$ 669,458	\$ 482,792	\$ 621,803	\$ 43,770,673	\$ 39,832,666	\$ 36,228,066

Note: Does not include depreciation or amortization

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Budget Summary

	FY 2013	FY 2014	FY 2015		FY 2016
	Actual		Budget	Projected	Budget
Personnel					
General Fund	254.23	268.17	270.52	269.54	270.54
Special Revenue Funds	32.08	29.08	28.98	29.98	43.34
Capital Project Funds	-	-	-	-	1.00
Enterprise Funds	40.10	41.10	41.33	41.33	42.33
Internal Service Funds	1.15	1.15	1.15	1.15	1.15
TOTAL PERSONNEL	327.56	339.50	341.98	342.00	358.36
Expenditures by Fund ¹⁾					
General Fund	25,161,715	26,969,765	29,565,800	28,985,230	30,365,933
Special Revenue Funds	4,190,024	4,592,335	5,223,114	7,853,130	13,485,956
Debt Service Funds	1,070,639	2,294,716	1,035,401	1,042,201	1,069,785
Capital Project Funds	11,761,816	5,694,107	8,428,924	6,436,754	14,572,093
Enterprise Funds	14,569,517	15,070,299	19,794,374	19,451,727	19,716,255
Internal Service Funds	2,529,232	3,441,080	4,282,972	4,183,619	4,249,621
TOTAL EXPENDITURES	59,282,943	58,062,302	68,330,585	67,952,661	83,459,643
Expenditures by Category ¹⁾					
Personnel	24,294,689	24,821,952	27,352,674	26,981,649	29,003,278
Operations & Maintenance	14,949,458	16,607,333	19,262,485	21,607,549	26,324,672
Capital Outlay	14,126,100	9,135,142	15,394,119	13,042,156	21,774,563
Debt Service	5,912,696	7,497,875	6,321,307	6,321,307	6,357,130
TOTAL EXPENDITURES	59,282,943	58,062,302	68,330,585	67,952,661	83,459,643
Operating Results					
Total Revenues ²⁾	57,931,143	63,528,198	67,030,924	64,314,653	79,855,043
Total Expenditures ¹⁾	59,282,943	58,062,302	68,330,585	67,952,661	83,459,643
NET OPERATING RESULTS ³⁾	(1,351,800)	5,465,896	(1,299,661)	(3,638,008)	(3,604,600)

1) Excludes depreciation, amortization, contingency amounts and interfund transfers

2) Excludes carry-forward balances and interfund transfers

3) Negative net operating results are attributable to planned outlay for capital projects and any associated debt service

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Revenue Summary

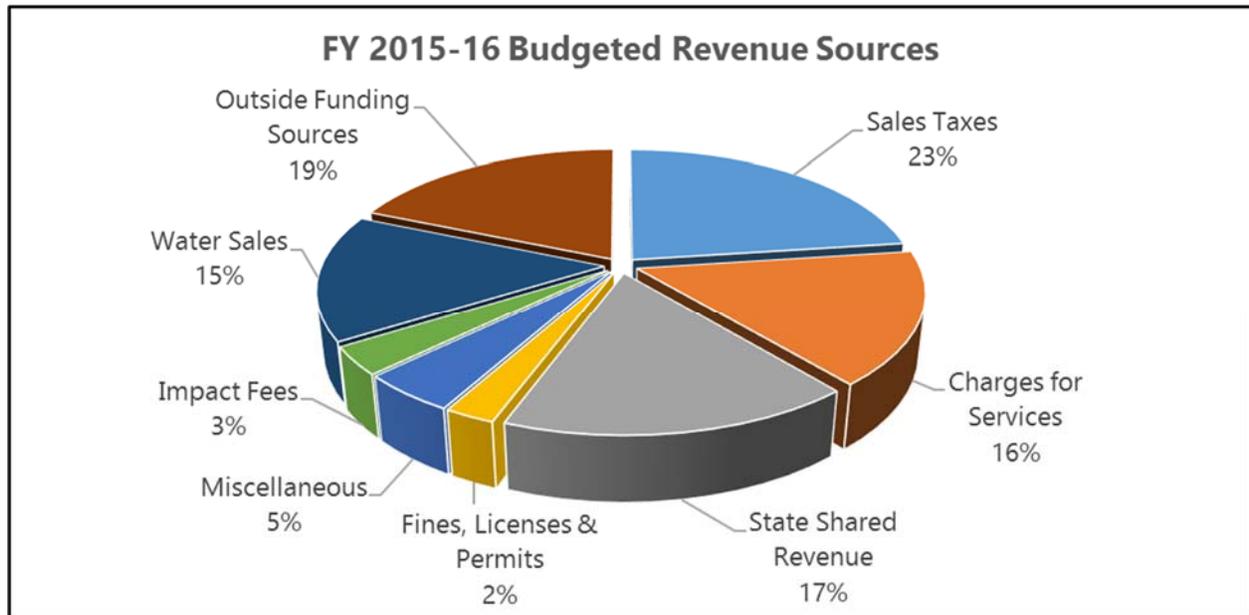
Revenue for FY 15-16 is estimated to total \$79,855,043. In comparison to the FY 14-15 budget, revenue is projected to increase 19.1%. This increase is attributable to \$7.4 million in estimated revenues from the Town's acquisition of the El Conquistador Country Club and golf courses to serve as the new Community and Recreation Center, and more than \$6.0 million in additional state grant revenues for roadway projects.

After observing steady gains in economic growth over the last few years, revenues have somewhat softened and growth projections have eased, both at the local and state level. The Town's General Fund state shared revenue collections are expected to increase by just 1% in FY 15-16. The Town's General Fund local sales tax collections are expected to decrease 2% over the current year budget, due to a projected drop in construction sales taxes. The number of annual single family residential (SFR) permits issued within the town is projected to remain flat to the current year budget of 200. Commercial development consists mainly of infill projects, with any larger projects deemed one-time in nature. The Town relies heavily on these economically sensitive revenue sources, with sales taxes and state shared revenues making up 40% of the projected FY 15-16 revenues.

Local sales tax represents 23% of the Town's FY 15-16 projected revenues. In this category, taxes related to retail trade are the biggest contributor, with growth in the General Fund projected at less than 1% over the current year budget. Restaurant tax collections are anticipated to grow 3% in FY 15-16. Construction sales tax collections are expected to decrease 8% over the current year budget, due to near completion of several apartment complexes within town, as well as a decrease in one-time commercial development projects forecasted for the coming year. Single family residential construction and permitting revenues were projected assuming 200 SFR permits will be issued, as referenced above. In collaboration with Economic Development and Development and Infrastructure Services, a list was compiled of all commercial and residential projects in the pipeline and their likelihood of completion in the next budget year. The FY 15-16 budget is forecasted to see an addition of more than 300,000 square feet of commercial building in the form of a retirement center, in addition to leisure, office, retail and restaurant space.

Compiling revenue estimates in a sensitive fiscal climate is a difficult task. Depending on the particular revenue source, estimates are based on susceptibility to economic factors, current performance, economic drivers and indicators, and information received from state reports and other sources. The Town receives a variety of other funding sources to finance operations. Refer to the Revenue Schedule by Fund for detailed changes in revenue from budget year to budget year.

Revenue Summary



	FY 2014	FY 2014/15		FY 2015/16	Variance to Budget	%
	Actual	Budget	Projected	Budget		
Sales Taxes	15,857,732	16,621,476	16,507,038	18,295,654	1,674,178	10.1%
Charges for Services	7,274,439	7,313,898	9,024,741	12,770,200	5,456,302	74.6%
State Shared Revenue	12,316,164	13,058,709	13,186,207	13,413,995	355,286	2.7%
Fines, Licenses & Permits	2,288,931	2,037,547	1,667,108	1,935,000	(102,547)	-5.0%
Miscellaneous	4,402,569	3,180,181	3,280,052	3,718,432	538,251	16.9%
Impact Fees	4,359,068	3,459,771	1,721,219	2,657,179	(802,592)	-23.2%
Water Sales	12,169,375	12,078,800	11,793,000	12,160,500	81,700	0.7%
Outside Funding Sources	4,859,920	9,280,542	7,135,288	14,904,083	5,623,541	60.6%
Total Revenue	\$ 63,528,198	\$ 67,030,924	\$ 64,314,653	\$ 79,855,043	\$ 12,824,119	19.1%

Does not include interfund transfers or carry-forward fund balances

A brief description of the major changes in revenue sources from budget year to budget year is as follows:

Sales Taxes +\$1.7M	<ul style="list-style-type: none"> \$2M increase for new half-cent sales tax implemented to fund operations of the Town's Community and Recreation Center, contract-managed golf and tennis facilities \$300K decrease in construction sales tax
Charges for Services +\$5.5M	<ul style="list-style-type: none"> \$5.4M increase for Community and Recreation Center, contract-managed golf and tennis revenues \$60K increase in Aquatic Center revenue \$47K increase in development services fee revenue

Revenue Summary

State Shared Revenue +\$355K	<ul style="list-style-type: none"> • \$26K decrease (-0.5%) in state income tax • \$66K increase (2%) in state sales tax • \$85K increase (5%) in vehicle license tax • \$230K increase (8%) in highway user (gasoline tax) revenues
Fines, Licenses & Permits -\$103K	<ul style="list-style-type: none"> • \$60K decrease in fine revenues, based on observed trends and citation filings • \$48K decrease in commercial building permit revenues based on observed and anticipated building activity
Miscellaneous \$530K	<ul style="list-style-type: none"> • \$429K increase in Benefit Self Insurance Fund for premium increases and operating costs of the Town's onsite employee health clinic • \$58K increase in Fleet Fund for vehicle reserves • \$30K budgeted in Library Impact Fee Fund for potential donation to supplement Library parking lot capital project
Impact Fees -\$803K	<ul style="list-style-type: none"> • Completion of multi-family residential projects and expected decrease in commercial activity
Outside Funding Sources +\$5.6M	<ul style="list-style-type: none"> • \$6.4M increase in state grants for roadway project funding • \$81K budgeted in General Government CIP Fund for potential grant funding of transit scheduling software capital project • \$30K budgeted for a potential Stormwater low impact development and training grant from WIFA • \$400K decrease in loan proceeds from Water Infrastructure Finance Authority of Arizona (WIFA) • \$308K decrease in state transit vehicle grants • \$131K decrease in state and federal grants for the Police Department • \$73K decrease in reimbursement from Regional Transportation Authority (RTA) due to a decrease in budgeted Transit expenditures

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Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
General Fund						
Local Sales Tax:						
Local Sales Tax	12,704,043	13,036,536	15,127,905	14,798,467	14,775,654	-2.3%
Sales Tax Audit Recoveries	9,732	8,454	9,000	4,000	5,000	-44.4%
Cable Franchise Fees	539,477	571,731	540,000	560,000	570,000	5.6%
Total Local Sales Tax	13,253,253	13,616,721	15,676,905	15,362,467	15,350,654	-2.1%
License & Permit Fees:						
Business Licenses & Permits	185,929	197,323	182,000	188,000	192,000	5.5%
Residential Building Permits	1,163,764	1,409,442	1,135,000	903,226	1,135,000	0.0%
Commercial Building Permits	329,859	351,907	397,547	300,000	350,000	-12.0%
Sign Permits	41,579	31,026	35,000	31,000	31,000	-11.4%
Special Inspection Fees	4,360	4,400	5,000	5,000	5,000	0.0%
Grading Permit Fees	20,483	75,344	51,000	61,000	51,000	0.0%
Total License & Permit Fees	1,745,974	2,069,443	1,805,547	1,488,226	1,764,000	-2.3%
Federal Grants:						
CNA	122,175	136,473	127,500	148,500	130,500	2.4%
DEA OT Reimbursement	25,091	28,344	25,000	12,000	22,000	-12.0%
Miscellaneous Federal Grants	1,562	11,322	6,900	8,220	7,800	13.0%
HIDTA	151,386	147,293	156,763	147,713	131,000	-16.4%
HIDTA-DEA	105,568	108,756	102,850	105,300	92,000	-10.5%
GOHS	91,647	118,148	77,000	156,200	81,000	5.2%
Homeland Security	85,188	57,077	84,150	67,371	70,000	-16.8%
Joint Terrorism Task Force	16,434	16,570	17,202	17,245	17,245	0.2%
Total Federal Grants	599,050	623,982	597,365	662,549	551,545	-7.7%
State Grants:						
Safe Schools Grant	60,180	-	150,000	65,000	65,000	-56.7%
Misc State Grants	94,919	76,146	142,300	147,300	127,300	-10.5%
RTA Reimbursements	913,863	1,175,299	1,315,000	1,209,855	1,242,000	-5.6%
Total State Grants	1,068,962	1,251,445	1,607,300	1,422,155	1,434,300	-10.8%
State/County Shared:						
State Income	4,189,185	4,571,196	4,964,344	4,964,344	4,937,719	-0.5%
State Sales	3,356,826	3,569,711	3,705,688	3,705,688	3,772,164	1.8%
Vehicle License Tax	1,502,355	1,495,999	1,633,730	1,633,730	1,718,648	5.2%
Total State/County Shared	9,048,366	9,636,906	10,303,762	10,303,762	10,428,531	1.2%
Other Intergovernmental:						
PCLD Reimbursements	403,969	31,957	15,000	15,000	15,000	0.0%
Animal Control Revenues	-	-	-	-	90,000	0.0%
Total Other Intergovernmental	403,969	31,957	15,000	15,000	105,000	600.0%
Charges for Services:						
Court Costs	184,108	172,878	190,000	120,000	120,000	-36.8%
Public Defender Fees	2,921	2,385	2,500	2,000	2,000	-20.0%
Zoning & Subdivision Fees	131,547	183,897	131,000	225,000	178,000	35.9%
User Fees - Swimming Pool	169,965	404,526	366,500	405,000	426,000	16.2%
User Fees - Fields & Courts	32,827	30,828	67,000	100,500	123,000	83.6%
User Fees - Miscellaneous	180,265	191,016	160,000	158,100	151,300	-5.4%
Copy Services	1,684	1,535	2,000	2,000	2,000	0.0%
Town Hall Usage Fees	4,420	4,692	5,000	5,000	5,000	0.0%
General Government Other	1,525	6,897	1,500	3,614	2,000	33.3%
Police Report Copying	5,583	5,710	4,650	5,200	5,200	11.8%
Police Other	18,603	6,233	2,200	2,700	2,200	0.0%
Building Inspection Copying	5	8	-	15	-	0.0%
Engineer Plan Review Fees	40,437	33,748	40,000	54,000	43,000	7.5%
Grading Review Fees	5,766	23,255	18,000	16,000	14,000	-22.2%
Grading Inspection Fees	1,220	7,851	6,000	3,000	4,000	-33.3%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
Fare Box	66,558	71,078	74,000	64,000	65,000	-12.2%
Administrative Services	321,000	321,000	321,000	321,000	421,000	31.2%
Financial Services	135,588	136,632	168,745	168,745	176,220	4.4%
Real Property Rental Income	78,104	80,979	81,050	81,435	81,514	0.6%
Maps	118	217	-	217	-	0.0%
Pawn Slips	1,950	2,430	2,150	375	700	-67.4%
Police Fingerprinting	21,160	20,490	20,700	20,200	20,200	-2.4%
Concession Sales	16,551	32,895	20,000	32,900	30,000	50.0%
Probation Monitoring Fee	-	3,535	5,000	-	-	-100.0%
Public Record Request Fees	-	1,828	-	1,828	1,500	0.0%
Comm Facilities Appraisal Fees	-	-	-	1,800	-	0.0%
Total Charges for Services	1,421,905	1,746,541	1,688,995	1,794,629	1,873,834	10.9%
Fines:						
Fines	180,875	172,232	180,000	120,000	120,000	-33.3%
Total Fines	180,875	172,232	180,000	120,000	120,000	-33.3%
Interest Income:						
Interest - Investments	205,633	197,757	81,125	90,000	94,400	16.4%
Total Interest Income	205,633	197,757	81,125	90,000	94,400	16.4%
Miscellaneous:						
Miscellaneous	43,637	15,038	10,000	8,888	5,000	-50.0%
Special Events	4,635	4,800	5,000	5,000	5,000	0.0%
Insurance Recoveries	6,938	20,748	10,000	11,000	5,000	-50.0%
In-Lieu Income	122,196	119,166	110,000	110,000	120,000	9.1%
Sale of Assets	30,473	5,366	-	112	-	0.0%
Total Miscellaneous	207,879	165,119	135,000	135,000	135,000	0.0%
TOTAL GENERAL FUND	28,135,866	29,512,102	32,090,999	31,393,788	31,857,264	-0.7%
Highway Fund						
Local Sales Tax:						
Construction Sales Tax	738,492	1,227,468	-	-	-	0.0%
Total Local Sales Tax	738,492	1,227,468	-	-	-	0.0%
License & Permit Fees:						
Road Permits	66,493	43,557	49,000	55,333	48,000	-2.0%
Floodplain Use Permits	1,480	3,700	3,000	3,549	3,000	0.0%
Total License & Permit Fees	67,973	47,257	52,000	58,882	51,000	-1.9%
Charges for Services:						
Administrative Services	229,493	129,492	129,493	129,493	134,000	3.5%
Total Charges for Services	229,493	129,492	129,493	129,493	134,000	3.5%
State Grants:						
PAG Reimbursements	194,392	-	-	-	-	0.0%
RTA Reimbursements	-	35,000	-	-	-	0.0%
Total State Grants	194,392	35,000	-	-	-	0.0%
State/County Shared:						
Highway User	2,648,329	2,679,257	2,754,947	2,882,445	2,985,464	8.4%
Total State/County Shared	2,648,329	2,679,257	2,754,947	2,882,445	2,985,464	8.4%
Interest Income:						
Interest - Investments	25,006	38,666	19,250	25,000	22,400	16.4%
Total Interest Income	25,006	38,666	19,250	25,000	22,400	16.4%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
Miscellaneous:						
Miscellaneous	12,084	9,415	10,000	10,000	10,000	0.0%
Insurance Recoveries	4,729	10,930	-	-	-	0.0%
Total Miscellaneous	16,813	20,345	10,000	10,000	10,000	0.0%
TOTAL HIGHWAY FUND	3,920,499	4,177,486	2,965,690	3,105,820	3,202,864	8.0%
Bed Tax Fund						
Local Sales Tax:						
Local Sales Tax	788,796	1,013,543	944,571	944,571	945,000	0.0%
Total Local Sales Tax	788,796	1,013,543	944,571	944,571	945,000	0.0%
Interest Income:						
Interest - Investments	3,476	7,198	4,125	6,000	4,800	16.4%
Total Interest Income	3,476	7,198	4,125	6,000	4,800	16.4%
Miscellaneous:						
Miscellaneous	10,000	5,000	-	-	-	0.0%
Total Miscellaneous	10,000	5,000	-	-	-	0.0%
TOTAL BED TAX FUND	802,272	1,025,741	948,696	950,571	949,800	0.1%
Seizures & Forfeitures Funds						
Interest Income:						
Interest - Investments	6,825	7,450	-	2,495	-	0.0%
Total Interest Income	6,825	7,450	-	2,495	-	0.0%
Miscellaneous:						
Forfeitures	315,877	443,452	425,000	113,261	425,000	0.0%
Total Miscellaneous	315,877	443,452	425,000	113,261	425,000	0.0%
TOTAL SEIZURES & FORFEITURES FUNDS	322,702	450,902	425,000	115,756	425,000	0.0%
Impound Fee Fund						
Charges for Services:						
Impound Fees	34,050	31,800	26,610	36,000	34,000	27.8%
Total Charges for Services	34,050	31,800	26,610	36,000	34,000	27.8%
TOTAL IMPOUND FEE FUND	34,050	31,800	26,610	36,000	34,000	27.8%
Community Center & Golf Fund						
Local Sales Tax:						
Local Sales Tax	-	-	-	200,000	2,000,000	0.0%
Total Local Sales Tax	-	-	-	200,000	2,000,000	0.0%
Charges for Services:						
User Fees - Daily Drop-In	-	-	-	-	27,550	0.0%
User Fees - Member Dues	-	-	-	-	526,480	0.0%
User Fees - Recreation Programs	-	-	-	-	84,000	0.0%
User Fees - Tournaments	-	-	-	-	7,200	0.0%
Facility Rental Income	-	-	-	-	13,200	0.0%
Management Contract Revenues	-	-	-	1,718,547	4,742,333	0.0%
Total Charges for Services	-	-	-	1,718,547	5,400,763	0.0%
TOTAL COMM CENTER & GOLF FUND	-	-	-	1,918,547	7,400,763	0.0%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
Municipal Debt Service Fund						
Interest Income:						
Interest	23	39	-	29	-	0.0%
Total Interest Income	23	39	-	29	-	0.0%
Federal Grants:						
Miscellaneous Grants	77,517	68,988	67,877	67,877	58,238	-14.2%
Total Federal Grants	77,517	68,988	67,877	67,877	58,238	-14.2%
Miscellaneous:						
Miscellaneous	96,258	92,375	83,000	90,000	90,000	8.4%
Total Miscellaneous	96,258	92,375	83,000	90,000	90,000	8.4%
TOTAL MUNICIPAL DEBT SERVICE FUND	173,798	161,402	150,877	157,906	148,238	-1.7%
Oracle Road Debt Service Fund						
Interest Income:						
Special Assessments	118,034	81,572	45,918	45,918	40,153	-12.6%
Penalties	41	37	-	-	-	0.0%
Total Interest Income	118,076	81,609	45,918	45,918	40,153	-12.6%
Principal Repayments:						
Principal Repayments	247,859	1,380,697	130,000	130,000	135,000	3.8%
Total Principal Repayments	247,859	1,380,697	130,000	130,000	135,000	3.8%
TOTAL ORACLE RD DEBT SERVICE FUND	365,935	1,462,307	175,918	175,918	175,153	-0.4%
Townwide Roadway Development Impact Fee Fund						
Federal Grants:						
Miscellaneous Grants	-	500,000	-	-	-	0.0%
Total Federal Grants	-	500,000	-	-	-	0.0%
State Grants:						
Misc State Grants	-	-	-	2,460	-	-
PAG Reimbursements	2,679,121	1,755,154	3,325,000	2,091,986	-	-100.0%
RTA Reimbursements	98,051	149,942	735,000	560,000	-	-100.0%
Total State Grants	2,777,171	1,905,096	4,060,000	2,654,446	-	-100.0%
Impact Fees:						
Residential Impact Fees	400,131	259,022	678,668	268,650	398,000	-41.4%
Commercial Impact Fees	319,797	67,300	221,998	78,992	26,532	-88.0%
Total Impact Fees	719,927	326,322	900,666	347,642	424,532	-52.9%
Interest Income:						
Interest - Investments	21,143	3,381	3,000	2,473	2,000	-33.3%
Total Interest Income	21,143	3,381	3,000	2,473	2,000	-33.3%
Miscellaneous:						
Miscellaneous	-	150	-	425	-	0.0%
Total Miscellaneous	-	150	-	425	-	0.0%
Charges for Services:						
Real Property Rental Income	18,375	22,500	22,500	22,500	-	-100.0%
Total Charges for Services	18,375	22,500	22,500	22,500	-	-100.0%
TOTAL ROADWAY IMPACT FEE FUND	3,536,616	2,757,450	4,986,166	3,027,486	426,532	-91.4%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
PAG/RTA Fund						
State Grants:						
PAG Reimbursements	-	-	-	-	6,050,000	0.0%
RTA Reimbursements	-	-	-	-	4,364,000	0.0%
Total State Grants	-	-	-	-	10,414,000	0.0%
Interest Income:						
Interest - Investments	-	-	-	-	500	0.0%
Total Interest Income	-	-	-	-	500	0.0%
Charges for Services:						
Real Property Rental Income	-	-	-	-	22,500	0.0%
Total Charges for Services	-	-	-	-	22,500	0.0%
TOTAL PAG/RTA FUND	-	-	-	-	10,437,000	0.0%
General Government Development Impact Fee Fund						
Impact Fees:						
Residential Impact Fees	(3,115)	-	-	-	-	0.0%
Commercial Impact Fees	5,299	2,206	-	-	-	0.0%
Total Impact Fees	2,184	2,206	-	-	-	0.0%
Interest Income:						
Interest - Investments	1,218	8	-	2	-	0.0%
Total Interest Income	1,218	8	-	2	-	0.0%
TOTAL GEN. GOVT. IMPACT FEE FUND	3,402	2,214	-	2	-	0.0%
Library Development Impact Fee Fund						
Impact Fees:						
Residential Impact Fees	4,574	-	-	-	-	0.0%
Total Impact Fees	4,574	-	-	-	-	0.0%
Interest Income:						
Interest - Investments	32	-	-	-	-	0.0%
Total Interest Income	32	-	-	-	-	0.0%
Miscellaneous						
Donations	-	-	-	-	30,000	0.0%
Total Miscellaneous	32	-	-	-	30,000	0.0%
TOTAL LIBRARY IMPACT FEE FUND	4,606	-	-	-	30,000	0.0%
Parks & Recreation Development Impact Fee Fund						
Impact Fees:						
Residential Impact Fees	170,698	122,754	307,772	115,560	171,200	-44.4%
Total Impact Fees	170,698	122,754	307,772	115,560	171,200	-44.4%
Interest Income:						
Interest - Investments	1,525	669	-	54	-	0.0%
Total Interest Income	1,525	669	-	54	-	0.0%
TOTAL PARKS IMPACT FEE FUND	172,223	123,423	307,772	115,614	171,200	-44.4%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
Police Development Impact Fee Fund						
Impact Fees:						
Residential Impact Fees	56,638	43,888	111,020	41,850	62,000	-44.2%
Commercial Impact Fees	34,320	74,168	22,976	5,667	4,917	-78.6%
Total Impact Fees	90,958	118,056	133,996	47,517	66,917	-50.1%
Interest Income:						
Interest - Investments	903	361	-	201	-	0.0%
Total Interest Income	903	361	-	201	-	0.0%
TOTAL POLICE IMPACT FEE FUND	91,861	118,418	133,996	47,718	66,917	-50.1%
Naranja Park Fund						
Miscellaneous:						
Miscellaneous	-	175	-	-	-	0.0%
Total Miscellaneous	-	175	-	-	-	0.0%
TOTAL NARANJA PARK FUND	-	175	-	-	-	0.0%
General Government CIP Fund						
State Grants						
Misc State Grants	-	-	-	-	81,000	0.0%
Total State Grants	-	-	-	-	81,000	0.0%
TOTAL GEN GOVT CIP FUND	-	-	-	-	81,000	0.0%
Fleet Fund						
Miscellaneous:						
Insurance Recoveries	-	-	-	13,668	-	0.0%
Vehicle Reserves	-	-	126,313	126,313	184,329	45.9%
Sale of Assets	-	61,001	25,000	36,000	10,000	-60.0%
Total Miscellaneous	-	61,001	151,313	175,981	194,329	28.4%
State Grants						
Miscellaneous Grants	-	-	308,000	-	-	-100.0%
Total State Grants	-	-	308,000	-	-	-100.0%
Charges for Services:						
Fleet Services	638,787	1,268,842	1,467,800	1,390,772	1,333,903	-9.1%
Total Charges for Services	638,787	1,268,842	1,467,800	1,390,772	1,333,903	-9.1%
TOTAL FLEET FUND	638,787	1,329,843	1,927,113	1,566,753	1,528,232	-20.7%
Benefit Self Insurance Fund						
Miscellaneous:						
Self Insurance Premiums - Employer	1,902,229	1,841,451	2,106,000	2,106,000	2,364,000	12.3%
Self Insurance Premiums - Employee	255,618	246,565	286,200	286,200	321,400	12.3%
COBRA Premiums	-	18,865	13,000	13,000	25,000	92.3%
Retiree Premiums	-	10,435	5,000	5,000	8,000	60.0%
UHC Wellness Program	-	20,000	20,000	20,000	20,000	0.0%
Miscellaneous	-	75,978	1,000	-	122,000	12100.0%
Total Miscellaneous	2,157,847	2,213,294	2,431,200	2,430,200	2,860,400	17.7%
TOTAL BENEFIT SELF INSURANCE FUND	2,157,847	2,213,294	2,431,200	2,430,200	2,860,400	17.7%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
Water Utility Fund						
Water Sales:						
Residential Water Sales	7,752,934	7,881,436	8,000,000	7,919,200	8,038,000	0.5%
Commercial Water Sales	962,824	886,712	950,000	800,700	810,000	-14.7%
Irrigation Water Sales	1,066,475	1,356,689	1,132,000	1,400,000	1,431,000	26.4%
Turf Related Water Sales	1,605,710	1,760,090	1,695,800	1,428,000	1,631,000	-3.8%
Construction Water Sales	196,354	283,632	300,000	244,600	250,000	-16.7%
Other	884	816	1,000	500	500	-50.0%
Total Water Sales	11,585,181	12,169,375	12,078,800	11,793,000	12,160,500	0.7%
Charges for Services:						
Engineer Plan Review Fees	11,282	15,654	20,000	20,000	20,000	0.0%
Construction Inspection Fees	11,369	30,463	25,000	24,000	24,000	-4.0%
Misc Service Revenue	22,427	17,842	20,000	6,000	6,000	-70.0%
Backflow-Install Permit Fee	2,925	8,380	5,000	5,000	5,000	0.0%
Served by Tucson	2,632	-	-	-	-	0.0%
Served by Metro	2,003	-	-	-	-	0.0%
Sewer Fees	190,584	201,886	207,000	207,000	207,000	0.0%
Late Fees	86,356	99,585	90,000	100,000	100,000	11.1%
NSF Fees	4,681	3,553	3,500	3,500	3,500	0.0%
Rain Sensors	45	8	-	-	-	0.0%
Meter Income	70,624	94,377	90,700	50,000	90,700	0.0%
New Service Establish Fees	96,478	94,468	80,000	80,000	80,000	0.0%
Reconnect Fees	44,713	41,945	40,000	40,000	40,000	0.0%
Groundwater Preservation Fee	-	2,599,718	2,500,000	2,500,000	2,500,000	0.0%
Other	89,505	107,981	108,000	108,000	108,000	0.0%
Total Charges for Services	635,623	3,315,859	3,189,200	3,143,500	3,184,200	-0.2%
Interest Income:						
Interest - Investments	(17,289)	61,338	51,150	75,000	59,520	16.4%
Total Interest Income	(17,289)	61,338	51,150	75,000	59,520	16.4%
Miscellaneous:						
Miscellaneous	4,994	1,257	-	16,891	-	0.0%
Insurance Recoveries	50	2,913	-	4,133	-	0.0%
Sale of Assets	20,014	7,661	-	-	-	0.0%
Total Miscellaneous	25,058	11,831	-	21,024	-	0.0%
Other Financing Sources:						
WIFA Loan Proceeds	-	-	2,200,000	2,200,000	1,800,000	-18.2%
Total Other Financing Sources	-	-	2,200,000	2,200,000	1,800,000	-18.2%
TOTAL WATER UTILITY FUND	12,228,572	15,558,403	17,519,150	17,232,524	17,204,220	-1.8%
Alternative Water Resources Development Impact Fee Fund						
Charges for Services:						
Groundwater Preservation Fee	2,527,524	-	-	-	-	0.0%
Total Charges for Services	2,527,524	-	-	-	-	0.0%
Impact Fees:						
Residential Impact Fees	1,120,798	1,362,186	809,000	667,425	809,000	0.0%
Commercial Impact Fees	132,257	1,014,496	600,646	100,000	522,323	-13.0%
Total Impact Fees	1,253,055	2,376,682	1,409,646	767,425	1,331,323	-5.6%
Interest Income:						
Interest - Investments	437	22,208	17,050	20,000	19,840	16.4%
Total Interest Income	437	22,208	17,050	20,000	19,840	16.4%
TOTAL AWRDIF FUND	3,781,017	2,398,890	1,426,696	787,425	1,351,163	-5.3%

Revenue Schedule by Fund

Major Revenue Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to Budget
	Actual	Actual	Budget	Projected	Budget	
Potable Water System Development Impact Fee Fund						
Impact Fees:						
Single Family Connections	553,042	367,078	403,000	332,475	403,000	0.0%
Multi-Family Connections	2,567	536,750	220,476	60,600	175,994	-20.2%
Commercial Connections	97,340	319,510	73,337	20,000	73,335	0.0%
Irrigation Connections	37,060	128,620	10,878	30,000	10,878	0.0%
Fire-Flow Connections	16,150	61,089	-	-	-	0.0%
Total Impact Fees	706,159	1,413,047	707,691	443,075	663,207	-6.3%
Interest Income:						
Interest - Investments	963	30,673	17,050	20,000	19,840	16.4%
Total Interest Income	963	30,673	17,050	20,000	19,840	16.4%
TOTAL PWSDF FUND	707,122	1,443,720	724,741	463,075	683,047	-5.8%
Stormwater Utility Fund						
Federal Grants:						
Miscellaneous Federal Grants	7,867	-	-	-	-	0.0%
Total Federal Grants	7,867	-	-	-	-	0.0%
State Grants:						
Miscellaneous State Grants	-	-	-	-	35,000	0.0%
Total State Grants	-	-	-	-	35,000	0.0%
Charges for Services:						
Late Fees	2,710	2,399	2,800	2,800	3,000	7.1%
Stormwater Utility Fee	747,750	757,006	786,500	786,500	784,000	-0.3%
Total Charges for Services	750,460	759,405	789,300	789,300	787,000	-0.3%
Interest Income:						
Interest - Investments	5,470	1,201	1,000	250	250	-75.0%
Total Interest Income	5,470	1,201	1,000	250	250	-75.0%
Miscellaneous:						
Miscellaneous	62,940	23	-	-	-	0.0%
Total Miscellaneous	62,940	23	-	-	-	0.0%
TOTAL STORMWATER UTILITY FUND	826,738	760,629	790,300	789,550	822,250	4.0%
Aquatic Center Project Fund						
Miscellaneous						
Donations	27,229	-	-	-	-	0.0%
Total Miscellaneous	27,229	-	-	-	-	0.0%
TOTAL AQUATIC CENTER PROJECT FUND	27,229	-	-	-	-	0.0%
TOTAL REVENUE - ALL FUNDS	\$ 57,931,143	\$ 63,528,198	\$ 67,030,924	\$ 64,314,653	\$ 79,855,043	19.1%

Note: Does not include Interfund Transfers or Carry-Forward Balances



Town of Oro Valley

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Revenue Sources

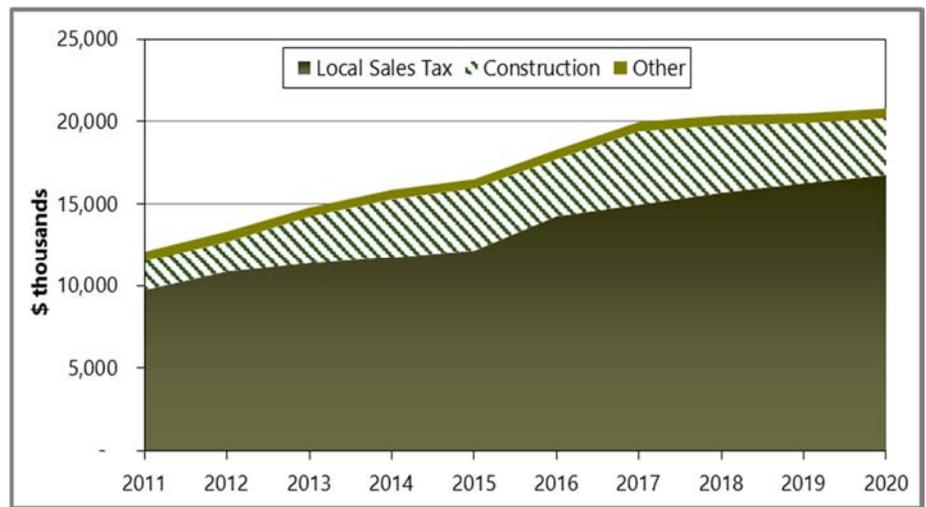
Local Sales Tax

Description

Arizona cities and towns under state law have the authority to establish certain taxes for revenue purposes. The local sales tax, as a means of financing municipal services, is the most important source of local revenue for most Arizona cities and towns. The Town of Oro Valley levies a 2.5% tax on sales collected within the town boundaries, with the exception of sales on utilities and construction activity, which are a 4% tax. The Town also levies an additional 6% tax on lodging. The sales tax is collected by the state and remitted to the Town on a weekly basis.

Uses

Two-percent of the 2.5% local sales tax, as well as the 4% utility sales tax, are used for various general governmental purposes. The additional 0.5% local sales tax was implemented in March of 2015 and is dedicated to funding the new Community Center & Golf Fund operations. The 6% tax on lodging is used to support economic development and tourism efforts. Recurring construction sales taxes are used to fund maintenance on town roadways, while remaining one-time amounts are dedicated to one-time capital projects. Other local sales tax revenues go towards various governmental purposes.



Projections

Local construction sales tax has decreased significantly from its peak in 2008. This is due to slow growth from the last economic recession and the town approaching build-out. Commercial activity on the horizon consists mostly of infill projects. Single family residential activity is expected to increase over the next few years, due to several one-time larger-scale projects on the horizon. Although retail sales tax collections continue to increase, the rate of growth has slowed over the last few years. The following assumptions were used in compiling the projections:

- retail and utility sales tax projected to grow at a rate of 2-4% per year with population growth and inflation
- bed tax collections are flat in FY 2016, increase 10-15% in FY 2017 and FY 2018 following a major hotel renovation, then increase 3% per year thereafter with population growth
- construction sales tax decreases 8% in FY 2016, increases 28% in FY 2017 with an anticipated increase in one-time commercial and single family residential building activity, then gradually declines each year thereafter as the pace of building activity slows

Revenue Sources

		Local Sales Tax	Construction Sales Tax	Other
ACTUAL	2010	9,409,890	2,772,542	1,297,719
	2011	9,714,530	1,765,739	610,223
	2012	10,866,793	1,815,826	642,486
	2013	11,356,974	2,874,357	549,211
	2014	11,753,525	3,523,966	580,185
PROJECTION	2015	12,187,880	3,755,158	564,000
	2016	14,269,174 *	3,451,480	575,000
	2017	14,976,600	4,425,000	585,000
	2018	15,717,272	4,075,000	585,000
	2019	16,289,905	3,620,000	595,000
	2020	16,744,385	3,465,000	595,000

* Includes first full fiscal year of new half-cent sales tax dedicated to Community Center & Golf Fund operations

Fines, Licenses and Permits

Description

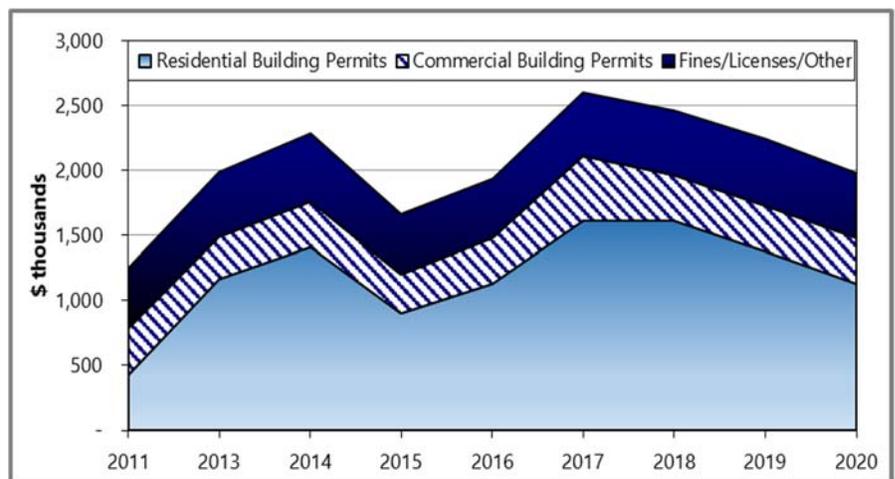
Revenue from court fines comes from traffic violations and other fines paid for the violation of municipal ordinances. License revenue includes fees charged for obtaining a business license to operate a business within town boundaries. Permit fee revenue includes fees collected from building permits, both residential and commercial, zoning permits and a variety of other programs.

Uses

The revenue received from fines, licenses and permit fees is placed in the General Fund and used for various general governmental purposes.

Projections

Revenues received from fines, business licenses and other permits are projected to grow gradually over the next 5 years. The growth in building permit revenue is due to an anticipated



increase in single family residential permits and potential one-time commercial activity. As the Town continues to approach build-out, residential and commercial activity will decrease. The following assumptions were used in compiling the projections:

- single family residential permits are budgeted at 200 for FY 2016, projected at 300 for FY 2017 and FY 2018, then expected to gradually decline back to 200 by FY 2020
- forecast for commercial building activity is conservative; potential one-time projects are always subject to fluctuation

Revenue Sources

- an average of 50K square feet of miscellaneous commercial development will be added each year for the next 5 years
- revenue from business licenses, fines and other permits grows gradually with population and the addition of new businesses within town

		Residential Building Permits	Commercial Building Permits	Business Licenses, Fines & Other
ACTUAL	2010	505,226	331,510	473,818
	2011	426,876	360,645	467,780
	2012	554,042	352,796	479,696
	2013	1,163,764	329,859	501,199
	2014	1,409,442	351,907	527,582
PROJECTION	2015	903,226	300,000	463,882
	2016	1,135,000	350,000	450,000
	2017	1,615,000	500,000	486,600
	2018	1,615,000	350,000	497,648
	2019	1,375,000	350,000	518,877
	2020	1,135,000	350,000	500,294

State Shared Revenue

Description

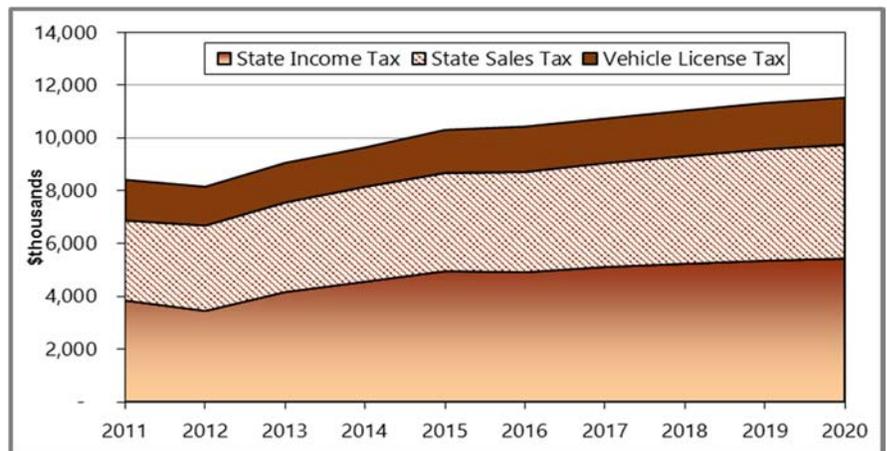
Cities and towns in the state receive a portion of the revenues collected by the state of Arizona. These sources consist of the state sales tax, income tax, and vehicle license tax. Oro Valley receives its share of the state sales and income tax based on the relation of its population to the total population of all incorporated cities and towns in the state based on U.S. Census population figures. The vehicle license tax is distributed to Oro Valley based on the relation of its population to the total population of all incorporated cities and towns in Pima County.

Uses

State Shared Revenue is collected in the General Fund and used for various general governmental purposes.

Projections

State Shared Revenue is a significant source of funding and represents 32% of General Fund budgeted revenue for FY 2016. Revenues are expected to increase by just 1% in FY 2016, after experiencing several years of considerable growth following the last recession.



Revenue Sources

Economic sluggishness, as well as budget and legislative tax law changes made at the state level, are the cause of the anemic growth. Annual growth of about 2-3% is anticipated thereafter. The following assumptions were used in compiling the projections:

- 1% increase projected for FY 2016, based on figures provided by the state
- 2-3% increases per year are projected for FY 2017 through FY 2020

		State Income Tax	State Sales Tax	Vehicle License Tax
ACTUAL	2010	5,086,954	2,891,386	1,484,125
	2011	3,834,911	3,024,857	1,549,821
	2012	3,461,359	3,204,612	1,479,094
	2013	4,189,185	3,356,826	1,502,355
	2014	4,571,196	3,569,711	1,495,999
PROJECTION	2015	4,964,344	3,705,688	1,633,730
	2016	4,937,719	3,772,164	1,718,648
	2017	5,125,664	3,910,329	1,700,000
	2018	5,227,174	4,080,742	1,726,500
	2019	5,355,717	4,211,965	1,758,165
	2020	5,421,331	4,326,824	1,774,997

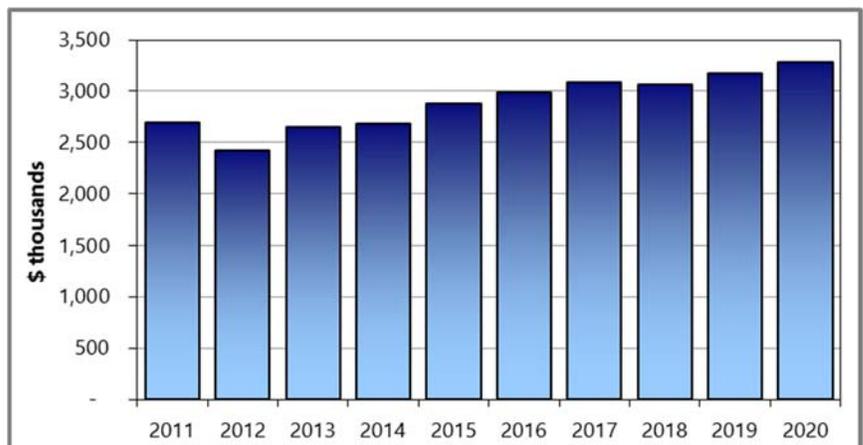
Highway User Revenue (HURF)

Description

HURF revenues are primarily generated from the state collected gasoline tax. Cities and towns receive 27.5% of highway user revenues. One-half of the monies that Oro Valley receives is based on its population in relation to the population of all cities and towns in the state. The remaining half is allocated on the basis of "county of origin" of gasoline sales and the relation of Oro Valley's population to the population of all cities and towns in Pima County. The intent of this distribution formula is to spread a portion of the money across the state solely on the basis of population while the remaining money flows to those areas with the highest gasoline sales.

Uses

There is a state constitutional restriction on the use of the highway user revenues which requires that these funds be used solely for street and highway purposes. The Town has a separate fund – Highway Fund – where this revenue is collected and distributed for such purposes.



Revenue Sources

Projections

HURF revenue collections are a major source of funding for roadway improvements and account for 93% of Highway Fund budgeted revenue for FY 2016. This revenue source is impacted by economic downturns, as well as actions taken by the state legislature to sweep these funds for state Department of Public Safety (DPS) purposes. The following assumptions were used in compiling the projections:

- increases in FY 2015 through FY 2017 due in large part to a bill passed by the Arizona Legislature that allocates additional highway user funds to counties, cities and towns
- revenue is projected to increase 4% per year in FY 2016 and FY 2017
- 1% decline in FY 2018 as impact of state bill ends
- revenue is projected to increase 3% per year thereafter

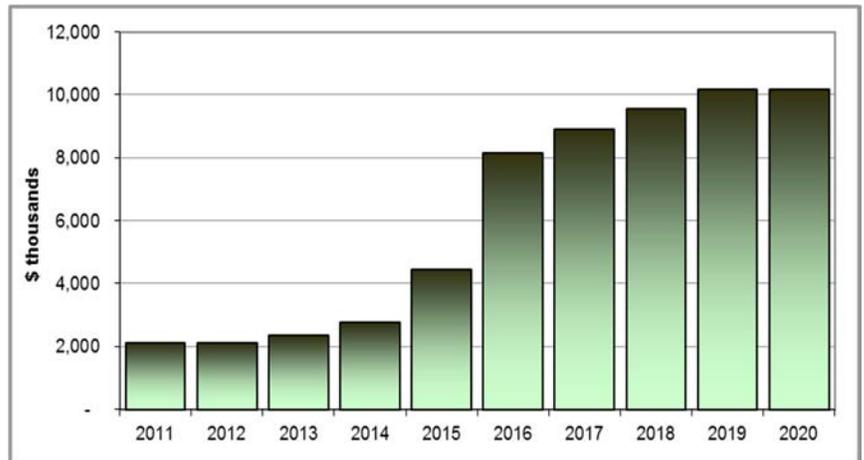
		HURF Revenue
ACTUAL	2010	2,667,797
	2011	2,693,145
	2012	2,418,605
	2013	2,648,329
	2014	2,679,257
PROJECTION	2015	2,882,445
	2016	2,985,464
	2017	3,090,663
	2018	3,067,084
	2019	3,172,291
	2020	3,283,149

Charges for Services

Description

Charges for Services are fees charged for specific services provided by the Town. They include recreation user fees, development services fees, stormwater fees, various water fees and fares received from transit services, to name a few. With the exception of development services fees and certain general services fees, the anticipated revenue generated from charges for services is generally tied to population and

can be expected to increase or decrease as the population changes. Revenues declined slightly during the last economic recession. Fees for development services are tied to development activity and will increase/decrease accordingly based on development growth within the town.



Revenue Sources

Projections

The significant increases in recreation fee revenue for FY 2015 and FY 2016 are attributable to the addition of the Community Center & Golf Fund operations. The Town is also experiencing healthy growth in Aquatic Center revenues, field and court rental revenues and other parks and recreation program revenues. Total revenue from the charges for service category is projected to grow 6-9% over the next few years. The following assumptions were used in compiling the projections:

- revenue generated from development activity is tied to anticipated single family residential and commercial building permits
- recreation fee revenue grows at a healthy pace following continued investment in capital improvements at the Town’s new Community & Recreation center and golf-course facilities
- general services, transit farebox and stormwater utility fee revenues increase slightly each year, as town population increases

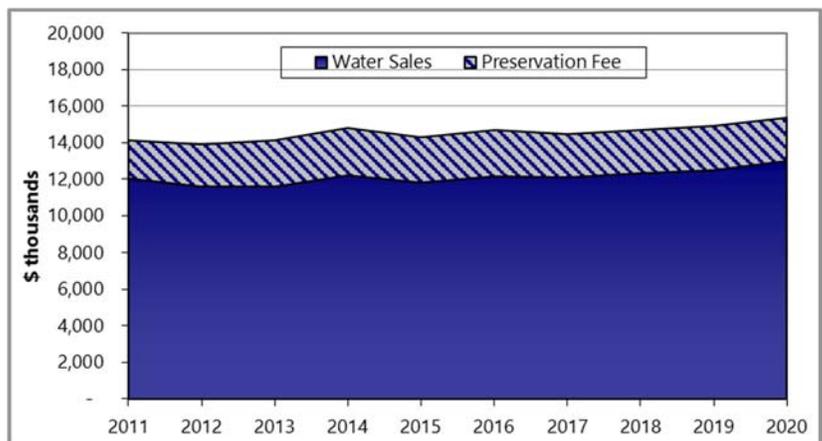
		General Services	Development Services	Recreation Fees *	Transit	Water	Stormwater
ACTUAL	2010	299,282	161,975	376,400	51,817	525,227	744,944
	2011	284,347	114,821	364,834	50,254	530,186	751,341
	2012	277,359	140,293	317,285	49,977	557,223	752,212
	2013	306,883	179,093	399,608	66,558	635,624	750,460
	2014	298,292	248,976	659,265	71,078	716,142	759,405
PROJECTION	2015	237,252	298,232	2,415,047	64,000	643,500	789,300
	2016	233,214	239,000	6,131,063	65,000	684,200	787,000
	2017	266,426	245,000	6,830,100	75,000	683,500	794,340
	2018	274,028	245,000	7,449,649	77,250	691,500	802,258
	2019	281,721	209,000	8,116,124	79,568	667,500	810,256
	2020	289,510	169,000	8,168,200	81,955	642,500	818,334

* Increases in FY 2015 and FY 2016 are attributable to the addition of Community Center & Golf Fund operations

Water Revenue

Description

The Town’s water utility fund is a self-sustaining fund with revenue generated from water sales, service fees and miscellaneous charges. Annually, the Oro Valley Water Utility Commission reviews and develops recommendations for water revenue requirements, water rates and fee structures.



Revenue Sources

Uses

The revenue collected from water sales is used for personnel, operations and maintenance, improvements to existing systems and debt service. Revenue collected from the groundwater preservation fee (GPF) is used for renewable water capital infrastructure costs and related debt service.

Projections

Revenue projections relating to water sales and preservation fees are based on growth of the population as well as proposed rate increases. The following assumptions were used in compiling the projections:

- growth is estimated at 200-300 new connections annually through FY 2020
- modest water rate increases over the next five years
- no groundwater preservation fee increases over the next five years and potential decrease in FY 2017
- average monthly water use remains at 8,000 gallons

		Water Sales	Groundwater Preservation Fee
ACTUAL	2010	12,071,030	1,769,142
	2011	12,038,482	2,096,093
	2012	11,578,980	2,315,277
	2013	11,585,180	2,527,524
	2014	12,169,374	2,599,718
PROJECTION	2015	11,793,000	2,500,000
	2016	12,160,500	2,500,000
	2017	12,080,500	2,350,000
	2018	12,296,500	2,370,000
	2019	12,493,500	2,380,000
	2020	12,979,500	2,390,000

Note: Projections and assumptions used were for financial modeling purposes as related to proposed changes in water rates and fees to be reviewed and studied by Council at a future date. The actual rates and fees adopted and implemented may differ from budgeted projections.

Development Impact Fees

Description

Development Impact Fees are fees assessed by the Town on new development for the purpose of financing infrastructure ultimately needed to support a growing community. Recent state legislation has restricted the types of impact fees collected with increased limitations placed on their use. Commercial impact fees are assessed to support roadways, water facilities and police; residential impact fees are assessed to support roadways, water facilities, police, and parks & recreation facilities.

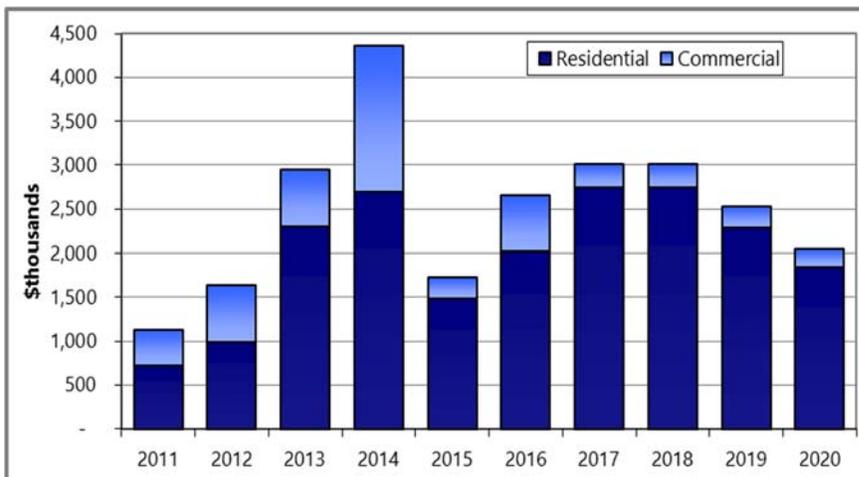
Revenue Sources

Uses

As mandated by state law, impact fee revenue can only be used to support new projects and expansion-related capital infrastructure.

Projections

Increases in FY 2013 and FY 2014 were due in part to three new apartment complexes and an increase in single family residential permits. As the Town approaches build-out, residential and commercial construction activity can be expected to decrease. The following assumptions were used in compiling the projections:



- 200 single family residential (SFR) permits will be issued in FY 2016, increasing to 300 in FY 2017 and FY 2018, then declining back to 200 by FY 2020
- commercial fees tie to anticipated development activity within the town

		Residential Fees	Commercial Fees
ACTUAL	2010	1,055,038	298,656
	2011	717,965	409,018
	2012	992,996	646,632
	2013	2,305,333	642,223
	2014	2,691,678	1,665,183
PROJECTION	2015	1,486,560	234,659
	2016	2,019,194	637,985
	2017	2,746,800	267,000
	2018	2,746,800	267,000
	2019	2,292,000	236,000
	2020	1,843,200	197,200



Town of Oro Valley

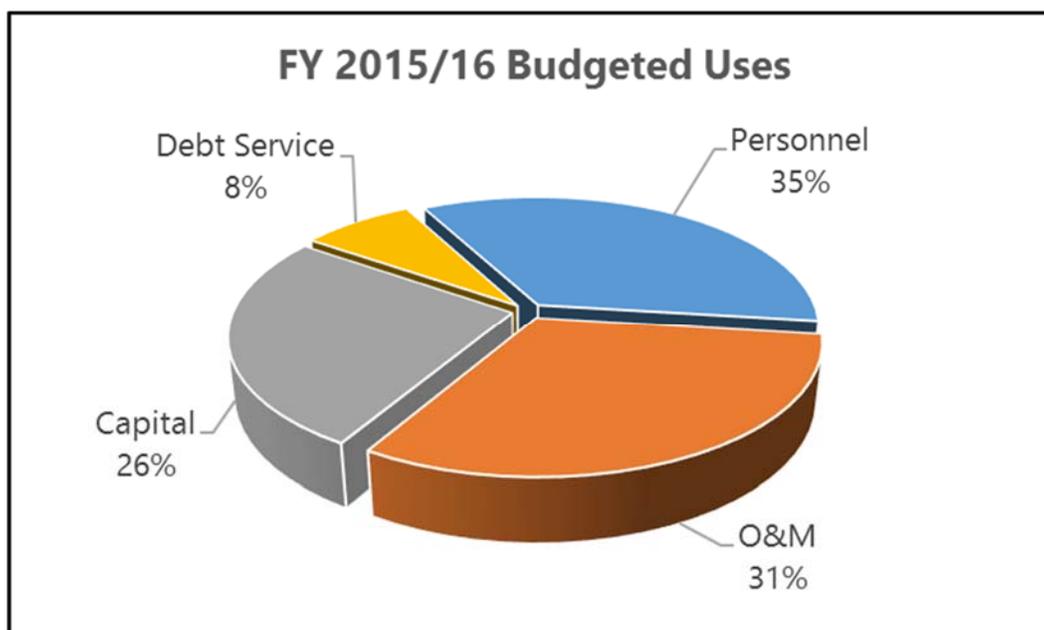
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Expenditure Summary

The expenditure budget for FY 2015/16 totals \$83,459,643 and represents a \$15.1 million, or 22.1% increase over the prior fiscal year budgeted expenditures. The budget includes \$63.3 million to support daily operations and services and \$20.2 million in capital projects. The increase over the prior fiscal year is due primarily to the addition of the Community Center and Golf Fund operations at \$8.1 million, and an increase of \$6.4 million in roadway widening projects funded by the Regional Transportation Authority (RTA) and the Pima Association of Governments (PAG).

At the onset of the budget preparation phase, all departments were instructed to maintain flat operational costs whenever feasible. This "hold the line" approach emphasized cost containment with continued current service level provisions to town residents. A description of the changes in expenditure categories from budget year to budget year can be found on the following page. Please reference the Personnel section of the budget document for further explanations on personnel changes.

The capital budget for FY 15/16 is significant and addresses several areas of critical need, including roadway and street improvements, public safety equipment and facility improvements, fleet and technology replacements, water system improvements, as well as improvements to parks, the Aquatic Center and the Community and Recreation Center. Please reference the Capital Improvement Program (CIP) section of the budget document for further details on capital improvement projects.



Expenditure Summary

Budgeted Uses						
	FY 2014	FY 2014/15		FY 2015/16	Variance	
	Actual	Budget	Projected	Budget	to Budget	%
Personnel	24,821,952	27,352,674	26,981,649	29,003,278	1,650,604	6.0%
O&M	16,607,333	19,262,485	21,607,549	26,324,672	7,062,187	36.7%
Capital	9,135,142	15,394,119	13,042,156	21,774,563	6,380,444	41.4%
Debt Service	7,497,875	6,321,307	6,321,307	6,357,130	35,823	0.6%
Total Expenditures	\$ 58,062,302	\$ 68,330,585	\$ 67,952,661	\$ 83,459,643	\$ 15,129,058	22.1%

Does not include depreciation, amortization, interfund transfers or contingency amounts

A brief description of the major changes in expenditure categories from budget year to budget year is as follows:

Personnel \$1.7M	<ul style="list-style-type: none"> • \$580K increase for step and merit increases • \$694K increase due to new positions (primarily Community & Recreation Center personnel) • \$204K increase due to health insurance premium increases • \$140K increase due to increased pension costs • \$30K increase in other benefit costs • \$5K increase due to position reclasses
O&M \$7.1M	<ul style="list-style-type: none"> • \$6.5M for the addition of Community Center & Golf Fund operations • Benefit Self Insurance Fund O&M increased \$353K (14%) due to health insurance premium increases, outside professional services and Affordable Care Act fees • Water Utility O&M increased \$159K (2%) due to an increase in administrative charges for services provided by the Town's General Fund, as well as increased Central Arizona Project (CAP) water delivery charges • Bed Tax Fund O&M increased \$53K (14%) for tourism and economic development efforts
Capital \$6.4M	<ul style="list-style-type: none"> • Increase in roadway widening projects funded by the Regional Transportation Authority (RTA) and Pima Association of Governments (PAG)

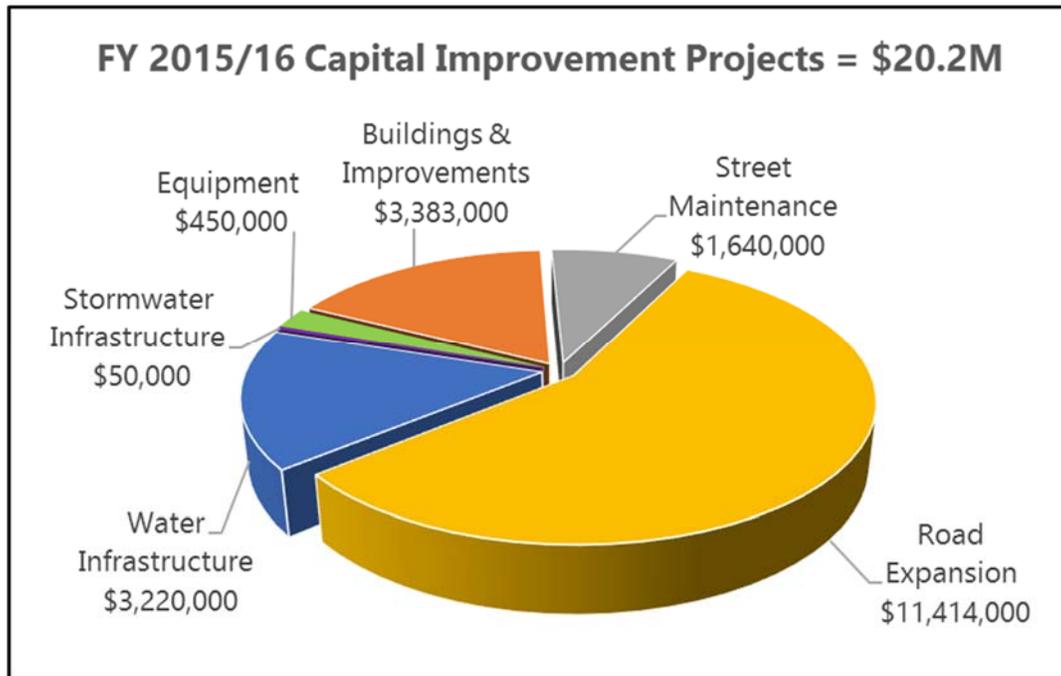
Capital Improvement Program

The Capital Improvement Program (CIP) is a comprehensive, fifteen-year plan of capital projects that identifies priorities, methods of financing, costs, and associated revenues. It includes a one-year recommendation for the Town's capital budget. The CIP is one of the mechanisms that implement the Town's General Plan. It allocates funds to programs specified in the General Plan, uses implementation of the General Plan in the project evaluation criteria, and its evaluation criteria are based on the goals established in the General Plan.

The FY 2015/16 adopted budget includes \$20.2 million in capital improvement projects, funded with a variety of sources. Projects to be completed include technology, public safety and parks improvements, street and roadway improvements and water utility system expansions and improvements.

Expenditure Summary

Further information on CIP projects and project descriptions can be found in the Capital Improvement section of the budget document.



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Expenditure Schedule by Fund

Major Expenditure Accounts	FY 2013	FY 2014	FY 2015		FY 2016	% to budget
	Actual		Budget	Projected	Budget	
General Fund						
Clerk	311,414	331,362	497,102	391,102	407,900	-17.9%
Council	205,235	204,087	207,022	207,022	211,995	2.4%
Development & Infrastructure Services	3,436,219	3,982,785	4,564,803	4,303,182	4,596,216	0.7%
Finance	690,728	643,557	748,060	737,182	779,760	4.2%
General Administration	1,844,712	1,724,760	1,867,600	1,805,600	1,804,970	-3.4%
Human Resources	441,265	447,365	371,998	371,998	366,775	-1.4%
Information Technology	1,200,713	1,368,989	1,432,374	1,432,374	1,571,326	9.7%
Legal	679,406	643,058	756,855	743,405	764,837	1.1%
Magistrate Court	693,007	724,143	789,826	789,826	837,629	6.1%
Town Manager's Office	633,099	659,982	721,724	721,724	769,521	6.6%
Parks and Recreation	2,494,809	2,563,708	2,722,617	2,722,617	3,004,988	10.4%
Police	12,531,108	13,675,969	14,885,819	14,759,198	15,250,016	2.4%
TOTAL GENERAL FUND	25,161,715	26,969,765	29,565,800	28,985,230	30,365,933	2.7%
Special Revenue Funds						
Highway User Revenue Fund	3,420,165	3,520,089	4,354,662	4,354,328	4,505,312	3.5%
Bed Tax Fund	369,509	459,025	608,457	608,157	672,732	10.6%
Community Center & Golf Fund	-	-	-	2,122,109	8,063,333	0.0%
Impound Fee Fund	34,050	24,454	26,610	26,610	27,621	3.8%
Seizures & Forfeitures Funds	366,300	588,767	233,385	741,926	216,958	-7.0%
TOTAL SPECIAL REVENUE FUNDS	4,190,024	4,592,335	5,223,114	7,853,130	13,485,956	158.2%
Debt Service Funds						
Municipal Debt Service Fund	701,261	832,541	857,433	864,233	891,632	4.0%
Oracle Road Improvement District Fund	369,378	1,462,175	177,968	177,968	178,153	0.1%
TOTAL DEBT SERVICE FUNDS	1,070,639	2,294,716	1,035,401	1,042,201	1,069,785	3.3%
Capital Project Funds						
Naranja Park Fund	-	1,271,940	600,000	600,000	-	-100.0%
Recreation-In-Lieu Fee Fund	149,641	-	-	-	-	0.0%
Aquatic Center Project Fund	4,542,923	6,063	-	-	-	0.0%
Parks and Recreation Impact Fee Fund	102,166	283,978	-	-	-	0.0%
Police Impact Fee Fund	94,712	11,959	-	-	-	0.0%
General Government Impact Fee Fund	95,001	-	-	-	-	0.0%
Library Impact Fee Fund	-	-	20,000	20,000	113,000	465.0%
General Government CIP Fund	-	-	3,090,000	2,695,000	2,580,000	-16.5%
Alt. Water Resource Dev. Impact Fee	2,040,742	2,209,425	331,500	152,891	30,820	-90.7%
Potable Water System Dev. Impact Fee	432,455	483,021	327,424	327,424	331,478	1.2%
PAG/RTA Fund	-	-	-	-	10,478,795	0.0%
Townwide Roadway Dev. Impact Fee	4,304,176	1,427,721	4,060,000	2,641,439	1,038,000	-74.4%
TOTAL CAPITAL PROJECT FUNDS	11,761,816	5,694,107	8,428,924	6,436,754	14,572,093	72.9%
Enterprise Funds						
Water Utility	13,540,588	14,288,934	18,782,523	18,439,876	18,787,140	0.0%
Stormwater Utility	1,028,929	781,365	1,011,851	1,011,851	929,115	-8.2%
TOTAL ENTERPRISE FUNDS	14,569,517	15,070,299	19,794,374	19,451,727	19,716,255	-0.4%
Internal Service Funds						
Fleet Fund	638,787	1,244,893	1,775,772	1,390,772	1,389,221	-21.8%
Benefit Self Insurance	1,890,445	2,196,187	2,507,200	2,792,847	2,860,400	14.1%
TOTAL INTERNAL SERVICE FUNDS	2,529,232	3,441,080	4,282,972	4,183,619	4,249,621	-0.8%
TOTAL EXPENDITURES - ALL FUNDS	\$ 59,282,943	\$ 58,062,302	\$ 68,330,585	\$ 67,952,661	\$ 83,459,643	22.1%

Note: Does not include depreciation, amortization, interfund transfers or contingency amounts

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Expenditures by Program

This table represents a summary of the adopted FY 2015 - 2016 budget and is structured around major program areas within departments which represent services and operations viable to the Town and to which resources are allocated on a fiscal year basis. Footnotes are provided to delineate the specific fund(s) that support(s) each program. The table also includes funding sources and full-time equivalent employees (FTEs) for each program. Further information on a specific program can be found in the Program Budgets Section of the budget document.

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Total
Clerk	4.56	407,900						407,900
	4.56	407,900	-	-	-	-	-	407,900
Council	7.00	211,995						211,995
	7.00	211,995	-	-	-	-	-	211,995
Development & Infrastructure Svcs.								
Administration	3.25	273,676	652,030 (A)					925,706
Planning	9.26	856,391						856,391
Permitting	9.96	859,933						859,933
Inspection and Compliance	9.00	751,274						751,274
Transportation Engineering	5.68		561,772 (A)					561,772
Traffic Engineering	4.60		783,419 (A)					783,419
Pavement Management	1.20		1,473,581 (A)					1,473,581
Street Maintenance	9.75		1,034,510 (A)					1,034,510
Facilities Maintenance	2.00	375,395						375,395
Fleet	1.15						1,389,221 (B)	1,389,221
Stormwater Utility	3.85					929,115 (C)		929,115
Public Transportation	23.05	1,479,547						1,479,547
	82.75	4,596,216	4,505,312	-	-	929,115	1,389,221	11,419,864
Finance	7.00	779,760						779,760
	7.00	779,760	-	-	-	-	-	779,760
General Administration		1,804,970			2,693,000 (D)		2,860,400 (E)	7,358,370
	-	1,804,970	-	-	2,693,000	-	2,860,400	7,358,370
Human Resources	3.50	366,775						366,775
	3.50	366,775	-	-	-	-	-	366,775
Information Technology								
Administration	1.00	645,333						645,333
GIS Services	2.00	193,820						193,820
Technical Services	2.00	335,831						335,831
Business Application & Development	2.00	200,592						200,592
Telecommunications		195,750						195,750
	7.00	1,571,326	-	-	-	-	-	1,571,326
Legal	6.00	764,837						764,837
	6.00	764,837	-	-	-	-	-	764,837
Magistrate Court	8.00	837,629						837,629
	8.00	837,629	-	-	-	-	-	837,629
Town Manager's Office								
Administration	3.88	432,003						432,003
Communications & Constituent Svcs.	3.50	337,518						337,518
Economic Development	3.00		672,732 (F)					672,732
	10.38	769,521	672,732	-	-	-	-	1,442,253

Expenditures by Program

Department/Program	FTE	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Total
Parks and Recreation								
Administration	4.00	468,690						468,690
Parks	7.88	1,127,043						1,127,043
Recreation	5.35	343,603						343,603
Aquatics	18.77	987,892						987,892
Cultural Resources	0.20	77,760						77,760
Community & Recreation Center	13.36		8,063,333 (G)					8,063,333
	49.56	3,004,988	8,063,333	-	-	-	-	11,068,321
Police								
Administration	4.00	1,127,753						1,127,753
Support Services	57.21	6,775,948	27,621 (H)					6,803,569
Field Services	69.92	6,976,526	216,958 (I)					7,193,484
Professional Development & Training	1.00	233,401						233,401
Professional Standards	1.00	136,388						136,388
	133.13	15,250,016	244,579	-	-	-	-	15,494,595
Water Utility								
Administration	15.48					12,727,316 (J)		12,727,316
Engineering & Planning	7.00					2,342,476 (J)		2,342,476
Production	8.00					2,788,464 (J)		2,788,464
Distribution	8.00					928,884 (J)		928,884
Alternative Water Resources					30,820 (K)			30,820
Potable Water System					331,478 (L)			331,478
	38.48	-	-	-	362,298	18,787,140	-	19,149,438
Debt Service								
				1,069,785 (M)				1,069,785
	-	-	-	1,069,785	-	-	-	1,069,785
Roadway Improvements								
	1.00				11,516,795 (N)			11,516,795
	1.00	-	-	-	11,516,795	-	-	11,516,795
FY 2015/16 Adopted Budget	358.36	30,365,933	13,485,956	1,069,785	14,572,093	19,716,255	4,249,621	83,459,643

Note: Does not include depreciation, amortization, interfund transfers or contingency amounts

- (A) Highway Fund
- (B) Fleet Fund
- (C) Stormwater Utility Fund
- (D) General Government CIP Fund and Library Impact Fee Fund
- (E) Benefit Self Insurance Fund
- (F) Bed Tax Fund
- (G) Community Center & Golf Fund
- (H) Impound Fee Fund
- (I) Seizure Funds
- (J) Water Utility Fund
- (K) Alternative Water Resources Dev Impact Fee Fund
- (L) Potable Water System Dev Impact Fee Fund
- (M) Municipal Debt Service Fund and Oracle Road Imp District Fund
- (N) Roadway Dev Impact Fee Fund and PAG/RTA Fund



Town of Oro Valley

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Personnel Summary

Personnel and Employee Compensation

Personnel service represents 46% of the total operating budget. As it is a significant portion of the budget, employee compensation is heavily scrutinized. During the last economic recession, the Town reduced staff considerably. Every position that becomes vacant is scrutinized to determine whether the position is mission-critical and whether it needs to be refilled. Positions may continue to be left unfilled, filled on a part-time basis, or eliminated as vacancies occur. Town employees have taken on more responsibilities as the workforce decreased.

As with the previous fiscal year, the FY 15/16 budget includes capacity for funding of employee merit and step increases. Benefit costs rose due to a 10% increase in health insurance premiums and increased pension rates for public safety personnel. Based on the financial scenario laid out for the next five years, it is anticipated that the Town's recurring revenues will provide for continued pay increases. The revenues will be re-analyzed each year to determine the affordable and feasible level of pay increase.

Staffing Level Changes

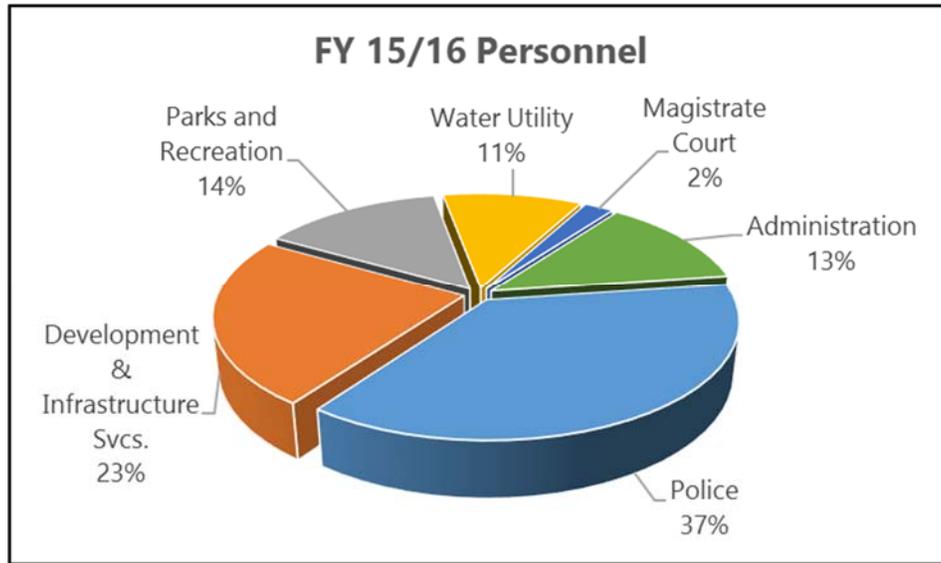
The following table summarizes the changes in staffing levels for the new fiscal year.

	FY 2014/15 Budget	FY 2015/16 Budget	+/-
Police	134.13	133.13	(1.00)
Development and Infrastructure Services (DIS)	81.75	83.75	2.00
Parks and Recreation	35.18	49.56	14.38
Water Utility	37.48	38.48	1.00
Magistrate Court	8.00	8.00	-
Administration	45.44	45.44	-
Total Positions	341.98	358.36	16.38

The FTE increase attributable to the Town's new Community and Recreation Center totals 13.36, including a facility manager hired in FY 14/15. The reduction in Police is due to a grant-funded school resource officer position that was not utilized. In Parks and Recreation, a recreation leader has been added in the General Fund to assist with and enhance the recreation programs currently offered by the Town. In DIS, a construction inspector has been added in the new PAG/RTA Fund to assist with the large volume of PAG and RTA-funded Town roadway construction projects on the horizon. This is a temporary position that will be fully funded by project proceeds from PAG and the RTA and will terminate when the projects are completed. Also in DIS, a heavy equipment operator III has been added in the Highway Fund to supervise a second Arizona Department of Corrections (ADC) crew. Utilizing ADC personnel to assist with median landscaping and vegetation control is a significant cost savings to the Town; therefore, this second crew has been added for FY 15/16. Finally, a water resources and planning manager has been added in the Water Utility for business continuity of the organization and efficient administration of department operations.

Refer to the Personnel Schedule document for a detailed listing of positions by department and/or program.

Personnel Summary



Benefit Rates and Costs

Total Town-wide health care premiums for FY 15/16 are increasing 10%, while dental premiums remain flat to FY 14/15. The contribution rate for the Arizona State Retirement System is declining 1%, while the rate for the Public Safety Personnel Retirement System is increasing 4%. The table below illustrates the changes to employee benefit rates over the last several years.

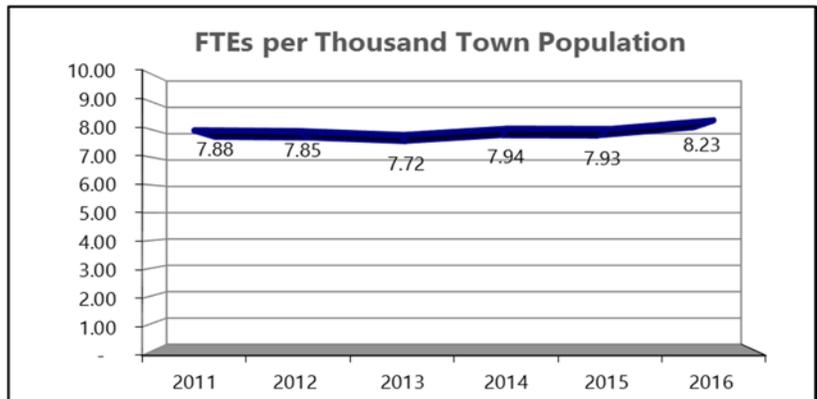
	Employer Matching Rates			
	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Arizona State Retirement System (ASRS)	11.15%	11.54%	11.60%	11.47%
Public Safety Personnel Retirement System (PSPRS)	18.72%	20.33%	20.60%	21.5%
Correction Officers Retirement Plan (CORP)	11.28%	16.29%	17.98%	22.05%
Health Care Premiums (per year)*	\$3,849	\$3,849	\$3,493	\$3,842
Dental Premiums (per year)**	\$240	\$257	\$257	\$257

* single-employee HMO coverage

** single-employee base plan coverage

Employees per Capita

Looking at an employee per capita trend, full-time equivalent positions (FTEs) per capita have remained fairly static over the last five years. The increase in FY 2016 is due largely to the addition of the Community and Recreation Center. FTEs per capita are expected to remain roughly flat, as the town's population growth has slowed.



Personnel Summary by Fund

	FY 2013	FY 2014	FY 2015		FY 2016	+/- to Budget
	Actual		Budget	Projected	Budget	
General Fund						
Clerk	4.54	4.56	4.56	4.56	4.56	-
Council	7.00	7.00	7.00	7.00	7.00	-
Development & Infrastructure Svcs	46.89	53.42	54.27	54.27	54.27	-
Finance	7.00	7.00	7.00	7.00	7.00	-
Human Resources	5.00	3.50	3.50	3.50	3.50	-
Information Technology	6.50	6.50	7.00	7.00	7.00	-
Legal	6.00	6.00	6.00	6.00	6.00	-
Magistrate Court	8.00	8.00	8.00	8.00	8.00	-
Town Manager's Office	7.00	7.38	7.38	7.38	7.38	-
Parks and Recreation	28.61	35.18	35.18	35.20	36.20	1.02
Police	127.69	129.63	130.63	129.63	129.63	(1.00)
General Fund Personnel	254.23	268.17	270.52	269.54	270.54	0.02
Special Revenue Funds						
Highway Fund	25.08	22.58	22.48	22.48	23.48	1.00
Bed Tax Fund	3.00	3.00	3.00	3.00	3.00	-
Community Center & Golf Fund	-	-	-	1.00	13.36	13.36
Impound Fee Fund	1.00	0.50	0.50	0.50	0.50	-
Seizure Funds	3.00	3.00	3.00	3.00	3.00	-
Special Revenue Funds Personnel	32.08	29.08	28.98	29.98	43.34	14.36
Capital Projects Funds						
PAG/RTA Fund	-	-	-	-	1.00	1.00
Capital Projects Funds Personnel	-	-	-	-	1.00	1.00
Enterprise Funds						
Water Utility	36.00	37.00	37.48	37.48	38.48	1.00
Stormwater Utility	4.10	4.10	3.85	3.85	3.85	-
Enterprise Funds Personnel	40.10	41.10	41.33	41.33	42.33	1.00
Internal Service Funds						
Fleet Fund	1.15	1.15	1.15	1.15	1.15	-
Internal Service Funds Personnel	1.15	1.15	1.15	1.15	1.15	-
Total Town Personnel	327.56	339.50	341.98	342.00	358.36	16.38

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Personnel Schedule

	FY 2013	FY 2014	FY 2015		FY 2016	+/- to Budget
	Actual	Actual	Budget	Projected	Budget	
Clerk						
Town Clerk	1.00	1.00	1.00	1.00	1.00	-
Deputy Town Clerk	1.00	1.00	1.00	1.00	1.00	-
Assistant to the Town Clerk	1.00	-	-	-	-	-
Senior Office Specialist	-	1.00	1.00	1.00	1.00	-
Office Specialist	-	0.50	0.50	0.50	0.50	-
Office Assistant	1.44	0.96	0.96	0.96	0.96	-
Communications Intern	0.10	0.10	0.10	0.10	0.10	-
Total Clerk	4.54	4.56	4.56	4.56	4.56	-
				Full-time employees:	3	
				Part-time employees:	3	
Council						
Mayor	1.00	1.00	1.00	1.00	1.00	-
Council Member	6.00	6.00	6.00	6.00	6.00	-
Total Council	7.00	7.00	7.00	7.00	7.00	-
				Full-time employees:	-	
				Part-time employees:	7	
Development & Infrastructure Svcs. (DIS)						
Director, Dev. & Infrastructure Svcs.	1.00	1.00	1.00	1.00	1.00	-
Assistant DIS Director	-	1.00	1.00	1.00	1.00	-
Town Engineer *	1.00	-	-	-	-	-
Division Manager, Permitting	1.00	1.00	1.00	1.00	1.00	-
Division Manager, Planning	1.00	1.00	1.00	1.00	1.00	-
Div Mgr, Inspect. & Comp./Bldg Official	1.00	1.00	1.00	1.00	1.00	-
Engineering Division Manager	1.00	1.00	1.00	1.00	1.00	-
Operations Division Manager	1.00	1.00	1.00	1.00	1.00	-
Conservation & Sustainability Administrator	1.00	1.00	1.00	-	-	(1.00)
Senior Civil Engineer	1.00	2.00	2.00	2.00	2.00	-
Principal Planner	1.00	1.00	1.00	2.00	2.00	1.00
Civil Engineer	3.00	2.00	2.00	2.00	2.00	-
Stormwater Engineer	1.00	1.00	1.00	1.00	1.00	-
Transit Services Administrator	1.00	-	-	-	-	-
Transit Services Crew Leader	-	2.00	2.00	2.00	2.00	-
Senior Planner	2.00	3.00	3.00	3.00	3.00	-
Planner	1.00	1.00	1.00	1.00	1.00	-
Senior Planning Technician	-	1.00	1.00	1.00	1.00	-
GIS Analyst	0.50	0.50	-	-	-	-
Civil Engineering Designer	1.00	1.00	1.00	1.00	1.00	-
Engineering Design Reviewer	1.00	1.00	1.00	1.00	1.00	-
Plans Examiner II	2.00	2.00	2.00	2.00	2.00	-
Building Inspector II	4.00	4.00	4.00	4.00	4.00	-
Building Inspector I	-	-	1.00	1.00	1.00	-
Plans Examiner I	1.00	1.00	1.00	1.00	1.00	-
Senior Civil Engineering Tech	1.00	3.00	3.00	3.00	3.00	-
Streets & Drainage Senior Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Senior Traffic Technician	1.00	1.00	1.00	1.00	1.00	-
Code Compliance Specialist	1.00	1.00	1.00	1.00	1.00	-
Construction Inspector	1.00	-	-	-	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00	-
Civil Engineering Technician	1.00	1.00	1.00	1.00	1.00	-
Facilities Maintenance Crew Leader	1.00	1.00	1.00	1.00	1.00	-

Personnel Schedule

	FY 2013	FY 2014	FY 2015		FY 2016	+/- to Budget
	Actual	Actual	Budget	Projected	Budget	
Fleet Maintenance Mechanic III	1.00	1.00	1.00	1.00	1.00	-
Pavement Management Specialist	1.00	-	-	-	-	-
Traffic Signs/Markings Crew Leader	1.00	1.00	1.00	1.00	1.00	-
Streets & Drainage Crew Leader	2.00	2.00	2.00	2.00	2.00	-
Traffic Technician	1.00	1.00	1.00	1.00	1.00	-
Zoning Plans Examiner	1.00	-	-	-	-	-
Zoning Technician	1.00	1.00	1.00	1.00	1.00	-
Facilities Maintenance Technician	1.00	1.00	1.00	1.00	1.00	-
Heavy Equipment Operator III	-	2.00	2.00	2.00	3.00	1.00
Heavy Equipment Operator II	5.00	3.00	3.00	3.00	3.00	-
Heavy Equipment Operator I	-	-	-	-	-	-
Senior Traffic Signs/Markings Worker	1.00	-	-	-	-	-
Building Permit Technician	2.00	2.00	2.00	2.00	2.00	-
Senior Office Specialist	-	1.00	1.00	1.00	1.00	-
Office Specialist	1.96	1.96	1.96	1.96	1.96	-
Traffic Signs/Markings Worker	1.00	1.00	1.00	1.00	1.00	-
Lead Transit Driver	1.00	1.00	1.00	1.00	1.00	-
Transit Dispatcher	2.11	2.11	2.11	2.11	2.11	-
Senior Office Assistant	2.00	1.00	1.00	1.00	1.00	-
Office Assistant	0.96	2.40	2.40	2.40	2.40	-
Transit Driver	15.39	16.98	16.98	16.98	16.98	-
Intern	0.30	0.30	0.30	0.30	0.30	-
Total DIS	77.22	81.25	81.75	81.75	83.75	2.00
* DIS Director is Town Engineer					Full-time employees:	65
					Part-time employees:	49
Finance						
Finance Director	1.00	1.00	1.00	1.00	1.00	-
Procurement Administrator	1.00	1.00	1.00	1.00	1.00	-
Finance Manager	-	-	1.00	1.00	1.00	-
Accounting Supervisor	1.00	1.00	-	-	-	-
Senior Budget Analyst	-	-	1.00	1.00	1.00	-
Management & Budget Analyst	1.00	1.00	-	-	-	-
Senior Accountant	1.00	1.00	1.00	1.00	1.00	-
Finance Analyst	-	-	-	-	-	-
Payroll Specialist	1.00	1.00	1.00	1.00	1.00	-
Accounting Clerk	1.00	1.00	1.00	-	-	(1.00)
Office Specialist	-	-	-	1.00	1.00	1.00
Total Finance	7.00	7.00	7.00	7.00	7.00	-
					Full-time employees:	7
					Part-time employees:	-
Human Resources						
Human Resource Director	1.00	1.00	1.00	1.00	1.00	-
Safety & Risk Manager	1.00	-	-	-	-	-
Employee and Org. Dev. Analyst	1.00	-	-	-	-	-
Human Resource Analyst	-	-	2.00	2.00	2.00	-
Human Resource Specialist	2.00	2.00	-	-	-	-
Office Specialist	-	0.50	0.50	0.50	0.50	-
Total Human Resources	5.00	3.50	3.50	3.50	3.50	-
					Full-time employees:	4
					Part-time employees:	-

Personnel Schedule

	FY 2013	FY 2014	FY 2015		FY 2016	+/- to Budget
	Actual	Actual	Budget	Projected	Budget	
Information Technology						
IT Director	1.00	1.00	1.00	1.00	1.00	-
Network Administrator	1.00	1.00	1.00	1.00	1.00	-
Systems Analyst	1.00	1.00	1.00	1.00	1.00	-
Data Base Analyst	1.00	1.00	1.00	1.00	1.00	-
Senior GIS Specialist	-	-	1.00	1.00	1.00	-
GIS Analyst	1.50	1.50	1.00	1.00	1.00	-
IT Analyst	1.00	1.00	1.00	1.00	1.00	-
Total Information Technology	6.50	6.50	7.00	7.00	7.00	-
			Full-time employees:		7	
			Part-time employees:		-	
Legal						
Legal Services Director	-	1.00	1.00	1.00	1.00	-
Town Prosecutor	1.00	-	-	-	-	-
Chief Civil Deputy Attorney	1.00	1.00	1.00	1.00	1.00	-
Assistant Town Prosecutor	1.00	1.00	1.00	1.00	1.00	-
Senior Paralegal	1.00	1.00	1.00	1.00	1.00	-
Paralegal II	-	-	-	-	-	-
Paralegal I	1.00	1.00	1.00	1.00	1.00	-
Legal Secretary	1.00	1.00	1.00	1.00	1.00	-
Total Legal	6.00	6.00	6.00	6.00	6.00	-
			Full-time employees:		6	
			Part-time employees:		-	
Magistrate Court						
Magistrate Judge	1.00	1.00	1.00	1.00	1.00	-
Court Administrator	1.00	1.00	1.00	1.00	1.00	-
Courtroom Clerk	1.00	1.00	1.00	1.00	1.00	-
Senior Court Clerk	3.00	3.00	3.00	3.00	3.00	-
Court Clerk	1.00	1.00	1.00	1.00	1.00	-
Bailiff	1.00	1.00	1.00	1.00	1.00	-
Total Magistrate Court	8.00	8.00	8.00	8.00	8.00	-
			Full-time employees:		8	
			Part-time employees:		-	
Town Manager's Office						
Town Manager	1.00	1.00	1.00	1.00	1.00	-
Assistant to the Town Manager	1.00	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Management Intern	-	0.38	0.38	0.38	0.38	-
Economic Development Manager	1.00	1.00	1.00	1.00	1.00	-
Economic Development Specialist	1.00	1.00	1.00	1.00	1.00	-
Communications Administrator	1.00	1.00	1.00	1.00	1.00	-
New Media Developer	1.00	1.00	1.00	1.00	1.00	-
Marketing & Communications Specialist	-	1.00	1.00	1.00	1.00	-
Constituent Services Coordinator	1.00	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	-	-	-	-	-
Total Town Manager's Office	10.00	10.38	10.38	10.38	10.38	-
			Full-time employees:		10	
			Part-time employees:		1	

Personnel Schedule

	FY 2013	FY 2014	FY 2015		FY 2016	+/- to Budget
	Actual	Actual	Budget	Projected	Budget	
Parks and Recreation						
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00	-
Recreation & Cultural Services Manager	-	-	1.00	1.00	1.00	-
Recreation Facility Manager **	-	-	-	1.00	1.00	1.00
Recreation Manager	1.00	1.00	-	-	-	-
Multimodal Planner	1.00	1.00	1.00	1.00	1.00	-
Aquatics Manager	1.00	1.00	1.00	1.00	1.00	-
Parks Maintenance Manager	1.00	1.00	1.00	1.00	1.00	-
Parks Maintenance Crew Leader	1.00	1.00	1.00	-	-	(1.00)
Parks Maintenance Supervisor	-	-	-	1.00	1.00	1.00
Senior Park Maintenance Worker	3.00	3.00	3.00	1.00	1.00	(2.00)
Facilities Maintenance Technician **	-	-	-	-	2.00	2.00
Senior Office Specialist **	1.00	1.00	1.00	1.00	2.00	1.00
Office Assistant	1.00	1.00	1.00	1.75	1.75	0.75
Assistant Recreation Manager **	1.00	1.00	1.00	1.00	2.00	1.00
Recreation Leader **	0.40	0.40	0.40	0.80	2.76	2.36
Assistant Aquatics Manager	1.00	1.00	1.00	1.00	1.00	-
Aquatics Facility Supervisor	1.36	1.36	1.36	1.36	1.36	-
Aquatics Shift Leader	2.72	4.08	4.08	3.40	3.40	(0.68)
Park Maintenance Worker	2.00	2.35	2.35	3.92	3.92	1.57
Park Monitor	1.23	1.23	1.23	0.96	0.96	(0.27)
Custodian **	-	-	-	-	0.96	0.96
Facility Attendant **	-	-	-	-	2.94	2.94
Aquatics Facility Attendant	2.40	5.76	5.76	5.76	5.76	-
Recreation Aide **	1.50	1.50	1.50	1.75	3.75	2.25
Fitness Instructor **	-	-	-	-	1.50	1.50
Lifeguard/Swim Instructor	4.00	5.50	5.50	5.50	5.50	-
Total Parks and Recreation	28.61	35.18	35.18	36.20	49.56	14.38
** FTE increase fully or partially attributable to Community Center					Full-time employees:	19
					Part-time employees:	33
					(not including seasonal employees)	
Police						
Chief of Police	1.00	1.00	1.00	1.00	1.00	-
Deputy Chief of Police	1.00	1.00	1.00	1.00	1.00	-
Commander	2.00	2.00	2.00	2.00	2.00	-
Lieutenant	5.00	5.00	5.00	5.00	5.00	-
Sergeant	13.00	13.00	13.00	13.00	13.00	-
Detective	7.00	7.00	7.00	7.00	7.00	-
Patrol Officer	51.00	52.00	52.00	52.00	52.00	-
Motorcycle Officer	7.00	7.00	7.00	7.00	7.00	-
School Resource Officer	7.00	7.00	8.00	7.00	7.00	(1.00)
K-9 Officer	3.00	2.00	2.00	2.00	2.00	-
DUI Officer	2.00	2.00	2.00	2.00	2.00	-
Training Officer	1.00	1.00	1.00	1.00	1.00	-
Reserve Officer	1.44	2.88	2.88	2.88	2.88	-
Police Communications Manager	-	-	1.00	1.00	1.00	-
Communications Supervisor	1.00	1.00	-	-	-	-
Lead Dispatcher	3.00	3.00	3.00	3.00	3.00	-
Dispatcher	9.00	9.00	9.00	9.00	9.00	-
Records Supervisor	1.00	1.00	1.00	1.00	1.00	-
Records Specialist	5.00	5.00	5.00	5.00	5.00	-
Crime Scene Technician Supervisor	-	-	1.00	1.00	1.00	-
Lead IT Forensics Technician	1.00	1.00	-	-	-	-

Personnel Schedule

	FY 2013	FY 2014	FY 2015		FY 2016	+/- to Budget
	Actual	Actual	Budget	Projected	Budget	
Crime Scene Technician	-	-	2.00	2.00	2.00	-
Property Forensics Technician	2.00	2.00	-	-	-	-
Administrative Services Manager	1.00	1.00	1.00	1.00	1.00	-
Crime Analyst	1.00	1.00	1.00	1.00	1.00	-
Emergency Mgmt & Safety Coordinator	-	-	1.00	1.00	1.00	-
Emergency Response Planner	1.00	1.00	-	-	-	-
Fleet Control Specialist	-	-	1.00	1.00	1.00	-
Fleet Maintenance Mechanic II	1.00	1.00	-	-	-	-
Senior Office Specialist	1.00	2.00	2.00	2.00	2.00	-
Office Specialist	2.00	1.00	1.00	1.00	1.00	-
Office Assistant	1.25	1.25	1.25	1.25	1.25	-
Total Police	131.69	133.13	134.13	133.13	133.13	(1.00)
				Full-time employees:	129	
				Part-time employees:	8	
Water Utility						
Water Utility Director	1.00	1.00	1.00	1.00	1.00	-
Water Resources & Planning Manager	-	-	-	-	1.00	1.00
Engineering Division Manager	1.00	1.00	1.00	1.00	1.00	-
Water Utility Administrator	1.00	1.00	1.00	1.00	1.00	-
Water Production Superintendent	1.00	1.00	1.00	1.00	1.00	-
Water Distribution Superintendent	1.00	1.00	1.00	1.00	1.00	-
Water Engineer Project Manager	1.00	1.00	1.00	1.00	1.00	-
Meter Operations Supervisor	1.00	1.00	1.00	1.00	1.00	-
Engineering Design Reviewer	1.00	1.00	1.00	1.00	1.00	-
Water Conservation Specialist	1.00	1.00	1.00	1.00	1.00	-
Lead Water Utility Operator	4.00	4.00	4.00	4.00	4.00	-
Construction Inspector	2.00	2.00	2.00	2.00	2.00	-
Electric and Control Technician	-	1.00	1.00	1.00	1.00	-
Civil Engineer Tech	1.00	1.00	1.00	1.00	1.00	-
Water Utility Operator III	-	7.00	7.00	7.00	8.00	1.00
Water Utility Operator II	9.00	2.00	2.00	2.00	1.00	(1.00)
Senior Office Specialist	1.00	1.00	1.00	1.00	1.00	-
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00	-
Water Utility Operator I	5.00	5.00	5.00	5.00	5.00	-
Customer Service Specialist	-	-	-	-	4.00	4.00
Customer Service Representative	4.00	4.00	4.48	4.48	0.48	(4.00)
Total Water Utility	36.00	37.00	37.48	37.48	38.48	1.00
				Full-time employees:	38	
				Part-time employees:	1	
Total Personnel	327.56	339.50	341.98	342.00	358.36	16.38
				Full-time employees:	296	
				Part-time employees:	102	

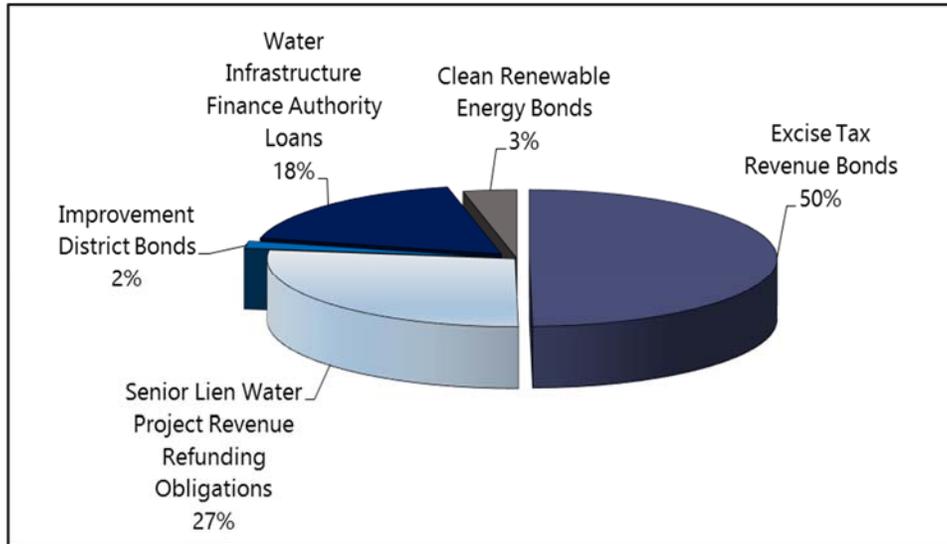
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Debt Service

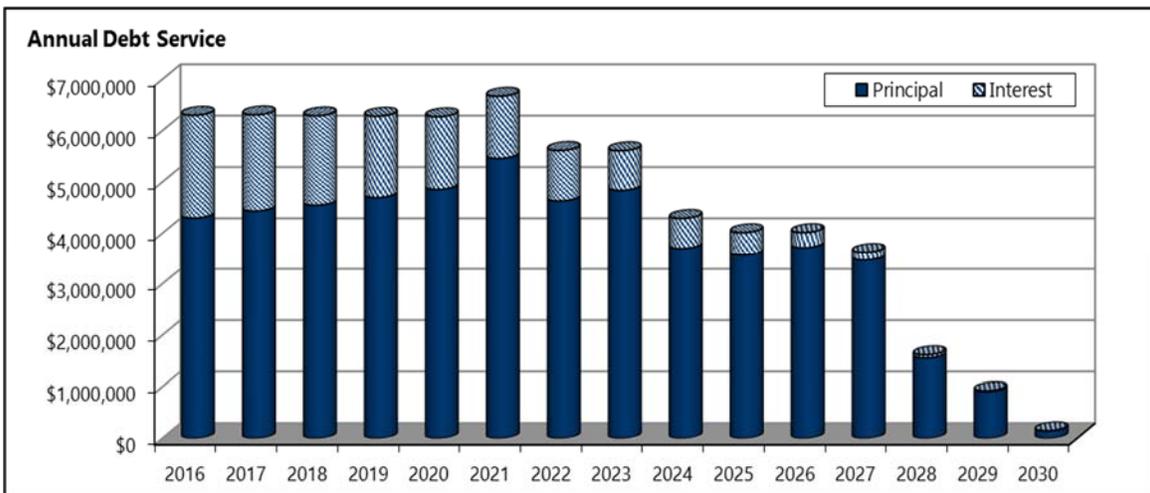
The Town of Oro Valley issues debt to provide funding for the construction of capital projects. The Town has adopted financial policies on debt capacity that set guidelines for issuing debt and provide guidance in the timing and structuring of long-term debt commitments. The general policy of the Town is to fund capital projects with new, dedicated streams of revenue or voter-approved debt. Non voter-approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenditures. The Town currently uses Excise Tax Revenue Bonds, Water Project Revenue Bonds, Improvement District Bonds, Clean Renewable Energy Bonds, and programs offered by the state as funding mechanisms for capital projects.

The chart below represents the percentage each type of bonded debt contributes to the total outstanding debt of the Town as of June 30, 2015.

Outstanding Principal = \$54,827,480



The following chart depicts total annual principal and interest requirements on the Town’s current outstanding debt.

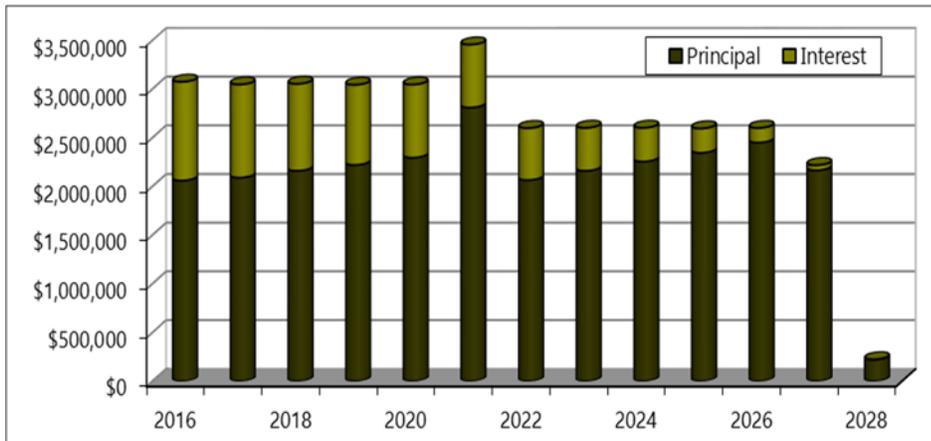


Debt Service

Financing Sources

Excise Tax Revenue Bonds

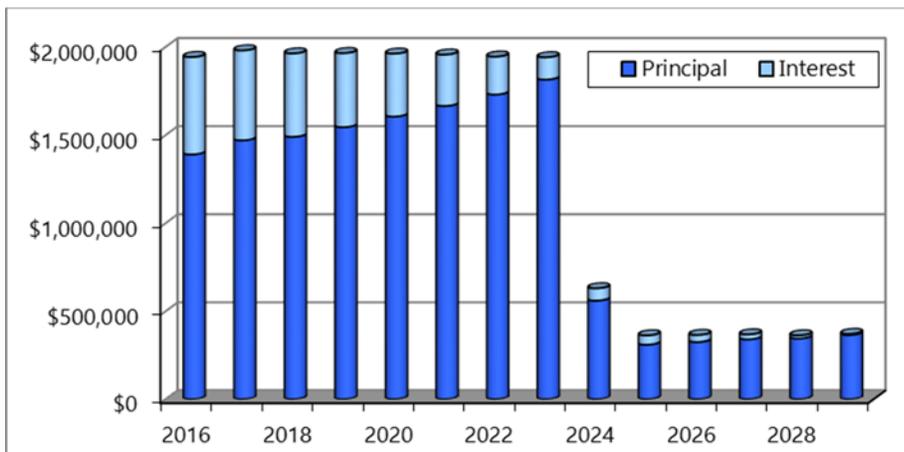
Excise Tax Revenue Bonds are issued by the Town for the purpose of financing the construction or acquisition of capital improvement projects. These bonds may be issued without voter approval. The Town of Oro Valley has issued excise tax revenue bonds for the construction and improvement of water facilities, and the acquisition of land and construction of buildings to support Town services. Repayment of the debt is pledged with excise sales tax, state shared revenue and other permit and fee revenues.



Bond Rating	
Standard & Poor's	AA
Fitch	AA-

Senior Lien Water Project Revenue Refunding Obligations

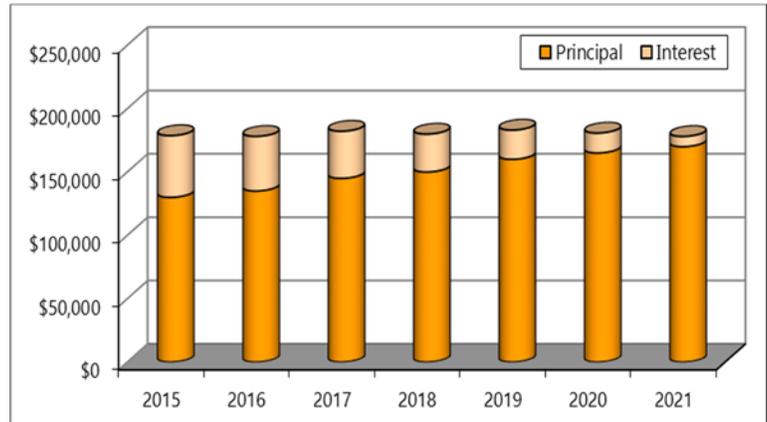
The Senior Lien Water Project Revenue Refunding Obligations were issued by the Town in 2012 for the purpose of refunding previously issued water revenue obligations. The previously issued obligations financed improvements to the Town's reclaimed and potable water systems. Water project revenue bonds may be issued without voter approval. Repayment of the debt is pledged with water system revenues.



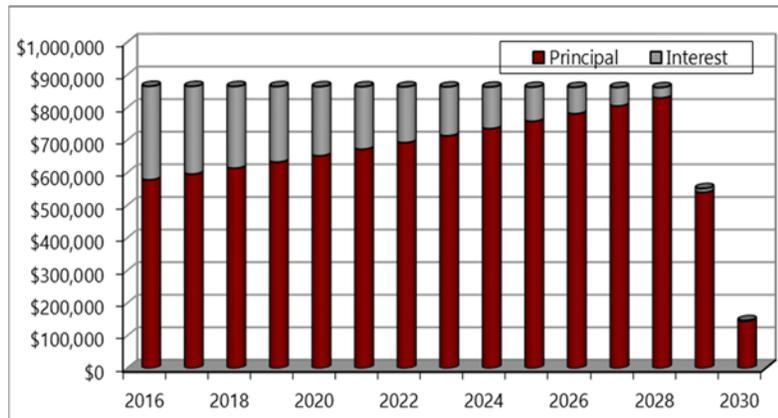
Debt Service

Improvement District Bonds

Improvement District Bonds are issued to finance projects in a designated area within a town or city. The majority of property owners in this district must approve the formation of the district and the amount of indebtedness. The bonds are then repaid by the assessments levied on the property in the district. The Town issued Improvement District Bonds in 2005 in the amount of \$3,945,000 to finance the widening of Oracle Road along the Rooney Ranch development. (Note that in 2013, a large property owner within the district paid off their debt assessment).



Water Infrastructure Finance Authority Loans (WIFA)

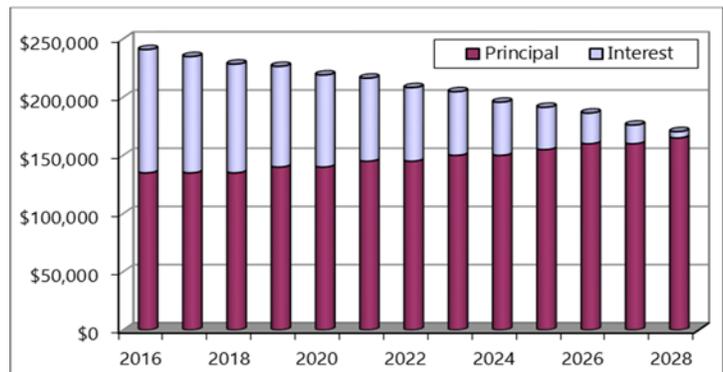


WIFA is a state agency with specific programs that can improve a city or town's ability to use bonding as a revenue source. WIFA has the ability to assist smaller to medium sized communities in pooling their bond issues to help lower the costs of issuing debt. They also have monies set aside to help secure the debt and allow the bonds to be issued at the lowest interest rate possible. WIFA's charge is specifically with water and wastewater projects. In 2007, the

Town received a \$4.6 million WIFA loan for infrastructure expansion of the reclaimed water system in the Town. In 2009, the Town received a \$2.3 million WIFA loan to finance existing water system infrastructure improvements. In 2014, the Town was approved for up to \$5 million in WIFA loan proceeds for meter replacements.

Clean Renewable Energy Bonds (CREBS)

In 2010, the Town issued Clean Renewable Energy Bonds in the amount of \$2.4 million to finance the construction of solar panel covered parking structures in the parking lot of Town hall. The bonds are secured by the Town's excise tax revenues. The debt service will be paid through a combination of energy savings, electricity rebates from Tucson Electric Power Company, and a 55% interest subsidy from the U.S. Treasury Department.



Debt Service

Debt Limit

The Arizona Constitution limits the Town's bonded debt capacity (outstanding principal) to a certain percentage of the Town's secondary assessed valuation for General Obligation (G.O.) bonds. The Constitution states that for general municipal purposes, the Town cannot incur a debt exceeding 6% of the assessed valuation of taxable property. Additional bonds amounting to 20% of the assessed valuation of taxable property can be issued for water, lighting and sewer projects, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities. The Town's current bond holdings do not include G.O. bonds and, therefore, are not subject to the debt limitation.

Impact of Debt Levels on Government Operations

The issuance of debt commits the Town to a significant, long-term recurring cost; therefore, each new debt issuance must be heavily scrutinized to ensure the Town's ability to repay the debt. Debt service payments are contractual obligations that take legal precedence over most other Town expenditures. Heavy debt levels may consume a significant portion of an entity's ongoing revenues and could impact an entity's ability to provide services to citizens and residents, especially during economic downturns and revenue declines. When feasible, the Town may utilize cash reserves to fund a project, versus the issuance of debt. The Town's financial policies on debt issuance and management also emphasize minimal borrowing costs and affordability of future debt service obligations.

Summary

The below information summarizes the total outstanding principal and interest on current Town debt obligations for the next twenty years. A measure of a community's financial soundness is its bond rating. The Town continues to maintain very strong coverage of debt service which contributes to the favorable bond ratings received from Standard & Poor's and Fitch Investors Service.

	Excise Tax Revenue Bonds	Water Project Revenue Bonds	Improvement District Bonds	WIFA Loans	CREBS	Total
2016	3,074,364	1,943,281	178,123	865,186	240,887	6,301,840
2017	3,046,861	1,980,781	182,183	864,913	234,900	6,309,638
2018	3,053,563	1,963,731	179,933	864,632	228,460	6,290,319
2019	3,043,703	1,965,481	183,108	864,343	226,507	6,283,140
2020	3,046,048	1,962,481	180,748	864,044	219,108	6,272,428
2021	3,456,575	1,957,081	178,075	863,736	216,354	6,671,821
2022	2,598,888	1,945,531	-	863,418	208,249	5,616,085
2023	2,601,394	1,941,906	-	863,090	204,706	5,611,096
2024	2,601,563	630,331	-	862,751	195,721	4,290,366
2025	2,595,322	362,931	-	862,402	191,318	4,011,973
2026	2,600,213	365,231	-	862,042	186,370	4,013,855
2027	2,218,584	368,631	-	861,670	176,066	3,624,951
2028	224,125	362,925	-	861,287	170,437	1,618,774
2029	-	371,159	-	551,659	-	922,818
2030	-	-	-	146,758	-	146,758
	34,161,200	18,121,485	1,082,168	11,921,930	2,699,080	67,985,862

Debt Service Schedules

\$3,945,000

Roadway Improvement Assessment Bonds, Series 2005

- Date:** January 20, 2005
- Interest:** Payable semiannually commencing on July 1, 2005, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued for the improvement of Oracle Road along the Rooney Ranch development.
- Security:** The bonds are payable from and secured by special assessment proceeds.

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	135,000	43,123	178,123
2017	145,000	37,183	182,183
2018-2019	310,000	53,040	363,040
2020-2021	335,000	23,823	358,823
Total	<u>\$925,000</u>	<u>\$157,168</u>	<u>\$1,082,168</u>

Note: In 2013, a large property owner within the improvement district paid off their debt assessment

\$6,215,000

Excise Tax Revenue Obligations, Series 2005

- Date:** September 29, 2005
- Interest:** Payable semiannually commencing on July 1, 2006, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued for the land acquisition, development costs and construction of a Municipal Operations Center.
- Security:** Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	300,000	156,731	456,731
2017	310,000	145,481	455,481
2018-2019	655,000	253,019	908,019
2020-2022	1,085,000	273,794	1,358,794
2023-2026	1,665,000	142,691	1,807,691
Total	<u>\$4,015,000</u>	<u>\$971,716</u>	<u>\$4,986,716</u>

Debt Service Schedules

\$17,810,000

Excise Tax Revenue Refunding Bonds, Series 2007

- Date:** April 19, 2007
- Interest:** Payable semiannually commencing on July 1, 2007, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** The bonds were issued for the purpose of providing funding to refinance certain outstanding excise tax secured obligations.
- Security:** Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	640,000	708,600	1,348,600
2017	670,000	680,763	1,350,763
2018-2020	2,200,000	1,838,075	4,038,075
2021-2023	5,380,000	1,246,650	6,626,650
2024-2027	7,130,000	626,663	7,756,663
Total	\$16,020,000	\$5,100,750	\$21,120,750

\$4,584,652

Water Infrastructure Finance Authority Loan

- Date:** August 17, 2007
- Interest:** Payable semiannually commencing on July 1, 2008, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** This loan was secured to finance the construction of infrastructure to expand the reclaimed water system in the Town.
- Security:** Water Revenues

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	200,375	110,880	311,255
2017	207,461	103,670	311,130
2018-2020	667,444	265,151	932,595
2021-2024	1,005,370	236,048	1,241,418
2025-2028	1,155,292	83,476	1,238,768
Total	\$3,235,942	\$799,225	\$4,035,167

Debt Service Schedules

\$2,343,981

Water Infrastructure Finance Authority Loan

Date: October 22, 2009

Interest: Payable semiannually commencing on July 1, 2010, and semiannually thereafter on January 1 and July 1 of each year.

Purpose: This loan was secured to finance existing water system infrastructure improvements.

Security: Water Revenues

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	94,462	54,860	149,322
2017	97,457	51,818	149,275
2018-2020	311,308	136,215	447,524
2021-2023	341,872	105,167	447,039
2024-2026	375,437	71,070	446,507
2027-2030	556,764	35,917	592,681
Total	<u>\$1,777,300</u>	<u>\$455,047</u>	<u>\$2,232,347</u>

\$2,445,000

Clean Renewable Energy Bonds – Direct Payment

Date: July 22, 2010

Interest: Payable semiannually commencing on January 1, 2011, and semiannually thereafter on July 1 and January 1 of each year.

Purpose: The bonds were issued to finance the construction of solar panel covered parking structures in the parking lot of Town Hall.

Security: Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal *</u>	<u>Interest *</u>	<u>Total</u>
2016	135,000	105,887	240,887
2017	135,000	99,900	234,900
2018-2019	275,000	179,967	454,967
2020-2021	285,000	150,462	435,462
2022-2024	445,000	163,676	608,676
2025-2028	640,000	84,189	724,189
Total	<u>\$1,915,000</u>	<u>\$784,080</u>	<u>\$2,699,080</u>

**Debt Service is subsidized by electricity rebates from Tucson Electric Power Co. and a 55% interest subsidy from the U.S. Treasury Department*

Debt Service Schedules

\$2,580,000

Excise Tax Revenue Obligations, Series 2012

Date: April 5, 2012

Interest: Payable semiannually commencing on January 1, 2013, and semiannually thereafter on July 1 and January 1 of each year.

Purpose: The bonds were issued to finance the construction of enhancements and upgrades to the Oro Valley aquatic facility.

Security: Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	145,000	84,544	229,544
2017	145,000	80,194	225,194
2018-2019	310,000	143,838	453,838
2020-2022	510,000	166,656	676,656
2023-2025	575,000	102,256	677,256
2026-2028	640,000	35,903	675,903
Total	<u>\$2,325,000</u>	<u>\$613,391</u>	<u>\$2,938,391</u>

\$16,595,000

Senior Lien Water Project Revenue Refunding Obligations, Series 2012

Date: May 24, 2012

Interest: Payable semiannually commencing on January 1, 2013, and thereafter on July 1 and January 1 of each year.

Purpose: The bonds were issued to refund previously issued excise tax revenue bonds. The previously issued obligations financed improvements to the Town's reclaimed and potable water systems.

Security: Water Revenues

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	1,390,000	553,281	1,943,281
2017	1,470,000	510,781	1,980,781
2018-2019	3,035,000	894,213	3,929,213
2020-2024	7,375,000	1,062,331	8,437,331
2025-2029	1,685,000	145,878	1,830,878
Total	<u>\$14,955,000</u>	<u>\$3,166,485</u>	<u>\$18,121,485</u>

Debt Service Schedules

\$6,355,000

Excise Tax Revenue Refunding Obligations, Series 2013

- Date:** June 26, 2013
- Interest:** Payable semiannually commencing on January 1, 2014, and thereafter on July 1 and January 1 of each year.
- Purpose:** The bonds were issued to refund previously issued excise tax revenue refunding bonds. The previously issued obligations provided funding to refinance certain outstanding excise tax secured obligations.
- Security:** Excise Taxes

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	975,000	64,489	1,039,489
2017	965,000	50,424	1,015,424
2018	990,000	36,250	1,026,250
2019-2020	2,005,000	29,181	2,034,181
Total	<u>\$4,935,000</u>	<u>\$180,344</u>	<u>\$5,115,344</u>

\$5,000,000

Water Infrastructure Finance Authority Loan

- Date:** January 22, 2014
- Interest:** Payable semiannually commencing on July 1, 2014, and semiannually thereafter on January 1 and July 1 of each year.
- Purpose:** This loan was secured to finance the replacement of aging water meters with new technology electronic water meters.
- Security:** Water Revenues

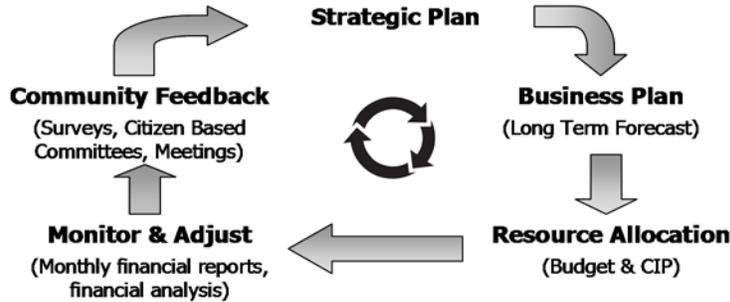
Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	283,075	121,533	404,608
2017	290,582	113,927	404,508
2018-2019	604,486	204,221	808,707
2020-2022	968,185	244,061	1,212,246
2023-2025	1,047,275	163,923	1,211,197
2026-2029	1,530,636	82,513	1,613,149
Total	<u>\$4,724,239</u>	<u>\$930,177</u>	<u>\$5,654,416</u>

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Long Term Forecast

Oro Valley continues to operate within its budgetary limits. A major area of focus by the Town Council has been on the future financial sustainability of the Town. This type of long term planning involves aligning our Strategic Plan to our long range forecast, which in turn, drives our budget. A long term forecast allows the Town to determine how current spending plans will impact future budgets.

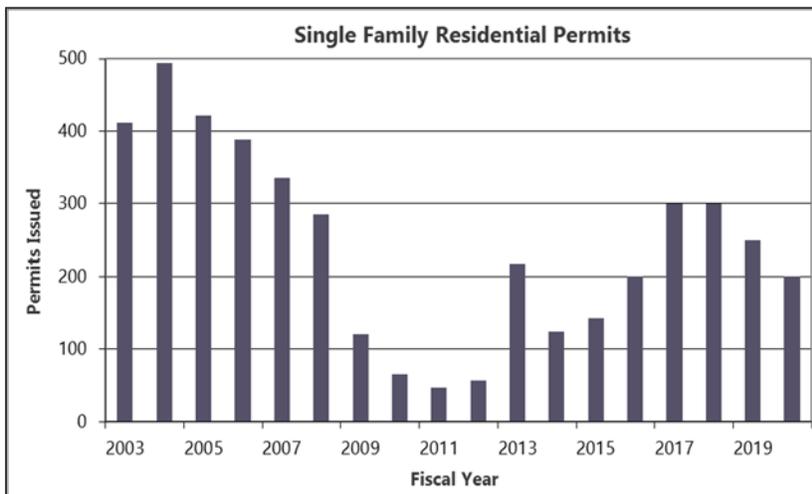


The base forecast is developed using the current services offered by the Town. Assumptions relating to inflation and growth rates are used to predict expenditure levels. Revenues are projected by trend or by specific information, when available. This information is used in conjunction with the impact of new commercial and residential development, future construction projects and economic conditions to develop a long term forecast. New development is crucial to the forecast not only due to the additional tax revenue and service fees, but also the cost of providing services to support the new development.

Finance staff works in tandem with Development Services and Economic Development when compiling projections for long range planning to ensure compatibility among all planning processes. When compiling the long range forecast, the focus is on the main tax-based funds of the Town, including the General Fund, the Highway Fund and the Bed Tax Fund.

Economic Environment

In previous years, the Town relied heavily on residential and commercial development to fund the business of operating a community. As the Town approaches build-out and these sources begin to diminish, other revenues sources are needed to continue the viability of the Town.



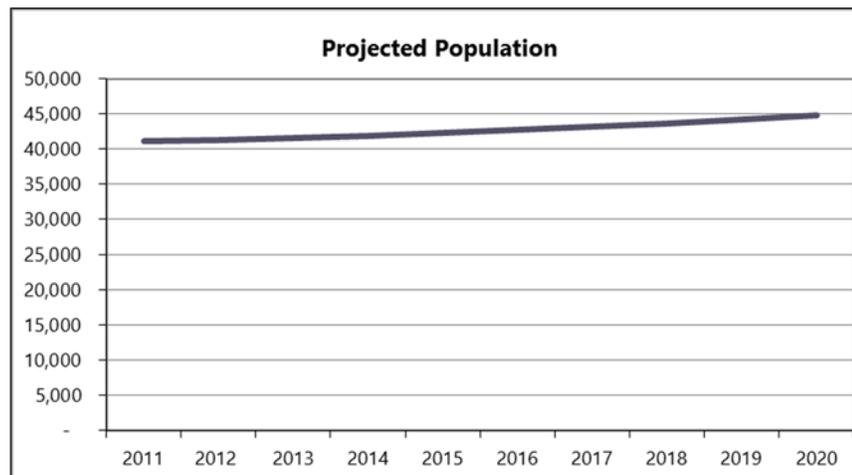
In early 2000, the Town of Oro Valley issued nearly 800 single family residential (SFR) permits, which was considerably higher than other communities in the area. In 2002 the number of permits began to gradually decline.

Long Term Forecast

Development revenues such as these, as well as sales taxes and state shared revenues, are economically volatile and may experience steep declines during economic downturns, as was the case with the most recent recession. The Town does not levy a property tax, and is therefore extremely vulnerable to shifts in economic conditions. Furthermore, the state legislature has made many recent attempts to impact state shared revenues and local tax collection efforts, and it is likely that those attempts will continue.

Nevertheless, the Town is seeing signs of gradual economic recovery, both at the local and state levels. The Town's retail sales tax collections continue to grow, and residential and commercial building activity is steady. All indications suggest continued slow, stable growth. Projections in development activity include growth in the near term and a gradual decline in the outer years of the forecast period. Projections in state shared revenues reflect growth rates of 1-3%. Retail and utility sales tax revenues reflect growth ranging from 1-4%. Construction sales tax revenue projections are tied to anticipated development activity. Low inflation is anticipated over the forecast period.

Population growth is projected to increase at a slow pace over the next five years due in part to the limited amount of developable land within the incorporated boundaries of the town.



Impacts of Future Capital Needs

In addition to personnel costs, the Capital Improvement Program makes up a significant portion of the Town's expenditure forecast, for both the one-time cost of the capital and the continued operational impacts of the new facilities or equipment. New or expanded parks and police facilities, for example, will require additional personnel and increased operations & maintenance (O&M) costs. Capital projects, particularly in the outer years of the forecast period, will demand much of the Town's resources. Costs to support these projects, as well as any identified recurring costs, have been incorporated in the long-term forecast.

Budget Impact

The Town's Strategic Plan, its financial policies and the long term forecast all have dramatic impact on the budget. The development of the budget is a process of resource allocation, and the resources available to be allocated are a direct output of the long term forecast. The long term forecast influences the Town's decision-making by projecting the effect that current spending decisions will have on the future and whether resources will be available to fund them. Financial policies, such as fund balance reserve policies, can have a visible impact on the budget, particularly during economic downturns and revenue declines, when resources become strained.

Long Term Forecast

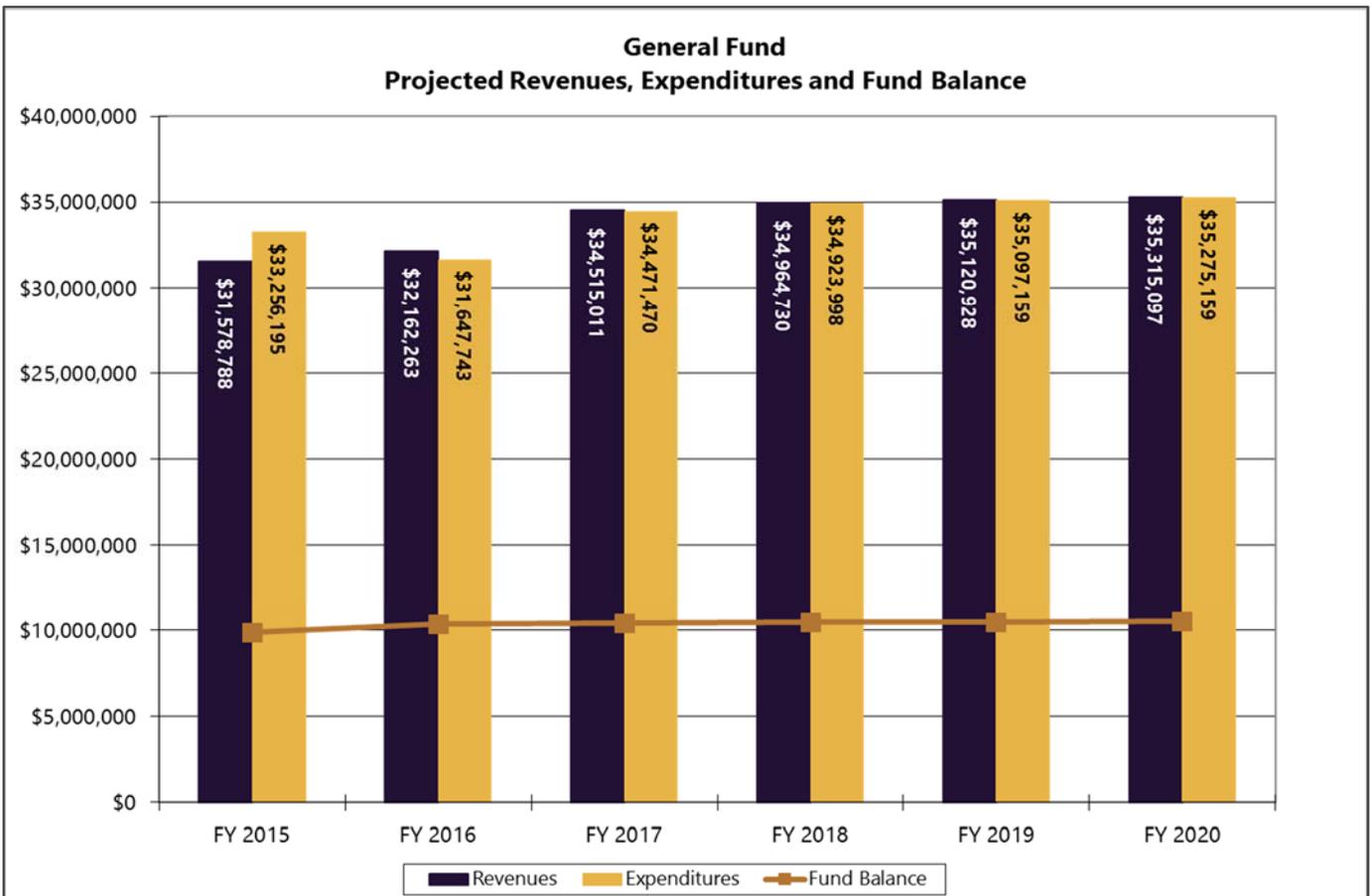
Fund Forecasts

General Fund

The General Fund remains stable over the five-year horizon, with moderate revenue growth and an emphasis on fiscally conservative spending. Revenues in the General Fund reflect 2% - 4% growth in recurring revenue sources, such as state shared revenues and local retail sales tax. One-time revenues generated from construction sales taxes and building permit revenues are slightly more volatile with fluctuation in forecasted commercial activity and the number of SFR permits issued per year.

General Fund expenditure projections reflect the continued commitment to providing fair employee compensation, maintaining adequate funding of the Town’s rising pension and health insurance costs, minimizing O&M budget increases, and allocating remaining available resources to asset replacement (computers, vehicles) and capital infrastructure needs. Capacity for capital infrastructure needs are expected to fluctuate, based on available funding sources.

The fund balance in the General Fund is maintained at healthy levels over the five-year period above the Town’s adopted policy requirement of 25% of adopted expenditures each year.



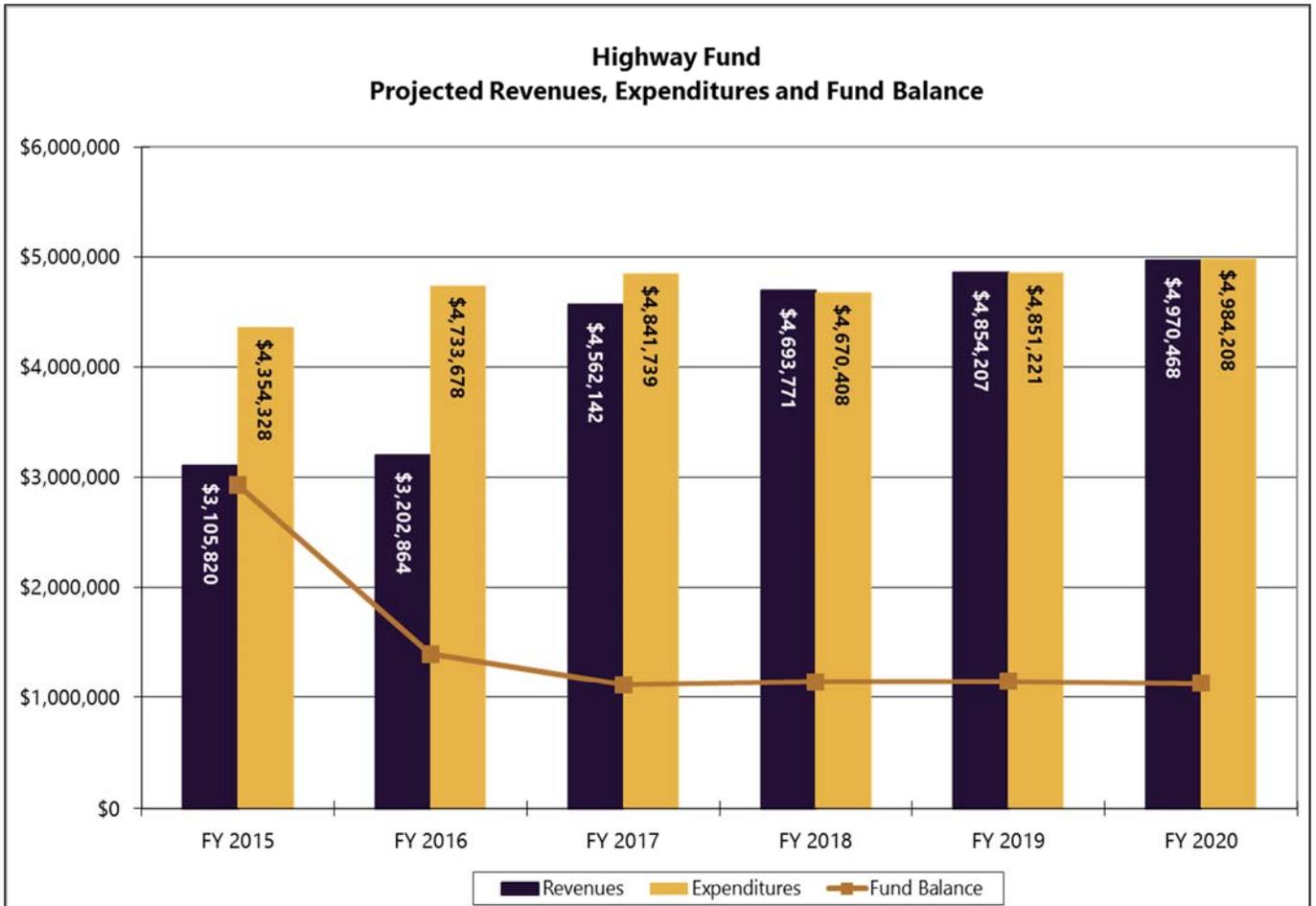
Long Term Forecast

Highway Fund

Highway Fund revenues are comprised primarily of state shared highway user (gas tax) revenues and local construction sales taxes (transferred from the General Fund beginning in FY 16/17). The state shared highway user revenues through FY 16/17 include the impact of Senate Bill 1487 signed by the Arizona governor last year, which allocates additional highway user funds to counties, cities and towns. The projections for these revenues are provided by the Arizona Department of Transportation. The construction sales tax revenues transferred from the General Fund will maintain the overall fund balance in the Highway Fund at roughly \$1 million each year.

Highway Fund expenditures reflect similar assumptions as those included in the General Fund forecast for personnel and O&M costs. Funding for the Town’s pavement preservation program is included in the forecast and ranges from \$1.3 million to \$1.4 million per year. As with the General Fund, capacity for capital needs in the Highway Fund are expected to fluctuate, based on available funding sources.

The fund balance in the Highway Fund is projected to decrease to approximately \$1.1 million by FY 16/17 and will be maintained at about that same level through FY 19/20.



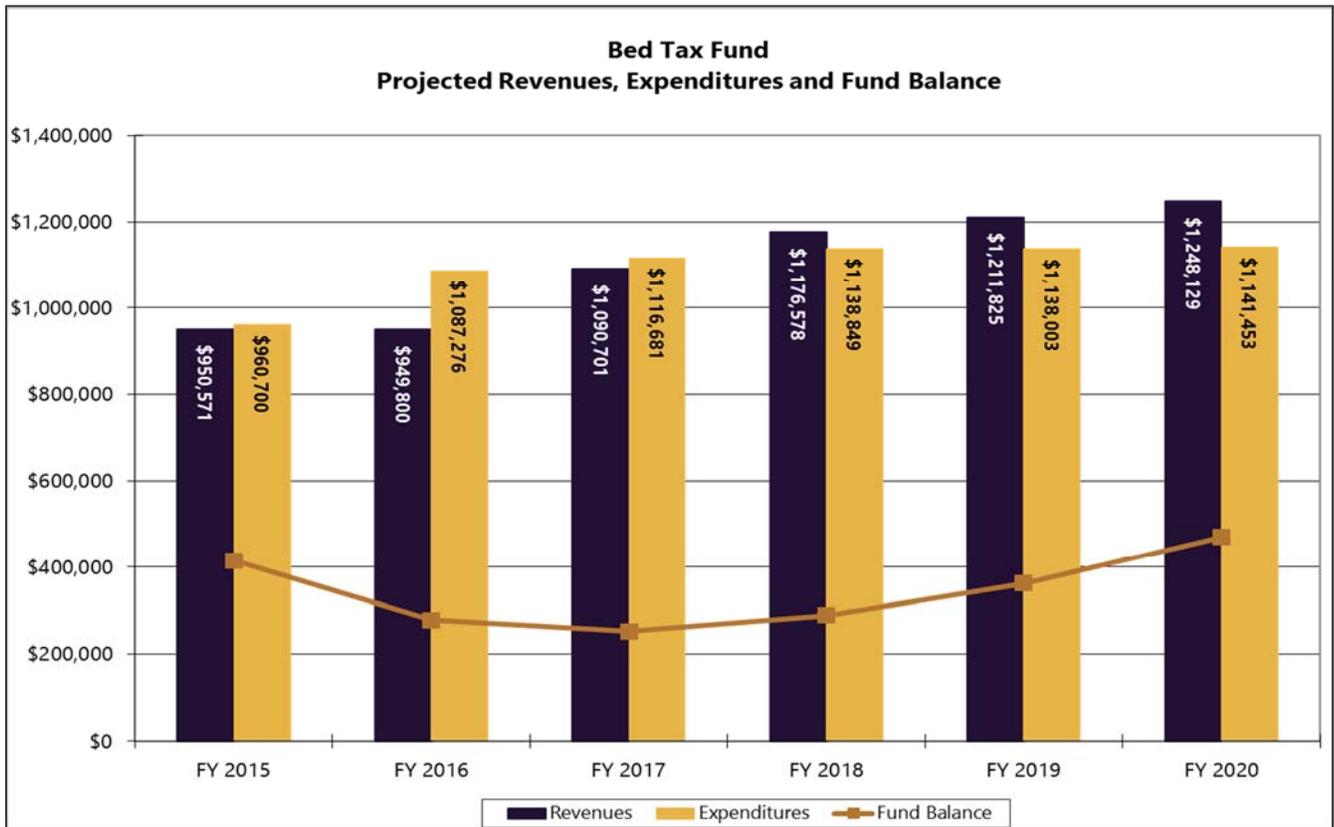
Long Term Forecast

Bed Tax Fund

The Bed Tax Fund captures revenues from the Town's 6% lodging tax on hotels/motels. State law requires that two-thirds of the Town's bed tax collections be allocated to tourism promotion purposes and economic development. Revenues are expected to grow at a healthy level following planned renovations at a major hotel in town, as well as continued economic recovery projected in the tourism industry.

Bed Tax Fund expenditures reflect existing contract amounts with several tourism and economic development agencies, as well as continued funding for arts and cultural programs and special events. This fund also covers debt service payments on bonds that were issued for the expansion and renovation of the Town's aquatic facility, as well as increased operating costs as a result of the expansion.

The FY 19/20 ending balance in the Bed Tax Fund is projected at almost \$470,000.



Conclusion

The reliance on growth, development and volatile revenue sources leaves Oro Valley vulnerable to economic fluctuations. A delicate balance exists between the needs of the community and the resources available to meet those needs. Major service level changes or added programs will require new revenue sources to fund such expansions. The goals and strategies outlined in the Town's Strategic Plan, in the areas of economic development and fiscal responsibility, were developed with the intent to mitigate the reliance on economically sensitive revenue sources, grow the Town's revenue base and prepare the Town for long-term financial stability.

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PROGRAM BUDGETS

Clerk
Council
Development and Infrastructure Services
Finance
General Administration
Human Resources
Information Technology
Legal
Magistrate Court
Town Manager's Office
Bed Tax Fund
Parks and Recreation
Community Center & Golf Fund
Parks and Recreation Impact Fee Fund
Naranja Park Fund
Police
Police Impact Fee Fund
Water Utility
Alternative Water Resources Development Impact Fee Fund
Potable Water System Development Impact Fee Fund
Municipal Debt Service Fund
Oracle Road Improvement District
Library Impact Fee Fund
General Government CIP Fund
Benefit Self Insurance Fund



Clerk

OVERVIEW

The Clerk's Office is the centralized information distribution point for our citizens, Town Council and staff. The Clerk's Office is responsible for preserving the legislative history of the Town, maintaining public records of the Town and conducting fair and impartial elections. The Clerk's Office provides staff support to Town Council; public records and information; business licensing; records management; elections; voter registration; and notary services. Functions of the Clerk's Office are performed in accordance with Arizona Revised Statutes, Oro Valley Town Code and the administrative policies and objectives of the Town.

2014-2015 ACCOMPLISHMENTS

- Implemented Laserfiche, an electronic document management system to store, manage and retrieve digitized paper documents such as minutes, ordinances, resolution, contracts, IGAs, etc.
- Conducted a successful primary election in 2014. All four seats were elected at the primary, making a general election unnecessary. Voter turnout increased from 33.9% to 42.4%, and election costs decreased from \$73,451 to \$33,061.
- Implemented board and commission management software that allows residents to apply for board and commission vacancies online, thereby streamlining the recruitment process and improving efficiency for the Clerk's Office

2015-2016 OBJECTIVES

- Implement the Laserfiche Web portal for online access to Town public records, providing more robust and user-friendly search capabilities than currently available through the Clerk's webpage
- Assist with the implementation of Laserfiche document management system in other Town departments
- Complete front desk remodel improvements in the administration building

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure and Services	Improve Town resources and processes	Initiate 100% of public records requests within 24 hours of receipt	99%	99%	100%
		Issue 100% of new business license requests within 3-5 days of application	100%	99%	100%
		Issue 100% of business license renewals within 30 days	100%	100%	100%
		Post campaign finance reports online within 3 business days of receipt	100%	100%	100%

Clerk

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Town Clerk	1.00	1.00	1.00	1.00	-
Deputy Town Clerk	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Office Specialist	0.50	0.50	0.50	0.50	-
Office Assistant	0.96	0.96	0.96	0.96	-
Communications Intern	0.10	0.10	0.10	0.10	-
Total FTEs	4.56	4.56	4.56	4.56	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 293,634	\$ 321,802	\$ 321,802	\$ 339,100	5.4%
Operations & Maintenance	17,957	175,300	69,300	33,800	-80.7%
Capital Outlay	19,771	-	-	35,000	0.0%
Total Expenditures	\$331,362	\$497,102	\$391,102	\$407,900	-17.9%

Revenue Sources					
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Business Licenses & Permits	\$ 197,323	\$ 182,000	\$ 188,000	\$ 192,000	5.5%
Public Record Request Fees	1,828	-	1,828	1,500	0.0%
Copy Services	1,535	2,000	2,000	2,000	0.0%
Total Revenues	\$200,686	\$184,000	\$191,828	\$195,500	6.3%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 5.4% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 80.7% due to election costs, which are incurred biennially.

Capital

Budgeted capital is for improvements to the front desk area of the administration building at Town hall.



Town of Oro Valley

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Council

OVERVIEW

Town Council consists of seven officials elected by residents of the town. The Mayor is directly elected by the citizens while the Vice Mayor is selected by the Council annually. Councilmembers serve four-year overlapping terms in the manner prescribed by state law. The Mayor and Councilmembers of Oro Valley are committed to high quality municipal services and responsible development. Through the Town Manager, the Town Council provides policy direction by adopting rules, regulations, and procedures to meet community needs. The Mayor and Councilmembers remain accountable and accessible to the residents through their commitment to full, honest, and timely communication and exchange promoting responsive, responsible governance.

2014-2015 ACCOMPLISHMENTS

- Approved funding for capital improvement projects benefiting the community, including improvements to the Aquatic Center, Naranja Park, Riverfront Park, Steam Pump Ranch as well as street light reconstruction along Sun City's Rancho Vistoso Boulevard
- Approved funding of special events in the community, including the annual July 4th celebration, holiday tree lighting celebration, Oro Valley Meet Yourself, seasonal festivals at Steam Pump Ranch, Oro Valley Festival of the Arts, and three music concert series programs
- Approved continued funding for community-based public safety programs, including school resource officers, dispose-a-med, adopt-a-business, rape aggression defense training, coffee with a cop, and citizen volunteer assistants program
- Approved continued funding of Sun Shuttle dial-a-ride, providing direct transit service for seniors and the disabled as well as for all community members
- Adopted the 2015 Strategic Plan
- Approved the acquisition of the El Conquistador Country Club and its related amenities for \$1 million to be converted into a municipal community and recreation center
- Approved a balanced budget for FY 15/16, with a projected General Fund surplus of more than \$500,000

2015-2016 OBJECTIVES

- Fiscal Responsibility - Maintain long-term financial health through diversified revenue sources while investing in community initiatives
- Communication - Ensure citizens are educated about and highly engaged in Oro Valley activities and moving future initiatives forward
- Economic Development - Establish Oro Valley as the home for globally-competitive high technology and biosciences businesses and employees while maximizing the Town's visitor destination opportunities
- Parks, Recreation, and Cultural Development - Develop exceptional recreation and cultural facilities and programs that attract visitors and events that enhance residents' quality of life and strengthens the economy
- Community Infrastructure and Services - Serve as the model for innovative partnerships, services, and performance in providing basic town services

Council

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Mayor	1.00	1.00	1.00	1.00	-
Councilmember	6.00	6.00	6.00	6.00	-
Total FTEs	7.00	7.00	7.00	7.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 78,855	\$ 78,847	\$ 78,847	\$ 78,820	0.0%
Operations & Maintenance	125,232	128,175	128,175	133,175	3.9%
Total Expenditures	\$204,087	\$207,022	\$207,022	\$211,995	2.4%

FY 2015/2016 Expenditure and Staffing Changes

Operations & Maintenance

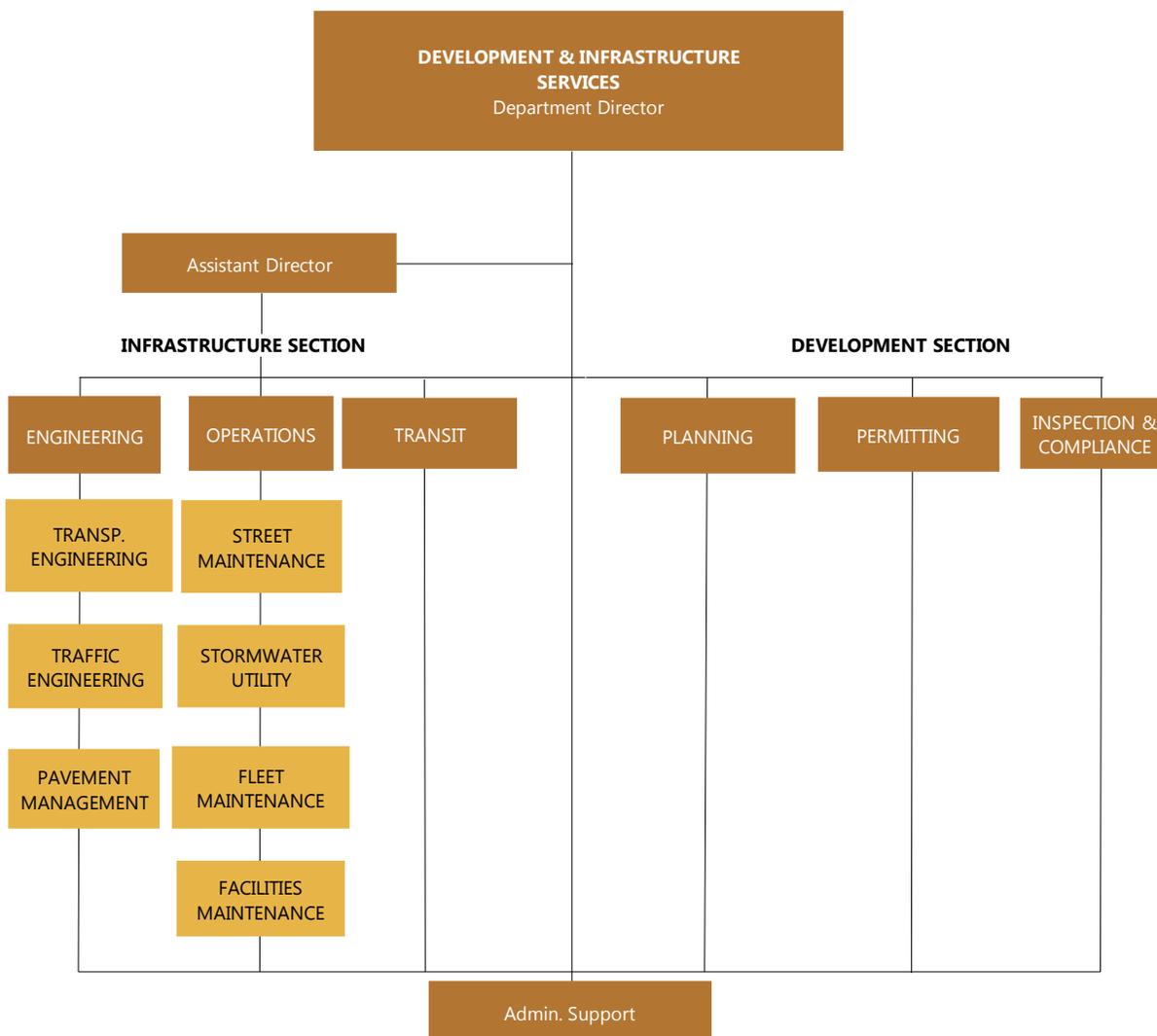
Operations & Maintenance increased 3.9% due to volunteer recognition event costs and memberships & subscriptions.



Town of Oro Valley

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Development & Infrastructure Svcs (DIS)



OVERVIEW

The Development and Infrastructure Services (DIS) Department is comprised of the following divisions: Planning, Permitting, Inspection & Compliance, Engineering, Operations and Transit. The department is responsible for ensuring harmonious growth as well as the health, safety and welfare of the public in the built environment. All facets of planning, zoning, permitting, inspection, compliance, transportation planning and engineering, traffic engineering, street maintenance, and pavement management are provided by this department for all horizontal and vertical construction and infrastructure elements within the Town. In addition, the department is responsible for the Town's stormwater management and flood control, facilities and fleet maintenance, as well as providing transit services to the community.

Development & Infrastructure Svcs (DIS)

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
81.25	81.75	81.75	83.75

	Expenditures by Fund				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
General Fund	\$ 3,982,785	\$ 4,564,803	\$ 4,303,182	\$ 4,596,216	0.7%
Highway Fund	3,520,089	4,354,662	4,354,328	4,733,678	8.7%
Stormwater Utility Fund	781,365	1,011,851	1,011,851	929,115	-8.2%
Fleet Fund	1,244,893	1,775,772	1,390,772	1,389,221	-21.8%
PAG/RTA Fund	-	-	-	10,478,795	0.0%
Roadway Dev Impact Fee Fund	1,427,721	4,060,000	2,641,439	1,498,696	-63.1%
	\$ 10,956,853	\$ 15,767,088	\$ 13,701,572	\$ 23,625,721	49.8%

Divisions/programs supported by the General Fund include Planning, Permitting, Inspection & Compliance, Facilities Maintenance and Transit

	Revenues by Fund				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
General Fund	\$ 3,399,204	\$ 3,222,547	\$ 2,887,081	\$ 3,133,000	-2.8%
Highway Fund	4,177,485	2,965,690	3,105,820	3,202,864	8.0%
Stormwater Utility Fund	760,629	790,300	789,550	822,250	4.0%
Fleet Fund	1,329,843	1,927,113	1,566,753	1,528,232	-20.7%
PAG/RTA Fund	-	-	-	10,897,696	0.0%
Roadway Dev Impact Fee Fund	2,757,449	4,986,166	3,027,486	426,532	-91.4%
	\$ 12,424,610	\$ 13,891,816	\$ 11,376,690	\$ 20,010,574	44.0%

DIS Development Section

OVERVIEW

The Development section of the DIS Department is organized into three functional divisions: Permitting, Planning and Inspection & Compliance. Permitting coordinates all facets of plan review and permitting to assess compliance with codes and ordinances adopted by the Town. Planning administers the General Plan and Zoning Code for the harmonious development of the town. Inspection and Compliance is responsible for inspecting all new and altered commercial and residential construction within the town to assess compliance with codes and ordinances adopted by the Town as well as enforcement of the regulatory provisions of the code.

2014-2015 ACCOMPLISHMENTS

PERMITTING

- Collected approximately \$1.2 million in plan review and permit fees
- Issued approximately 1,625 permits, including 65 commercial building permits, 285 residential building permits, 70 grading permits, 885 miscellaneous building permits, 185 sign permits, 90 pool permits, 35 model home plan permits and 10 wall permits
- Issued approximately 143 single family residential permits
- Provided various forms of customer assistance to over 5,400 customers that signed in at the DIS front counter
- Participated in the implementation and installation of a new MUNIS permitting system

PLANNING

- Committees for the *Your Voice, Our Future* project (General Plan update) completed the first round of reviews, with their work compiled into a first draft of the General Plan
- Held 29 neighborhood public outreach and awareness meetings for planning amendments, including 7 for major General Plan amendments

INSPECTION & COMPLIANCE

- Provided wide range of construction assistance from initial infrastructure and grading inspections through final approvals for a multitude of residential and commercial projects, including Copper Health in Sun City, Panera Bread, La Hacienda Mexican restaurant, Breadsmith bakery, apartment projects at San Dorado and El Corredor, and the opening of three new residential subdivisions
- Developed and transitioned from Permits Plus to a new MUNIS permitting system
- Provided approximately 25,000 building and zoning inspections
- Responded to approximately 250 complaints regarding zoning violations and provided approximately 15 weekend compliance inspections
- Opened approximately 600 zoning/property maintenance violations

2015-2016 OBJECTIVES

ADMINISTRATION

- Modify the DIS website with a focus on information design, making it easier for the end user to find the information they need

DIS Development Section

- Incorporate emerging media technologies such as mobile computing and social media to expand access to DIS information

PERMITTING

- Provide assistance to IT with the transition to the new MUNIS permitting system
- Continually work to keep the Town's webpage up to date with useful and important permitting resource information for applicants, developers and the general public
- Explore opportunities for expanded service hours to enable customers to conduct business with the Town outside traditional business hours
- Expand the online payment system to include building permits
- Work closely with Economic Development & special event coordinators to assure that special events are seamless in process

PLANNING

- Provide a major support role for additional annexation processing with the state
- Continue to promote the streamlined development Economic Expansion Zone in Innovation Park
- Begin planning process for the creation of a central "district" or main street concept within town
- Develop and implement a marketing plan to ensure voter ratification of the General Plan in 2016

INSPECTION & COMPLIANCE

- Successfully integrate new MUNIS permitting system to improve overall delivery of service and allow online scheduling of inspections

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Communication	Provide opportunities for residents to become engaged in and knowledgeable about the role of local government	Provide timely and complete Board & Commission packets, delivery at least 7 days prior to meeting date (goal 95%)	100%	100%	100%
		Provide education and training to Board & Commission members and interested citizens; achieve minimal level of attendance and training of all board members (goal 90% of Board members receive 8 hrs. of training)	100%	100%	100%

DIS Development Section

STRATEGIC PLAN PROGRAM PERFORMANCE (CONTINUED)					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Improve Town resources and processes	Substantial progress in completion of adopted Work Plan (goal 50% per year of total estimated Work Plan effort)	33%	40%	40%
		% of civil, zoning and building plan reviews completed within established timeframes (goal 90%)	92%	90%	92%
		Average calendar days from first civil, zoning and building plan submittal to first review comments sent to applicants (goal 20 or less)	16	18	18
		Average number of consultant submittals from initial application to approval (goal 3 or less)	2.5	2.5	2.5
		% of inspections completed on next business day for requests received by 3:30 pm from previous business day (goal 95%)	97%	97%	96%
		Investigate first zoning violation complaints within 2 calendar days (goal 90%)	93%	95%	95%
		Average calendar days from zoning case inspection to voluntary compliance (goal 15 or less)	10	8	8
		Average calendar days from zoning case inspection to forced compliance (goal 60 or less)	38	35	35

DIS Development Section

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
28.22	29.22	29.22	29.22

	Expenditures by Division				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Administration	\$ 197,558	\$ 343,105	\$ 342,008	\$ 273,676	-20.2%
Permitting	714,436	794,621	778,681	859,933	8.2%
Planning	831,827	848,575	737,353	856,391	0.9%
Inspection and Compliance	596,426	707,593	679,376	751,274	6.2%
	\$2,340,247	\$2,693,894	\$2,537,418	\$2,741,274	1.8%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Residential Building Permits	\$ 1,409,442	\$ 1,135,000	\$ 903,226	\$ 1,135,000	0.0%
Commercial Building Permits	351,907	397,547	300,000	350,000	-12.0%
Special Inspection Fees	4,400	5,000	5,000	5,000	0.0%
Zoning and Subdivision Fees	183,897	131,000	225,000	178,000	35.9%
Sign Permits	31,026	35,000	31,000	31,000	-11.4%
Grading Permit Fees	75,344	51,000	61,000	51,000	0.0%
Engineer Plan Review Fees	33,748	40,000	54,000	43,000	7.5%
Grading Review Fees	23,255	18,000	16,000	14,000	-22.2%
Grading Inspection Fees	7,851	6,000	3,000	4,000	-33.3%
	\$2,120,870	\$1,818,547	\$1,598,226	\$1,811,000	-0.4%

Development Section – Administration

OVERVIEW

The primary function of the Development & Infrastructure Services Director is to ensure harmonious growth as well as the health, safety, and welfare of the public in the built environment. The director, who additionally functions as the Town Engineer, with support of the division managers and administrators, provides leadership, direction and support to the department's staff. Responsibilities include: establishing departmental policy; leadership direction and support of the department's staff; preparation and management of the department's operating and capital budget; code interpretation and enforcement; revisions to the Town Code; Council support; Town Manager's Executive Leadership Team; customer service including effective public outreach and communication; and resolution of personnel and legal issues.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
DIS Director	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 144,022	\$ 161,395	\$ 161,395	\$ 163,499	1.3%
Operations & Maintenance	53,536	181,710	180,613	110,177	-39.4%
Total Expenditures	\$ 197,558	\$ 343,105	\$ 342,008	\$ 273,676	-20.2%

FY 2015/2016 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 39.4% due to vehicle replacement charges in FY 2015.

Development Section – Permitting

OVERVIEW

The Permitting division coordinates all facets of plan review and permitting for development plans, preliminary and final plats, improvement and grading plans, building plans, walls, pools and spas, signs, miscellaneous structures and equipment for all new or altered residential and commercial construction within the town to assess their compliance with the codes and ordinances adopted by the Town.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Division Mgr, Permitting	1.00	1.00	1.00	1.00	-
Senior Civil Engineer	1.00	1.00	1.00	1.00	-
Engineering Design Reviewer	1.00	1.00	1.00	1.00	-
Plans Examiner II	2.00	2.00	2.00	2.00	-
Plans Examiner I	1.00	1.00	1.00	1.00	-
Senior Planning Technician	1.00	1.00	1.00	1.00	-
Building Permit Tech	2.00	2.00	2.00	2.00	-
Office Specialist	0.48	0.48	0.48	0.48	-
Office Assistant	0.48	0.48	0.48	0.48	-
Total FTEs	9.96	9.96	9.96	9.96	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 676,231	\$ 780,346	\$ 770,110	\$ 827,903	6.1%
Operations & Maintenance	38,205	14,275	8,571	32,030	124.4%
Total Expenditures	\$ 714,436	\$ 794,621	\$ 778,681	\$ 859,933	8.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 6.1% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 124.4% due to outside consultant plan review costs.

Development Section – Planning

OVERVIEW

The Planning division administers the General Plan and Zoning Code for the harmonious growth of the town. The division is responsible for providing planning and zoning services to the community, Town Council, Planning and Zoning Commission, Conceptual Design Review Board, Board of Adjustment, and project teams. The division's Work Plan for the next two years will focus on updates to the sign code, zoning code, general plan and associated guidelines and standards.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Division Mgr, Planning	1.00	1.00	1.00	1.00	-
Cons & Sust. Administrator	1.00	1.00	-	-	(1.00)
Senior Planner	3.00	3.00	3.00	3.00	-
Principal Planner	1.00	1.00	2.00	2.00	1.00
Planner	1.00	1.00	1.00	1.00	-
Intern	0.30	0.30	0.30	0.30	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Office Assistant	0.96	0.96	0.96	0.96	-
Total FTEs	9.26	9.26	9.26	9.26	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 652,389	\$ 774,030	\$ 662,808	\$ 744,954	-3.8%
Operations & Maintenance	179,438	74,545	74,545	111,437	49.5%
Total Expenditures	\$831,827	\$848,575	\$737,353	\$856,391	0.9%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 3.8% due to a position reclass.

Operations & Maintenance

Operations & Maintenance increased 49.5% due primarily to costs related to the Town's General Plan update.

Dev Section – Inspection & Compliance

OVERVIEW

The Inspection and Compliance division is responsible for inspecting all new and altered, commercial and residential, vertical and horizontal construction within the town to assess their compliance with the codes and ordinances adopted by the Town. The division is also responsible for the monitoring and enforcement of the zoning, building and Town codes and ordinances, including all construction, plant salvage, landscape, signage, and development performance standards.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Division Mgr, Insp. & Comp.	1.00	1.00	1.00	1.00	-
Building Inspector II	4.00	4.00	4.00	4.00	-
Building Inspector I	-	1.00	1.00	1.00	-
Code Compliance Specialist	1.00	1.00	1.00	1.00	-
Zoning Technician	1.00	1.00	1.00	1.00	-
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Total FTEs	8.00	9.00	9.00	9.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 587,514	\$ 690,253	\$ 662,996	\$ 727,604	5.4%
Operations & Maintenance	8,912	17,340	16,380	23,670	36.5%
Total Expenditures	\$596,426	\$707,593	\$679,376	\$751,274	6.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 5.4% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 36.5% due to increases in several areas, including printing & binding, non-capitalized equipment and rentals.

DIS Infrastructure Section – Highway Fund

OVERVIEW

The Infrastructure Section of DIS is organized into three functional divisions: Engineering, Operations, and Transit. Engineering is responsible for managing the design and construction of roadway projects, issuing right-of-way permits for all activities within the Town's right-of-way, developing annual and long term schedules for surface treatments on town streets, as well as maintaining and operating the town's traffic intersection signals and lights. Operations is responsible for the Stormwater Utility enterprise, maintenance of the town's streets and drainage ways, facilities maintenance including repairs and minor renovations, and fleet maintenance for vehicles and heavy equipment.

Infrastructure Section programs supported by the Highway Fund include Administration, Transportation Engineering, Pavement Management, Street Maintenance, and Traffic Engineering.

2014-2015 ACCOMPLISHMENTS

- Developed finished grades, installed road base and oversaw the paving of the new parking lot and improved entrance road for Naranja Park
- Completed installation of a traffic signal at Rancho Vistoso Boulevard & Vistoso Highland Drive
- Completed the Rancho Vistoso circuit 2 street light rehabilitation project
- Began construction on the Naranja Drive widening and improvement project
- Developed an Intergovernmental Agreement (IGA) with the Pima County Department of Transportation and the Regional Transportation Authority (RTA) to begin design of the La Cholla Boulevard widening and improvement project

2015-2016 OBJECTIVES

- Award design contract for the La Cholla Boulevard widening and improvement project
- Maximize use of outside funding sources including grants, bonds and in-kind support from Pima County and the Regional Transportation Authority
- Continue a preventative maintenance program for all town streets, roads and drainage ways and expand the plan for needed improvements within proposed annexation areas
- Continue conducting monthly traffic signal inspections
- Perform annual striping of stop bars and crosswalks throughout the town
- Begin the Lambert Lane Phase II widening and improvement project
- Conduct routine maintenance of our roadways to meet the needs of the community

DIS Infrastructure Section – Highway Fund

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Fiscal Responsibility	Prioritize investments in capital infrastructure	Road rehabilitation expenditures per paved lane mile	\$10,606	\$10,856	\$13,541
Community Infrastructure & Services	Improve transportation infrastructure	% of paved lane miles rehabilitated throughout town	24%	28%	33%
		Achieve and maintain Overall Condition Index (OCI) rating of 80 for all paved streets	76	77	78
		Restripe 100% of crosswalks, legends and symbols throughout town	100%	100%	100%
		Restripe 100% of roads throughout town	80%	95%	95%
		Maintain reflectivity of all street regulatory signs	75%	80%	90%
		Street maintenance (crack-seal) lane miles completed	65	60	65

DIS Infrastructure Section – Highway Fund

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
22.58	22.48	22.48	23.48

	Expenditures by Program				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Administration	\$ 546,362	\$ 610,478	\$ 610,478	\$ 880,396	44.2%
Transportation Engineering	1,489,950	537,275	537,275	561,772	4.6%
Pavement Management	92,545	1,219,002	1,219,002	1,473,581	20.9%
Street Maintenance	898,872	1,053,631	1,053,297	1,034,510	-1.8%
Traffic Engineering	492,360	934,276	934,276	783,419	-16.1%
	\$ 3,520,089	\$ 4,354,662	\$ 4,354,328	\$ 4,733,678	8.7%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
HURF Gas Taxes	\$ 2,679,257	\$ 2,754,947	\$ 2,882,445	\$ 2,985,464	8.4%
Construction Sales Tax	1,227,468	-	-	-	0.0%
Licenses and Permits	47,257	52,000	58,882	51,000	-1.9%
State Grants	35,000	-	-	-	0.0%
Charges for Services	129,492	129,493	129,493	134,000	3.5%
Interest Income	38,666	19,250	25,000	22,400	16.4%
Miscellaneous	20,345	10,000	10,000	10,000	0.0%
	\$ 4,177,485	\$ 2,965,690	\$ 3,105,820	\$ 3,202,864	8.0%

Highway Fund – Administration

OVERVIEW

Administration is responsible for funding and program implementation, contract management, and obtaining reimbursement of outside funding for projects from Pima Association of Governments (PAG), the Arizona Department of Transportation (ADOT), and the Federal Emergency Management Agency (FEMA). Administrative staff responsibilities include clerical duties, maintaining the Development & Infrastructure Services website, records management, and logistical support.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Assistant DIS Director	1.00	1.00	1.00	1.00	-
GIS Analyst	0.25	-	-	-	-
Administrative Coordinator	1.00	1.00	1.00	1.00	-
Office Specialist	-	0.25	0.25	0.25	-
Total FTEs	2.25	2.25	2.25	2.25	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 210,313	\$ 216,595	\$ 216,595	\$ 230,871	6.6%
Operations & Maintenance	336,049	341,883	341,883	361,159	5.6%
Capital Outlay	-	52,000	52,000	60,000	15.4%
Other Financing Uses	-	-	-	228,366	0.0%
Total Expenditures	\$ 546,362	\$ 610,478	\$ 610,478	\$ 880,396	44.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 6.6% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 5.6% due to outside professional services, as well as vehicle and equipment repair, maintenance and replacement costs.

Capital

Capital outlay increased 15.4% for a software equipment capital improvement project planned for FY 2016.

Other Financing Uses

Other Financing Uses for FY 2016 is a transfer out to the Municipal Debt Service Fund for Series 2005 Excise Tax debt service.

Highway Fund – Transportation Engineering

OVERVIEW

Transportation Engineering is responsible for managing the design and construction of roadway projects. While most large projects are designed by consultants, DIS has a small in-house design team for smaller projects. Transportation Engineering provides construction management for all public roadway projects, large and small, as well as issuing permits for all activity within the Town's right-of-way.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Engineering Division Manager	0.70	0.70	0.70	0.70	-
Senior Civil Engineer	0.50	0.50	0.50	0.50	-
Senior Civil Engineer Tech	2.00	2.00	2.00	2.00	-
Civil Engineer/Project Manager	1.00	1.00	1.00	1.00	-
Civil Engineer Designer	1.00	1.00	1.00	1.00	-
Office Specialist	0.48	0.48	0.48	0.48	-
Total FTEs	5.68	5.68	5.68	5.68	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 485,325	\$ 517,825	\$ 517,825	\$ 540,522	4.4%
Operations & Maintenance	14,534	19,450	19,450	21,250	9.3%
Capital Outlay	990,091	-	-	-	0.0%
Total Expenditures	\$ 1,489,950	\$ 537,275	\$ 537,275	\$ 561,772	4.6%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.4% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 9.3% due to street improvements, memberships & subscriptions and uniform costs.

Highway Fund – Pavement Management

OVERVIEW

Pavement Management is responsible for operating the pavement management system and developing annual and long term schedules for surface treatments on town roadways.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Engineering Division Manager	0.20	0.20	0.20	0.20	-
Senior Civil Engineering Tech	1.00	1.00	1.00	1.00	-
Total FTEs	1.20	1.20	1.20	1.20	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 90,535	\$ 115,752	\$ 115,752	\$ 120,081	3.7%
Operations & Maintenance	1,629	3,250	3,250	3,500	7.7%
Capital Outlay	381	1,100,000	1,100,000	1,350,000	22.7%
Total Expenditures	\$ 92,545	\$ 1,219,002	\$ 1,219,002	\$ 1,473,581	20.9%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.7% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 7.7% due to field supply costs.

Capital

Budgeted capital is for the Town's pavement preservation program (street and roadway surface treatments).

Highway Fund – Street Maintenance

OVERVIEW

Street Maintenance is responsible for maintaining the town's streets and drainage ways.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations Division Manager	0.75	0.75	0.75	0.75	-
Streets & Drainage Sr Crew Lead	1.00	1.00	1.00	1.00	-
Streets & Drainage Crew Leader	2.00	2.00	2.00	2.00	-
Heavy Equipment Operator III	2.00	2.00	2.00	3.00	1.00
Heavy Equipment Operator II	3.00	3.00	3.00	3.00	-
Office Specialist	0.05	-	-	-	-
Total FTEs	8.80	8.75	8.75	9.75	1.00

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 594,882	\$ 615,031	\$ 614,697	\$ 700,410	13.9%
Operations & Maintenance	219,726	288,600	288,600	269,100	-6.8%
Capital Outlay	84,264	150,000	150,000	65,000	-56.7%
Total Expenditures	\$ 898,872	\$ 1,053,631	\$ 1,053,297	\$ 1,034,510	-1.8%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 13.9%, primarily for a Heavy Equipment Operator III to supervise correctional staff performing landscaping services for the Town. The increase is also attributable to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 6.8% due to savings in several areas, including field supplies, rentals, street maintenance and outside professional services.

Capital

Capital decreased 56.7% due to a dump truck purchase completed in FY 2015.

Highway Fund – Traffic Engineering

OVERVIEW

Traffic Engineering is responsible for maintaining and operating the town's traffic intersection signals and lights, pavement markings, traffic signage, and conducting and reviewing traffic studies.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Engineering Division Manager	0.10	0.10	0.10	0.10	-
Senior Civil Engineer	0.50	0.50	0.50	0.50	-
Senior Traffic Technician	1.00	1.00	1.00	1.00	-
Traffic Technician	1.00	1.00	1.00	1.00	-
Traffic Signs/Markings Crew Lead	1.00	1.00	1.00	1.00	-
Traffic Signs/Markings Worker	1.00	1.00	1.00	1.00	-
Office Specialist	0.05	-	-	-	-
Total FTEs	4.65	4.60	4.60	4.60	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 292,875	\$ 335,226	\$ 335,226	\$ 345,269	3.0%
Operations & Maintenance	189,616	196,800	196,800	193,900	-1.5%
Capital Outlay	9,869	402,250	402,250	244,250	-39.3%
Total Expenditures	\$ 492,360	\$ 934,276	\$ 934,276	\$ 783,419	-16.1%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.0% due to health insurance premiums and merit increases.

Capital

Capital decreased 39.3% due to a street light replacement project completed in FY 2015.

DIS Infrastructure Section - Facility Maintenance

OVERVIEW

Facility Maintenance, a program within the Operations Division of the DIS Department, provides building maintenance repairs, minor renovations, project management, contract administration, energy management and HVAC services for the Town's facilities. This program is responsible for the maintenance of 22 Town buildings and structures encompassing nearly 104,000 square feet of building space.

2014-2015 ACCOMPLISHMENTS

- Completed preventative maintenance and inspections on solar and energy saving equipment and Town facility buildings and equipment
- Applied roof coating to the Police Department's main building and to the Parks & Recreation/DIS Operations building. Applying the roof membrane treatment meets the goal of treating at least one facility roof per year.
- Entered into a contract with Advance Controls Corporation to complete training and biannual inspections of the Town's heating, ventilation and air conditioning (HVAC) systems

2015-2016 OBJECTIVES

- Manage the Facility Maintenance program within approved expenditure limits
- Continue to improve the preventative maintenance program for all Town facilities
- Maintain a clean, safe environment for the public and staff in all Town buildings
- Continue to ensure that all cleaning chemicals are environmentally friendly
- Maintain or replace all HVAC units at the Town's new Community & Recreation Center to reduce energy costs

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Fiscal Responsibility	Prioritize investments in capital infrastructure	Repair expenditures per square foot of buildings maintained	\$3.38	\$3.67	\$3.67
Community Infrastructure & Services	Improve Town resources and processes	Complete 100% of work order requests within 5 business days	88%	95%	95%

DIS Infrastructure Section - Facility Maintenance

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Facilities Maint Crew Leader	1.00	1.00	1.00	1.00	-
Facilities Maint Technician	1.00	1.00	1.00	1.00	-
Office Specialist	0.15	-	-	-	-
Total FTEs	2.15	2.00	2.00	2.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 138,925	\$ 145,760	\$ 145,760	\$ 150,995	3.6%
Operations & Maintenance	155,330	172,000	172,000	209,400	21.7%
Capital Outlay	-	-	-	15,000	0.0%
Total Expenditures	\$ 294,255	\$ 317,760	\$ 317,760	\$ 375,395	18.1%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Other Intergovernmental Revenue	\$ 31,957	\$ 15,000	\$ 15,000	\$ 15,000	0.0%
Total Revenues	\$ 31,957	\$ 15,000	\$ 15,000	\$ 15,000	0.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.6% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 21.7% due to custodial and HVAC service contracts, a portion of which were previously budgeted in the Police Department.

Capital

Budgeted capital is for several minor building improvements planned in FY 2016.

DIS Infrastructure Section - Fleet Fund

OVERVIEW

Fleet is set up as an internal service fund under the Operations Division of the DIS Department. Each Town department that maintains a fleet of vehicles and/or heavy equipment contributes to this fund based on their respective fleet size and related costs. Fleet is responsible for replacement, preventative maintenance and repair of the Town's fleet of vehicles and heavy equipment. This is accomplished through the combination of service contracts and staff. (To note, the Police Department's ongoing fleet maintenance costs are budgeted directly in the Police Department).

2014-2015 ACCOMPLISHMENTS

- Worked with the Finance Department to develop the 2016 capital replacement schedule for all non-police vehicles and heavy equipment.
- Monitored outside repair shops to ensure scheduled preventative maintenance services and repairs are completed correctly at the lowest cost to the Town
- Continued to use the Arizona Department of Corrections (ADC) crew to perform maintenance and minor repairs on small fleet equipment, vehicles and other equipment at a significant cost savings to the Town

2015-2016 OBJECTIVES

- Maintain Town vehicles and heavy equipment in excellent condition by scheduling preventative maintenance and repairs
- Reduce fleet maintenance costs of non-police vehicles and heavy equipment by completing more repair work and preventative maintenance in-house with existing staff
- Manage the Fleet Maintenance program within approved expenditure limits.

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Improve Town resources and processes	Total cost/mile to operate and maintain light vehicles, not including Police vehicles (repair & fuel only)	\$0.46	\$0.47	\$0.47
		Total cost/mile to operate and maintain heavy vehicles (repair & fuel only)	\$17.00	\$18.00	\$18.00
		Total cost/mile to operate and maintain transit vans (repair & fuel only)	\$0.77	\$0.72	\$0.80

DIS Infrastructure Section – Fleet Fund

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Fleet Maint Mechanic III	1.00	1.00	1.00	1.00	-
Office Specialist	0.15	0.15	0.15	0.15	-
Total FTEs	1.15	1.15	1.15	1.15	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 75,786	\$ 81,609	\$ 81,609	\$ 84,318	3.3%
Operations & Maintenance	673,713	729,363	729,363	713,600	-2.2%
Capital Outlay	495,394	964,800	579,800	591,303	-38.7%
Total Expenditures	\$ 1,244,893	\$ 1,775,772	\$ 1,390,772	\$ 1,389,221	-21.8%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Charges for Services	\$ 1,268,842	\$ 1,467,800	\$ 1,390,772	\$ 1,333,903	-9.1%
State Grants	-	308,000	-	-	0.0%
Miscellaneous	61,001	151,313	175,981	194,329	28.4%
Total Revenues	\$ 1,329,843	\$ 1,927,113	\$ 1,566,753	\$ 1,528,232	-20.7%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.3% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 2.2% due to vehicle repair & maintenance savings.

Capital

Capital outlay decreased 38.7% due to capacity that was budgeted in FY 2015 for grant-funded transit vans.

DIS Infrastructure Section - Stormwater Utility

OVERVIEW

The Stormwater Utility enterprise is managed through the DIS Operations Division. The Stormwater Utility is responsible for meeting all quality and quantity issues including the Town's stormwater management plan, floodplain and erosion hazard management, and supporting all other Town programs that are impacted by storm events. The Stormwater Utility also coordinates with federal, state and local government agencies with regard to floodplain issues.

2014-2015 ACCOMPLISHMENTS

- Secured over \$700,000 in regional support for Stormwater repair projects
- Provided cleanup service to town areas affected by the September 8, 2014 storm event, which resulted in significant damage to a number of properties within town
- Prepared and submitted a response to the MS-4 audit of the Town's Stormwater Program conducted by the Arizona Department of Environmental Protection
- Mapped and delineated ownership of all washes within town

2015-2016 OBJECTIVES

- Continue to secure regional, state and federal funding for Stormwater Utility projects
- Work with the Stormwater Utility commission on revising the Stormwater Utility fee to provide a funding mechanism for drainage infrastructure projects
- Develop a Stormwater "good housekeeping" training manual and program for Town staff and contractors working within the town limits
- Develop a long range plan to address and eliminate Stormwater "hot spots" and safety issues

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Continue our commitment to environmental stewardship	Perform annual inspections of all Stormwater outfall basin structures	100%	100%	100%
		Conducted ___ public education sessions to increase awareness of need to reduce stormwater pollution	5	4	4
		Perform annual evaluations of all commercial first flush devices within town	N/A new measure	N/A new measure	25%
Fiscal Responsibility	Prioritize investments in capital infrastructure	Perform annual inspections of all known Stormwater assets to preserve infrastructure through maintenance efforts	50%	75%	100%

DIS Infrastructure Section - Stormwater Utility

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Stormwater Engineer	1.00	1.00	1.00	1.00	-
Operations Division Manager	0.25	0.25	0.25	0.25	-
Civil Engineer	1.00	1.00	1.00	1.00	-
Civil Engineering Technician	1.00	1.00	1.00	1.00	-
GIS Analyst	0.25	-	-	-	-
Office Specialist	0.60	0.60	0.60	0.60	-
Total FTEs	4.10	3.85	3.85	3.85	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 321,882	\$ 335,320	\$ 335,320	\$ 346,620	3.4%
Operations & Maintenance	386,670	525,281	525,281	491,995	-6.3%
Capital Outlay	72,813	151,250	151,250	90,500	-40.2%
Total Expenditures	\$ 781,365	\$ 1,011,851	\$ 1,011,851	\$ 929,115	-8.2%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Charges for Services	\$ 759,405	\$ 789,300	\$ 789,300	\$ 787,000	-0.3%
State Grants	-	-	-	35,000	0.0%
Miscellaneous	23	-	-	-	0.0%
Interest Income	1,201	1,000	250	250	-75.0%
Total Revenues	\$ 760,629	\$ 790,300	\$ 789,550	\$ 822,250	4.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.4% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 6.3% due to fuel and stormwater maintenance savings.

Capital

Capital outlay decreased 40.2% due to an equipment purchase made in FY 2015.

DIS Infrastructure Section – Transit Services

OVERVIEW

Transit Services facilitates partnerships and coordinates transportation services among public and private agencies serving Oro Valley to improve mobility for community residents. Transit Services has developed a long-term partnership with the Regional Transportation Authority (RTA) to improve the transportation network and maximize transportation options available to the community at the lowest possible cost. Transit Services is proud to operate the regional Sun Shuttle Dial-a-Ride service under contract with the RTA. We are committed to providing high quality transit alternatives and planning for the future.

2014-2015 ACCOMPLISHMENTS

- Fiscal year ridership exceeded 39,000 passenger trips
- Offered over 31,000 hours of service and operated over 464,000 miles
- Successfully acquired six new additional vehicles, and were awarded an additional 10 new replacement vehicles for delivery in FY 15-16
- Transit staff successfully participated in first triennial Arizona Department of Transportation audit
- Restructured the division and hired two transit crew leaders to manage day to day operations and meet community needs and expectations

2015-2016 OBJECTIVES

- Continue to manage the intergovernmental agreement with the RTA to provide funding for transit-related projects
- Continue to reduce the average age of the transit fleet to maximize service and reduce overall cost of fleet maintenance by seeking award of five new replacement vehicles for next fiscal year
- Develop a public outreach program to promote awareness of the Town's transit service
- Implement technology enhancements to improve real-time scheduling communication for drivers, delivery of service to the public and improve coordination of transportation for the region
- Continue to work with the RTA to develop alternatives for providing services to support the growing demand for transit needs in the region

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Fiscal Responsibility	Maintain long-term financial health through diversified revenue sources while strategically investing in community initiatives	% of transit expenditures funded with RTA reimbursement and farebox revenues	92.4%	91.5%	89.3%
		Total cost per passenger trip	\$31.98	\$35.03	\$32.24
Community Infrastructure & Services	Improve transportation infrastructure/improve Town resources & processes	Fulfill 100% of requested reservations	100%	100%	100%

DIS Infrastructure Section – Transit Services

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Transit Services Crew Leader	2.00	2.00	2.00	2.00	-
Dispatcher	2.11	2.11	2.11	2.11	-
Lead Transit Driver	1.00	1.00	1.00	1.00	-
Driver	16.98	16.98	16.98	16.98	-
Office Assistant	0.96	0.96	0.96	0.96	-
Total FTEs	23.05	23.05	23.05	23.05	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 836,006	\$ 920,799	\$ 920,799	\$ 939,597	2.0%
Operations & Maintenance	439,087	589,850	514,705	493,950	-16.3%
Capital Outlay	73,190	42,500	12,500	46,000	8.2%
Total Expenditures	\$ 1,348,283	\$ 1,553,149	\$ 1,448,004	\$ 1,479,547	-4.7%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
RTA Reimbursement	\$ 1,175,299	\$ 1,315,000	\$ 1,209,855	\$ 1,242,000	-5.6%
Farebox	71,078	74,000	64,000	65,000	-12.2%
Total Revenues	\$ 1,246,377	\$ 1,389,000	\$ 1,273,855	\$ 1,307,000	-5.9%

FY 2015/2016 Expenditure and Staffing Changes

Operations & Maintenance

Operations & Maintenance decreased 16.3% due to savings in fuel, vehicle repair & maintenance and reduced vehicle replacement capacity.

Capital

Capital outlay increased 8.2% for vehicle outfitting equipment costs.

DIS - Roadway Impact Fee Fund

OVERVIEW

This fund is used to manage the collection and expenditure of development impact fees dedicated to roadway purposes. Roadway impact fees are assessed on both residential and commercial development within the town. This fund is managed by Development & Infrastructure Services (DIS) staff. *This fund previously also included the collection and expenditure of roadway grant funds from the Pima Association of Governments (PAG) and the Regional Transportation Authority (RTA). These funds have been moved to a new PAG/RTA Fund beginning FY 15-16.*

2014-2015 ACCOMPLISHMENTS

- Partnered with regional jurisdictions and PAG to secure funds in the 2016 - 2020 Transportation Improvement Program (TIP) for the La Cholla Boulevard widening and improvement project
- Began the Naranja Drive widening and improvement project, with substantial completion anticipated by August 2015
- Completed the design and began preparing for construction on the Lambert Lane Phase II widening and improvement project
- Completed the Rancho Vistoso & Vistoso Highland traffic signal project and Vistoso Highland to Morning Vista sidewalk project

2015-2016 OBJECTIVES

- Construct a right-hand turn lane for westbound traffic on Naranja Road at Sawtooth Road to increase safety

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services/Fiscal Responsibility	Improve transportation infrastructure	Number of Capital Improvement Program (CIP) roadway projects funded from the planning stage through design and construction managed by DIS staff	5	3	See PAG/RTA Fund

DIS – Roadway Impact Fee Fund

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ 11,833	\$ -	\$ -	\$ -	0.0%
Capital Outlay	1,415,888	4,060,000	2,641,439	1,038,000	-74.4%
Other Financing Uses	-	-	-	460,696	0.0%
Total Expenditures	\$1,427,721	\$4,060,000	\$2,641,439	\$1,498,696	-63.1%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Federal Grants	\$ 500,000	\$ -	\$ -	\$ -	0.0%
State Grants	1,905,096	4,060,000	2,654,446	-	-100.0%
Development Impact Fees	326,322	900,666	347,642	424,532	-52.9%
Interest Income	3,381	3,000	2,473	2,000	-33.3%
Charges for Services	22,500	22,500	22,500	-	-100.0%
Miscellaneous	150	-	425	-	0.0%
Total Revenues	\$2,757,449	\$4,986,166	\$3,027,486	\$ 426,532	-91.4%

FY 2015/2016 Expenditure and Staffing Changes

Capital

Capital outlay decreased 74.4% due to all PAG and RTA-funded roadway projects having been moved to the new PAG/RTA Fund beginning FY 2016.

Other Financing Uses

Other Financing Uses budgeted in FY 2016 is a transfer out to the new PAG/RTA Fund of appropriate fund balance.

DIS – PAG/RTA Fund

OVERVIEW

This fund is used to manage the collection and expenditure of roadway grant funds from the Pima Association of Governments (PAG) and the Regional Transportation Authority. This fund is managed by Development & Infrastructure Services (DIS) staff. *This is a new fund for FY 15-16. These monies were previously accounted for in the Roadway Impact Fee Fund.*

2015-2016 OBJECTIVES

- Provide support and inspections for Tangerine Road widening and improvement project
- Provide project management from design through construction for Lambert Lane Phase II widening and improvement project
- Explore funding opportunities for Lambert Lane multi-use path project
- Explore funding opportunities for Palisades Road multi-use path project
- Provide project management for design phase of La Cholla Boulevard widening and improvement project

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services/Fiscal Responsibility	Improve transportation infrastructure	Number of Capital Improvement Program (CIP) roadway projects funded from the planning stage through design and construction managed by DIS staff	See Roadway Impact Fee Fund	See Roadway Impact Fee Fund	6

DIS – PAG/RTA Fund

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Construction Inspector	-	-	-	1.00	1.00
Total FTEs	-	-	-	1.00	1.00

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ -	\$ -	\$ -	\$ 64,795	0.0%
Capital Outlay	-	-	-	10,414,000	0.0%
Total Expenditures	\$ -	\$ -	\$ -	\$ 10,478,795	0.0%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
State Grants	\$ -	\$ -	\$ -	\$ 10,414,000	0.0%
Charges for Services	-	-	-	22,500	0.0%
Interest Income	-	-	-	500	0.0%
Other Financing Sources	-	-	-	460,696	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ 10,897,696	0.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

A new construction inspector will be hired in FY 2016 to manage the large volume of roadway projects currently in planning, design and/or construction phases within town. This temporary position is funded entirely by grant proceeds and will terminate when projects are completed.

Capital

Budgeted capital reflects all PAG and RTA-funded roadway projects planned for FY 2016.



Town of Oro Valley

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Finance

OVERVIEW

The Finance Department is responsible for Town financial activities, including accounting, payroll and accounts payable processing, budget development, coordination and analysis, financial statement preparation, audit coordination, debt management, managerial reporting, sales tax compliance, and participation in a variety of other administrative and special projects. The Department also coordinates the development of the Town's Capital Improvement Program and provides procurement administration for the Town.

2014-2015 ACCOMPLISHMENTS

- Received Certificate of Achievement for Financial Reporting Excellence, Distinguished Budget Presentation Award and Popular Annual Financial Reporting Award from Government Finance Officers Association (GFOA)
- Established new fund, Community Center and Golf Fund, to account for the operations of the recently purchased El Conquistador Country Club and Golf Course to be operated as the Town's first Community and Recreation Center
- Assisted with implementation of 0.5% sales tax increase dedicated to funding the operational and capital needs of the newly acquired Oro Valley Community and Recreation Center
- Assisted with purchase and set up of new modular building on Town Hall site to accommodate the Town's first on-site Town health clinic, additional office space for Town staff and provide book storage space for the Friends of the Oro Valley Public Library
- Developed online budget questionnaire, "5 Questions in 5 Minutes," to solicit public input during preparation of the FY 2015/16 Town budget resulting in 124 responses
- Received the Achievement of Excellence in Procurement award for the 7th consecutive year
- Formal bid process resulted in an average savings of \$102,000 per contract award

2015-2016 OBJECTIVES

- Review and update Town-wide fees and charges for services to ensure appropriate cost recovery
- Continue to research and perform financial analysis on potential annexation opportunities
- Prepare timely and accurate financial and budgetary performance reports
- Prepare annual 5-year forecast of revenues and expenditures
- Prepare award-winning Popular Annual Financial Report (PAFR), Annual Budget and Comprehensive Annual Financial Report (CAFR)
- Partner with Human Resources to fully comply with the new IRS reporting requirements under the Affordable Care Act for January 2016
- Partner with Development & Infrastructure Services and Parks and Recreation to complete planned improvements at the Oro Valley Community and Recreation Center

Finance

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Fiscal Responsibility	Maintain long-term financial health through diversified revenue sources while strategically investing in community initiatives	Maintain bond ratings of AA for Standard & Poor's (S&P) and AA- for Fitch	Yes	Yes	Yes
		Maintain minimum General Fund reserve balance of 25% of General Fund expenditures	36.8%	29.6%	32.8%
		Maintain less than 5% variance between mid-year revenue forecast and actual fiscal year-end revenue for all tax-based funds	4%	.3%	<5%
		Receive the Distinguished Budget Presentation award from the Government Finance Officers Association (GFOA)	6 th consecutive year	7 th consecutive year	8 th consecutive year
		Receive the Certificate of Achievement for Financial Reporting Excellence from GFOA	21 st consecutive year	22 nd consecutive year	23 rd consecutive year
		Receive the Popular Annual Financial Reporting (PAFR) award from GFOA	3 rd consecutive year	4 th consecutive year	5 th consecutive year
		Receive an unqualified "clean" audit opinion for annual financial statements	Yes	Yes	Yes

Finance

STRATEGIC PLAN PROGRAM PERFORMANCE (CONTINUED)					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Improve Town resources and processes	Complete posting, balancing and closing of each month's financial transactions by 10 th working day of following month (goal 12 months)	12 months	12 months	12 months
		% of internal customers rating procurement quality as excellent or good (goal 100%)	91%	100%	95%
		% of internal customers rating procurement timeliness as excellent or good (goal 100%)	95%	100%	95%

Finance

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Finance Director	1.00	1.00	1.00	1.00	-
Procurement Administrator	1.00	1.00	1.00	1.00	-
Finance Manager	-	1.00	1.00	1.00	-
Accounting Supervisor	1.00	-	-	-	-
Senior Budget Analyst	-	1.00	1.00	1.00	-
Budget & Mgmt. Analyst	1.00	-	-	-	-
Senior Accountant	1.00	1.00	1.00	1.00	-
Payroll Specialist	1.00	1.00	1.00	1.00	-
Accounting Clerk	1.00	1.00	-	-	(1.00)
Office Specialist	-	-	1.00	1.00	1.00
Total FTEs	7.00	7.00	7.00	7.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 588,276	\$ 680,360	\$ 669,482	\$ 712,200	4.7%
Operations & Maintenance	55,281	67,700	67,700	67,560	-0.2%
Total Expenditures	\$ 643,557	\$ 748,060	\$ 737,182	\$ 779,760	4.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.7% due to health insurance premiums and merit increases.



Town of Oro Valley

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General Administration

OVERVIEW

The General Administration budget accounts for certain overhead costs such as utility expenses and general liability insurance. It also allocates monetary transfers to subsidize various funds, i.e. debt service and capital projects.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ 1,634,250	\$ 1,837,600	\$ 1,790,600	\$ 1,774,970	-3.4%
Capital Outlay	90,510	30,000	15,000	30,000	0.0%
Use of Contingency	1,069,691	-	300,000	-	0.0%
Other Financing Uses	3,260,729	4,090,965	3,970,965	1,281,810	-68.7%
Total Expenditures	\$6,055,180	\$5,958,565	\$6,076,565	\$3,086,780	-48.2%

FY 2015/2016 Expenditure Changes

Operations & Maintenance

Operations & Maintenance decreased 3.4% due to a retail sales tax rebate set to end in the fall of 2015.

Other Financing Uses

Other Financing Uses decreased 68.7% due to a loan transfer to the new Community Center & Golf Fund that occurred in FY 2015, as well as a decrease in the budgeted transfer to the General Government CIP Fund.

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Human Resources

OVERVIEW

The Human Resources Department provides services and support in the following areas: policy and procedure administration and compliance, compensation and benefits, training and education, performance management, and employee and labor relations.

2014-2015 ACCOMPLISHMENTS

- Completed the recruitment and hiring of 34 new employees in less than three months for the Oro Valley Community and Recreation Center
- Opened the new Oro Valley employee health clinic in February 2015 and conducted the first "know your numbers" biometrics campaign between March 1 and June 15, 2015 at the new clinic with an 84% participation rate. As of June 30, 2015, 250 patients were registered with the clinic.
- New department director was hired in November 2014, following a three-month recruitment process

2015-2016 OBJECTIVES

- Fully comply with the new IRS reporting requirements under the Affordable Care Act for January 2016
- Influence turnover rates below market averages through a combination of effective recruiting and retention strategies
- Provide necessary and meaningful employee training to include new employee orientation, supervisor training and recurring annual training programs
- Update personnel policies and administrative directives that are outdated and improve data collection for employee stay interview and employee exit interview programs
- Increase awareness and participation in Town's wellness programs, including know your numbers, healthcoach, lunch-n-learns and related programs

Human Resources

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure and Services	Improve Town resources and processes	Fully comply with the new IRS reporting requirements under the Affordable Care Act for January 2016	N/A	N/A	100% Compliant with IRS requirements
		Increase awareness and participation in Town's wellness programs to include know your numbers, healthcoach, lunch-n-learns and related programs	N/A	N/A	90% of employees participate in at least one wellness program
		Influence non-seasonal turnover rates below market averages through a combination of effective recruiting and retention strategies	N/A	N/A	Below the FY15-16 national monthly average of 3.4%
		Provide necessary and meaningful employee training to include New Employee Orientation, Supervisor Training and Recurring Annual Training programs	Sexual Harassment Training	N/A	80% of participants will report that they are satisfied with the training provided

Human Resources

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Human Resource Director	1.00	1.00	1.00	1.00	-
Human Resource Analyst	-	2.00	2.00	2.00	-
Human Resource Specialist	2.00	-	-	-	-
Office Specialist	0.50	0.50	0.50	0.50	-
Total FTEs	3.50	3.50	3.50	3.50	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 353,158	\$ 291,308	\$ 254,593	\$ 289,393	-0.7%
Operations & Maintenance	93,232	80,690	117,405	77,382	-4.1%
Capital Outlay	975	-	-	-	0.0%
Total Expenditures	\$ 447,365	\$ 371,998	\$ 371,998	\$ 366,775	-1.4%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

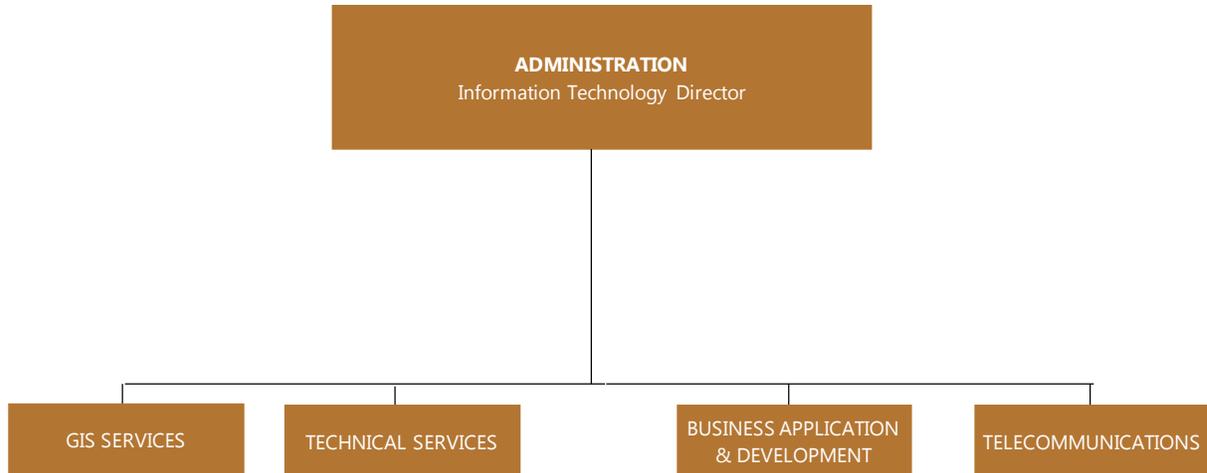
Personnel costs decreased 0.7% due to employee changes in insurance coverage.

Operations & Maintenance

Operations & Maintenance decreased 4.1% due to a reduced budget for outside professional services.

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Information Technology



OVERVIEW

The Information Technology (IT) Department identifies, implements and supports technology needs throughout all Town departments to support their business needs.

2014-2015 ACCOMPLISHMENTS

- Completed implementation of the new Town telephone system based on VoIP technology
- Implementation of the new permits and code enforcement system
- Implemented advanced desktop protection solution
- Improved upon the Town's backup system

2015-2016 OBJECTIVES

- Migration of Town e-mail to government cloud services
- Improve the Town's virtual server environment
- Implement a cybersecurity program to educate Town staff on cybersecurity issues
- Upgrade the Town's public works management software
- Establish Town-owned fiber optic infrastructure for improved connectivity between Town sites

Information Technology

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Improve Town resources and processes	Maintain 100% system uptime for available IT services (not including scheduled maintenance)	98%	98%	98%
		Meet Arizona DPS, FBI/CJIS and PCI security compliance standards for 100% of eligible server, system and device configurations	88%	95%	100%
		Resolve 100% of IT help desk requests within 30 days	94%	95%	96%
		% of IT help desk requests resolved at time of call	49%	60%	70%

Information Technology

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
6.50	7.00	7.00	7.00

	Expenditures by Program				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
Administration	\$ 534,731	\$ 493,198	\$ 493,198	\$ 645,333	30.8%
GIS Services	127,690	186,313	186,313	193,820	4.0%
Technical Services	306,433	369,993	369,993	335,831	-9.2%
Business Appl. & Dev.	163,523	193,920	193,920	200,592	3.4%
Telecommunications	236,612	188,950	188,950	195,750	3.6%
	\$ 1,368,989	\$ 1,432,374	\$ 1,432,374	\$ 1,571,326	9.7%

	Revenue Sources				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
Charges for Services	\$ 79,637	\$ 111,745	\$ 111,745	\$ 119,220	6.7%
	\$ 79,637	\$ 111,745	\$ 111,745	\$ 119,220	6.7%

Information Technology - Administration

OVERVIEW

The Administration program manages all of Information Technology's logistics including procurements, budget information and operations, and management and oversight.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
IT Director	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 117,841	\$ 139,003	\$ 139,003	\$ 144,693	4.1%
Operations & Maintenance	373,058	354,195	354,195	500,640	41.3%
Capital Outlay	43,832	-	-	-	0.0%
Total Expenditures	\$ 534,731	\$ 493,198	\$ 493,198	\$ 645,333	30.8%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.1% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 41.3% due to software maintenance & licensing costs.

Information Technology – GIS Services

OVERVIEW

The GIS Services program is responsible for providing complete, accurate and current Geographic Information System maps, analysis, proposals, and presentations to support the operations used by each department.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Senior GIS Specialist	-	1.00	1.00	1.00	-
GIS Analyst	1.50	1.00	1.00	1.00	-
Total FTEs	1.50	2.00	2.00	2.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 120,410	\$ 174,663	\$ 174,663	\$ 182,320	4.4%
Operations & Maintenance	7,280	11,650	11,650	11,500	-1.3%
Total Expenditures	\$ 127,690	\$ 186,313	\$ 186,313	\$ 193,820	4.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.4% due to health insurance premiums and merit increases.

Information Technology – Technical Services

OVERVIEW

The Technical Services program provides management and security of the Town's computer networks, desktop and network technology acquisition, support, and training.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Network Administrator	1.00	1.00	1.00	1.00	-
IT Analyst	1.00	1.00	1.00	1.00	-
Total FTEs	2.00	2.00	2.00	2.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 147,329	\$ 150,543	\$ 150,543	\$ 167,821	11.5%
Operations & Maintenance	35,712	44,550	44,550	28,300	-36.5%
Capital Outlay	123,392	174,900	174,900	139,710	-20.1%
Total Expenditures	\$ 306,433	\$ 369,993	\$ 369,993	\$ 335,831	-9.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 11.5% due to health insurance premiums, merit increases and an employee change in insurance coverage.

Operations & Maintenance

Operations & Maintenance decreased 36.5% due to reduced equipment repair & maintenance and non-capital equipment costs.

Capital

Capital outlay decreased 20.1% due to server replacements that occurred in FY 2015.

Information Technology – Business Application & Development

OVERVIEW

The Business Application & Development program is responsible for application development and support, database management, project management, website support, and development of Electronic Government (E-Gov) and future E-commerce applications.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Systems Analyst	1.00	1.00	1.00	1.00	-
Database Analyst	1.00	1.00	1.00	1.00	-
Total FTEs	2.00	2.00	2.00	2.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 159,368	\$ 175,970	\$ 175,970	\$ 190,592	8.3%
Operations & Maintenance	4,155	17,950	17,950	10,000	-44.3%
Total Expenditures	\$ 163,523	\$ 193,920	\$ 193,920	\$ 200,592	3.4%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 8.3% due to health insurance premiums, merit increases and an employee change in insurance coverage.

Operations & Maintenance

Operations & Maintenance decreased 44.3% due to savings in outside professional services and travel & training.

Information Technology – Telecommunications

OVERVIEW

The Telecommunications program is responsible for the management of all voice and data systems including the Town's PBX (private branch exchange) phone system, voice mail, long distance, internet access, wireless and point-to-point communication.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ 192,234	\$ 188,950	\$ 188,950	\$ 195,750	3.6%
Capital Outlay	44,378	-	-	-	0.0%
Total Expenditures	\$ 236,612	\$ 188,950	\$ 188,950	\$ 195,750	3.6%

FY 2015/2016 Expenditure Changes

Operations & Maintenance

Operations & Maintenance increased 3.6% due to increased telecommunications costs.



Town of Oro Valley

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Legal

OVERVIEW

The Legal Services Department is managed by the Legal Services Director. A contract attorney is hired by the Mayor and Council to act as their chief legal advisor. The Legal Services Department is committed to providing the highest quality representation possible to meet the present and future needs of the Town in an efficient and effective manner.

2014-2015 ACCOMPLISHMENTS

- Successfully defended Town Clerk's action in a referendum lawsuit against the Town
- Provided training to prosecutors and police officers statewide
- Provided a law school internship for the University of Arizona
- Chaired the Best Practices Committee for Arizona prosecutors

2015-2016 OBJECTIVES

- Continue participation in specialty courts
- Continue working collaboratively with outside legal counsel
- Assist in updating the Town's sign code following the *Reed v. Town of Gilbert* U.S. Supreme Court decision

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure and Services	Improve Town resources and processes	Fulfill 100% of requests from Town Council and staff for legal opinions, ordinances, resolutions and other civil matters within 14 days	95%	95%	95%
		Per capita department expenditures	\$15.68	\$18.11	\$18.64
		Hold training sessions with all sworn Police personnel on arrest standards and legal trends 2 times per year	2	2	2
		Lawyers meet or exceed 15 credit hours (including 3 ethics) of continuing legal education per year	Yes	Yes	Yes

Legal

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Legal Services Director	1.00	1.00	1.00	1.00	-
Chief Civil Deputy Attorney	1.00	1.00	1.00	1.00	-
Assistant Town Prosecutor	1.00	1.00	1.00	1.00	-
Senior Paralegal	1.00	1.00	1.00	1.00	-
Paralegal I	1.00	1.00	1.00	1.00	-
Legal Secretary	1.00	1.00	1.00	1.00	-
Total FTEs	6.00	6.00	6.00	6.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 553,685	\$ 597,405	\$ 597,405	\$ 620,387	3.8%
Operations & Maintenance	89,373	154,450	146,000	139,450	-9.7%
Capital Outlay	-	5,000	-	5,000	0.0%
Total Expenditures	\$ 643,058	\$ 756,855	\$ 743,405	\$ 764,837	1.1%

	Revenue Sources				
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
State Grants	\$ -	\$ 5,000	\$ -	\$ 5,000	0.0%
Total Revenues	\$ -	\$ 5,000	\$ -	\$ 5,000	0.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.8% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 9.7% due to savings in outside legal services costs.



Town of Oro Valley

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Magistrate Court

OVERVIEW

The Oro Valley Magistrate Court is charged with the processing and adjudication by trial, hearing or otherwise, of all cases filed in the Court, including misdemeanor criminal and traffic cases, civil traffic cases and Town Code violations; the collection of fines, surcharges, restitution and other fees; issuing domestic violence orders of protection and injunctions against harassment; taking applications for and issuing marriage licenses and performing weddings. Services rendered by the Court are governed by rules set by the Arizona Supreme Court, statutes and/or ordinances enacted by the Arizona Legislature and/or the Oro Valley Town Council.

2014-2015 ACCOMPLISHMENTS

- Implemented new e-citation program which automatically creates cases in the court's case management system
- Moved the document management system from an outdated, difficult to manage onsite server to the Supreme Court's network and servers, saving the Town money and time by not having to support the outdated technology
- Implemented a serious or chronic offender probation program which provides intense monitoring in combination with supervised community restitution. This program is designed to give serious offenders a more structured probation, focusing on reducing recidivism and addressing their illegal behavior.
- Established a court warrant program to deal with outstanding warrants issued by the Oro Valley Court
- Office staff attended language access training to further understanding of Federal Title VI requirements for limited English speakers, assuring fair and equal access to the court for all visitors
- Instituted a telephonic language access program to assist non-English speakers visiting the front counter of the court

2015-2016 OBJECTIVES

- Upgrade the court's outdated, 15-year old case management system to make processing cases more efficient
- Remodel the courtroom to improve staff access, accommodate modern technology and facilitate workflow for juries, plaintiffs, defendants, attorneys and visitors
- Work with new e-payment vendor to add additional e-payment capability and reduce costs for the Town
- Establish a diversion program for marijuana possession cases and include more serious drug use into the serious/chronic offender program
- Establish a formal mental health diversion program

Magistrate Court

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure and Services	Improve Town resources and processes	Close a number of cases every year that is at least 90% of the number of cases opened that year	Yes	Yes	Yes
		Maintain compliance with the Administrative Office of the Court (AOC) Minimum Accounting Standards	Yes	Yes	Yes
		Continue the warrant program for outstanding warrants that establishes accountability for defendants and enforces compliance with court orders	0	50 Oro Valley warrants; 15 Justice Court warrants	75 warrants

Magistrate Court

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Magistrate Judge	1.00	1.00	1.00	1.00	-
Court Administrator	1.00	1.00	1.00	1.00	-
Courtroom Clerk	1.00	1.00	1.00	1.00	-
Senior Court Clerk	3.00	3.00	3.00	3.00	-
Court Clerk	1.00	1.00	1.00	1.00	-
Bailiff	1.00	1.00	1.00	1.00	-
Total FTEs	8.00	8.00	8.00	8.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 613,605	\$ 655,986	\$ 655,986	\$ 698,239	6.4%
Operations & Maintenance	110,538	133,840	133,840	124,390	-7.1%
Capital Outlay	-	-	-	15,000	0.0%
Total Expenditures	\$ 724,143	\$ 789,826	\$ 789,826	\$ 837,629	6.1%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Court Costs	\$ 172,878	\$ 190,000	\$ 120,000	\$ 120,000	-36.8%
Probation Monitoring Fees	3,535	3,500	-	-	-100.0%
Public Defender Fees	2,385	2,500	2,000	2,000	-20.0%
Fines	172,232	180,000	120,000	120,000	-33.3%
Total Revenues	\$ 351,030	\$ 376,000	\$ 242,000	\$ 242,000	-35.6%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

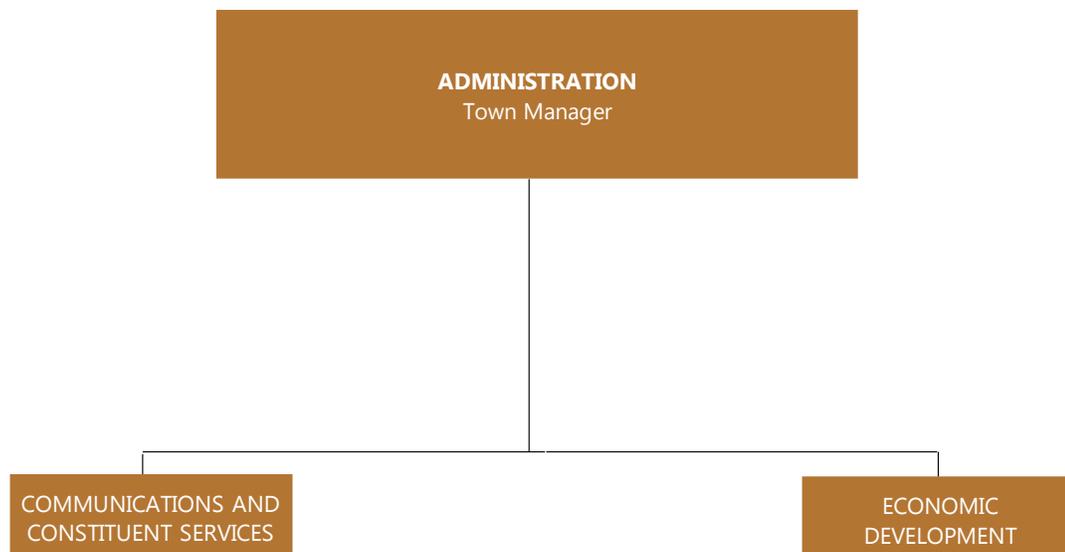
Personnel costs increased 6.4% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 7.1% due to savings in court appointed attorney fees.

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Town Manager's Office



OVERVIEW

The Town Manager is responsible for the management and administration of the Town and serves as the Chief Administrative Officer of the government under the direction of the Town Council. The Town Manager is further responsible for the promotion of economic development (funded by the Bed Tax Fund), intergovernmental programs, communications, and for coordination of the administrative functions of the various departments, divisions, boards, and services of the Town government. The Town of Oro Valley is made up of the following departments and/or offices: Town Manager, Town Clerk; Human Resources; Finance; Legal Services; Police; Water Utility; Development and Infrastructure Services; Parks and Recreation; Information Technology, and Magistrate Court.

2014-2015 ACCOMPLISHMENTS

- Attracted LCMS Solutions, the first Clinical Laboratory Improvement Amendments in Oro Valley, which will bring an estimated 30 new jobs
- Hosted the first annual Oro Valley Meet Yourself folk-life festival
- Partnered with the Children's Museum Tucson to open first-ever satellite museum in Oro Valley
- Youth Advisory Council developed the dive-in movie night series for high school teens
- Updated the Town's constituent portal to be more aesthetically pleasing and user-friendly
- Launched online questionnaire tool to garner public input for budget, resulting in many comments and input
- Refreshed the Oro Valley Vista newsletter, allowing the Town to distribute hardcopies six times annually instead of online only format four times annually
- Received the 2014 Silver Circle Award in Citizen Participation from the City-County Communications & Marketing Association for the *Your Voice, Our Future* public participation plan

Town Manager's Office

- Customized the Town's website by building department-specific portals for Transit and the Police Department's Citizen Volunteer Assistants Program, to improve workflow and customer service
- Increased frequency of social media postings as well as video promotions through social media to communicate Town events and initiatives to the community
- Developed and implemented a digital regional marketing campaign through Tucson News Now to promote Town amenities and special events to the Tucson metro region
- Implemented style & usage tip of the week to improve employee awareness of proper grammar and writing techniques

2015-2016 OBJECTIVES

- Determine the feasibility of building an event pavilion with Tohono Chul Park by fall 2015
- Based on the success of the 2014/15 Arizona Canadian fall campaign with Visit Tucson and the Hilton El Conquistador Resort, develop fall email campaign to attract Canadian visitors to Oro Valley destination
- Ensure citizens are educated about and highly engaged in Oro Valley activities and moving future initiatives forward by expanding opportunities to engage youth, partnering with other organizations and events to share Town information, and continuing to expand the Town's use of technology, such as social media and video, to improve communication and reach a variety of audiences
- Establish a public/private partnership to create an Oro Valley Business Accelerator at Innovation Park
- Partner with a local event coordinator and develop one or more Oro Valley endurance events

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Improve Town resources and processes	Fulfill all constituent requests within 5 calendar days	3.0	4.6	4.4
Communication	Continue expanding the Town's use of technology to improve communication	Increase the average monthly unique visitors to the Town's Economic Development webpage by 10%	5,304	5,834	6,417
		Unique visitors to the Town's website	196,990	225,376	240,000

Town Manager's Office

STRATEGIC PLAN PROGRAM PERFORMANCE (CONTINUED)					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Communication	Continue expanding the Town's use of technology to improve communication	"Likes" or "followers" of the Town's Facebook page	985	1,442	1,750
		Average monthly engagement (people viewing, liking or commenting on posted information) on the Town's Facebook page	1,620	3,073	4,000
		Average monthly posts by the Town on its Facebook page	23	45	50
Economic Development	Support the creation of jobs and promote partnerships to enhance our community	Maintain business retention and expansion program by meeting with at least six businesses per month	77 total (>6/mo.)	72 total (6/mo.)	72 total (6/mo.)
		Partner with Sun Shuttle Dial-A-Ride and offer free monthly public art tours and special public art tours upon request	12 total	14 total	16 total
		Increase the number of businesses participating in the OV Dollars program by 5%	89	93	98

Town Manager's Office

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
10.38	10.38	10.38	10.38

Expenditures by Program - General Fund					
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
Administration	\$ 369,788	\$ 416,402	\$ 416,402	\$ 432,003	3.7%
Comm. & Constituent Svcs.	290,194	305,322	305,322	337,518	10.5%
	\$ 659,982	\$ 721,724	\$ 721,724	\$ 769,521	6.6%

Expenditures by Program - Bed Tax Fund					
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
Economic Development	\$ 459,025	\$ 608,457	\$ 608,157	\$ 672,732	10.6%
	\$ 459,025	\$ 608,457	\$ 608,157	\$ 672,732	10.6%

Town Manager's Office – Administration

OVERVIEW

The Town Manager's office is responsible for the fiscal health of the Town government, and for direction and coordination of the administrative functions of the various departments, divisions, boards, and services of the Town Government. The Town Manager's office provides staff support to the Town Council, handles media relations, promotes the Town's legislative agenda through intergovernmental programs, and seeks opportunities for partnerships and financial assistance at the county, state and federal levels through grants, legislation and federal appropriation requests. The Town Manager's office also maintains citizen and community relations, as well as Oro Valley representation on regional boards and quasi-governmental councils to keep the Town's needs and interests considered in regional decision-making.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Town Manager	1.00	1.00	1.00	1.00	-
Assistant to the Town Manager	1.00	1.00	1.00	1.00	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Senior Office Specialist	0.50	0.50	0.50	0.50	-
Management Intern	0.38	0.38	0.38	0.38	-
Total FTEs	3.88	3.88	3.88	3.88	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 350,072	\$ 389,502	\$ 389,502	\$ 409,903	5.2%
Operations & Maintenance	18,272	22,900	22,900	22,100	-3.5%
Capital Outlay	1,444	4,000	4,000	-	-100.0%
Total Expenditures	\$ 369,788	\$ 416,402	\$ 416,402	\$ 432,003	3.7%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 5.2% due to health insurance premiums and merit increases.

Capital

Capital decreased 100% due to a completed equipment purchase in FY 2015.

Town Manager's Office – Communications & Constituent Services

OVERVIEW

The Communications Division manages and facilitates all media relations on behalf of the organization. The Communications Administrator is responsible for the oversight of communication, branding, marketing related programs, activities and project management. In addition, the division plans, develops and produces publications and services designed to facilitate communication between Town leadership and residents in order to keep residents informed about Town services, activities and programs. Town staff also provides administrative support to the Town leadership through the Constituent Services Office (CSO) where concerns, complaints, inquiries, referrals and information requests are addressed with excellent customer service and a common sense approach. The Constituent Services Coordinator facilitates public education efforts, coordinates departmental responses, and ensures that constituent voices and perspectives are consistently captured and transmitted to Town leadership. Constituent issues are tracked to monitor changing community needs and desires, allowing the Town leadership to adjust policies and budget options in order to better serve town residents.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Communications Administrator	1.00	1.00	1.00	1.00	-
New Media Developer	1.00	1.00	1.00	1.00	-
Constituent Services Coordinator	1.00	1.00	1.00	1.00	-
Senior Office Specialist	0.50	0.50	0.50	0.50	-
Total FTEs	3.50	3.50	3.50	3.50	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 263,102	\$ 279,427	\$ 279,427	\$ 304,853	9.1%
Operations & Maintenance	27,092	25,895	25,895	32,665	26.1%
Total Expenditures	\$ 290,194	\$ 305,322	\$ 305,322	\$ 337,518	10.5%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 9.1% due to health insurance premiums, merit increases and employee changes in insurance coverage.

Operations & Maintenance

Operations & Maintenance increased 26.1% due to printing & binding and special events.

Bed Tax Fund

OVERVIEW

The Bed Tax Fund covers the Economic Development Division and all other related costs and activities. The Economic Development Division manages business recruitment, retention and expansion, shop Oro Valley campaigns and the OV dollars program. The Economic Development manager oversees annexations, arts and culture programs and large-scale special events and serves as liaison to regional tourism and economic development organizations. Examples of other costs budgeted in the Bed Tax Fund include funding for Visit Tucson and the Greater Oro Valley Chamber of Commerce. This fund also covers increased operational costs and debt service associated with the completed Aquatic Center expansion.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Economic Development Mgr.	1.00	1.00	1.00	1.00	-
Economic Development Spec.	1.00	1.00	1.00	1.00	-
Marketing & Comm. Spec.	1.00	1.00	1.00	1.00	-
Total FTEs	3.00	3.00	3.00	3.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 198,910	\$ 238,487	\$ 238,487	\$ 250,201	4.9%
Operations & Maintenance	260,115	369,970	369,670	422,531	14.2%
Other Financing Uses	790,669	352,543	352,543	414,544	17.6%
Total Expenditures	\$1,249,694	\$ 961,000	\$ 960,700	\$1,087,276	13.1%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Bed Taxes	\$ 1,013,543	\$ 944,571	\$ 944,571	\$ 945,000	0.0%
Interest Income	7,198	4,125	6,000	4,800	16.4%
Miscellaneous	5,000	-	-	-	0.0%
Total Revenues	\$1,025,741	\$ 948,696	\$ 950,571	\$ 949,800	0.1%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.9% due to health insurance premiums and merit increases.

Operations & Maintenance

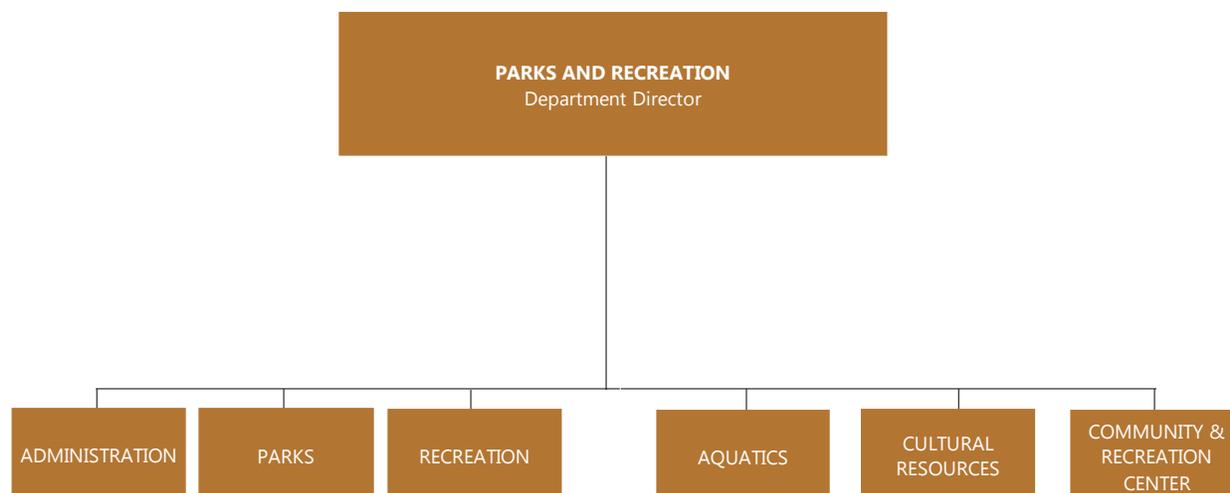
Operations & Maintenance increased 14.2% due to tourism & economic development regional partnerships.

Other Financing Uses

The increase in Other Financing Uses is for debt service due on the Aquatic Center expansion bonds.

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Parks and Recreation



OVERVIEW

The Parks and Recreation Department is comprised of the following divisions: Administration, Parks, Recreation, Aquatics, Cultural Resources and a new division for the Town's recently acquired Community and Recreation Center. The department is further responsible for providing staff support to the Parks and Recreation Advisory Board and the Historic Preservation Commission.

2014-2015 ACCOMPLISHMENTS

ADMINISTRATION

- Completed the Parks & Recreation strategic facilities plan
- Completed the Naranja Park programming and conceptual design master plan update
- Received fifth consecutive Playful City USA community designation
- Created a new user template specific to the Community & Recreation Center
- Added new billing options to RecTrac system to include payroll deduction and emailed bills
- Transferred all former El Conquistador Country Club member information into RecTrac for the Community & Recreation Center, including creating new forms and contacting all club members to process new memberships and set up payment information

PARKS

- Completed construction on two new multi-sport fields, dog park, parking lot and crucial infrastructure at Naranja Park
- Renovated the dog park at James D. Kriegh Park
- Established new agronomic and maintenance programs for all Town parks
- Installed automatic control for lights at Riverfront Park
- Completed additional improvements to Naranja Park, including dog park and archery range ramadas and a new park monument sign

Parks and Recreation

- Completed playground upgrades at Riverfront Park
- Installed drinking fountains at Steam Pump Ranch and on the 1st Ave. & Tangerine Rd. multi-use path

RECREATION

- Increased summer camp participation average from 60 participants per week to 100 participants per week
- Established new special events, including "New Year's Day cocoa 5K", "doggie dash" and "put me in, coach"
- Established the Power User Group (PUG), which consists of large organized sports leagues and meets three times per year to establish field use and coordination

AQUATICS

- New Aquatic Center monument sign installed at Calle Concordia & Oracle Road
- Increased revenue by approximately \$85,000 over previous fiscal year (July 2015 estimate)
- Hosted two state level championships – one for synchronized swimming and the other for USA Masters
- Introduced the Oro Valley Aquatic Center "community aquatic games", a new annual event that brings fun aquatic competition to the community
- Contracted with the Aquatic Center's home swim team to offer community swim lessons

CULTURAL RESOURCES

- Stabilized the original pump house adobe ruins at Steam Pump Ranch
- Worked with the Historic Preservation Commission to establish the first "historic writing contest" for 4th graders in Oro Valley
- Developed a historic preservation and cultural resources page on department website
- Successful development of art at the ranch summer camp at Steam Pump Ranch

COMMUNITY & RECREATION CENTER

- Established operation of the Community & Recreation Center
- Installed new monument signs at the facility
- Hired a facility manager, assistant manager, senior office specialist and multiple part-time staff
- Secured 200 new Community & Recreation Center members

2015-2016 OBJECTIVES

ADMINISTRATION

- Launch new court module in Rectrac for tennis court reservations and events
- Begin the development of in-house work on the Parks & Recreation master plan
- Begin scope of work for Bicycle Friendly Community application

Parks and Recreation

PARKS

- Improve and add to James D. Kriegh Park turf area around the Aquatic Center
- Replace irrigation controllers and install central control at Riverfront and James D. Kriegh Park
- Add a second Arizona Department of Corrections crew with the Development & Infrastructure Services Department to assist with parks maintenance at a significant cost savings to the Town
- Complete construction of the office/restroom modular building at Naranja Park
- Install new monument sign at James D. Kriegh Park
- Construct new ramada at Naranja Park
- Complete upgrades to the trails and signage at Honeybee Canyon Park

RECREATION

- Establish PUG user fee payment system
- Develop new youth recreation programs
- Develop new summer camp programs

AQUATICS

- Increase community oriented events, programs and series
- Increase the number of training groups that utilize the Aquatic Center
- Grow the "community aquatic games" program

CULTURAL RESOURCES

- Complete the pump house ghosted protective structure at Steam Pump Ranch
- Continue preparation and planning for upcoming additional capital projects at Steam Pump Ranch, including potential Pima County bond projects

COMMUNITY & RECREATION CENTER

- Establish a regular free community education/life-long learning program
- Develop and deploy new community events
- Expand fitness class offerings (type and time)
- Develop a youth after school recreation program
- Continue to grow membership, with objective of monthly membership gains surpassing cancellations and a net gain of 50 members per quarter

Parks and Recreation

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Fiscal Responsibility	Maintain long-term financial health through diversified revenue sources while strategically investing in community initiatives	Maintain 48% cost recovery for Aquatics division	47%	46%	48%
		Maintain 65% cost recovery for recreation programs	57%	65%	65%
		Number of Community & Recreation Center memberships (goal is net gain of 50 members per quarter)	200	300	400
Parks, Recreation & Cultural Development	Develop exceptional recreation and cultural facilities and programs that attract visitors and events that enhance residents' quality of life and strengthen the economy	Increase Aquatic Center "community games" participation by 50% per year	N/A	128	192
		Grow the number of special event offerings in parks and/or at Steam Pump Ranch	8	11	14
		Maintain park acres for active and passive recreational use (FY 2016 includes golf course at 324 acres)	441 acres	448 acres	772 acres
		Grow the number of program offerings at the Community & Recreation Center by ten new programs each season (3x/yr)	N/A	6	36

Parks and Recreation

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
35.18	35.18	36.20	49.56

	Expenditures by Fund				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
General Fund	\$ 2,563,708	\$ 2,722,617	\$ 2,722,617	\$ 3,004,988	10.4%
Community Center & Golf Fund	-	-	2,122,109	8,183,333	0.0%
Parks & Rec Impact Fee Fund	283,978	-	-	-	0.0%
Naranja Park Fund	1,271,940	600,000	600,000	-	-100.0%
	\$ 4,119,626	\$ 3,322,617	\$ 5,444,726	\$ 11,188,321	236.7%

	Revenues by Fund				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
General Fund	\$ 679,354	\$ 698,500	\$ 781,500	\$ 790,300	13.1%
Community Center & Golf Fund	-	-	3,118,547	7,400,763	0.0%
Parks & Rec Impact Fee Fund	123,423	307,772	115,614	171,200	-44.4%
Naranja Park Fund	2,000,175	-	-	-	0.0%
	\$ 2,802,952	\$ 1,006,272	\$ 4,015,661	\$ 8,362,263	731.0%

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Parks and Recreation – General Fund

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
35.18	35.18	35.20	36.20

	Expenditures by Division				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Administration	\$ 336,959	\$ 387,893	\$ 387,893	\$ 468,690	20.8%
Parks	821,150	998,745	998,745	1,127,043	12.8%
Recreation	230,044	256,296	256,296	343,603	34.1%
Trails	77,818	84,733	84,733	-	-100.0%
Aquatics	946,159	887,068	887,068	987,892	11.4%
Cultural Resources	151,578	107,882	107,882	77,760	-27.9%
	\$2,563,708	\$2,722,617	\$2,722,617	\$3,004,988	10.4%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Aquatics User Fees	\$ 404,526	\$ 366,500	\$ 405,000	\$ 426,000	16.2%
Concession Sales	32,895	20,000	32,900	30,000	50.0%
Fields & Courts User Fees	30,828	67,000	100,500	123,000	83.6%
Miscellaneous User Fees	191,016	160,000	158,100	151,300	-5.4%
State Grants	20,089	85,000	85,000	60,000	-29.4%
	\$ 679,354	\$ 698,500	\$ 781,500	\$ 790,300	13.1%

Parks and Recreation – General Fund

Administration

OVERVIEW

The Parks and Recreation Administration Division is responsible for program registrations, processing fees and making deposits, coordinating facility reservations, responding to all phone, walk-in and email inquiries, and clerical and organizational support to the entire department. Additionally, this division provides administrative support to the Parks and Recreation Advisory Board.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Parks & Recreation Director	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Multimodal Planner	-	-	-	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	-
Total FTEs	3.00	3.00	3.00	4.00	1.00

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 212,977	\$ 223,793	\$ 223,793	\$ 320,855	43.4%
Operations & Maintenance	123,982	164,100	164,100	147,835	-9.9%
Total Expenditures	\$ 336,959	\$ 387,893	\$ 387,893	\$ 468,690	20.8%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel increased 43.4% due to reorganization of staff from the Trails Division, as well as health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 9.9% due to capacity for special events, which was moved to the Recreation Division.

Parks and Recreation – General Fund

Parks

OVERVIEW

The Parks Division is responsible for building maintenance, janitorial services, turf management, landscape maintenance and property upkeep for all parks, natural trails, and bicycle/pedestrian oasis facilities. Parks is also responsible for the landscape maintenance at Town Hall, including the Police Department. Parks oversees all parks construction projects, including new construction, renovations and repairs.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Parks Maintenance Manager	1.00	1.00	1.00	1.00	-
Parks Maintenance Supervisor	-	-	1.00	1.00	1.00
Parks Maintenance Crew Lead	1.00	1.00	-	-	(1.00)
Senior Parks Maint. Worker	3.00	3.00	1.00	1.00	(2.00)
Parks Maintenance Worker	2.35	2.35	3.92	3.92	1.57
Park Monitor	1.23	1.23	0.96	0.96	(0.27)
Total FTEs	8.58	8.58	7.88	7.88	(0.70)

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 393,247	\$ 461,970	\$ 461,970	\$ 393,043	-14.9%
Operations & Maintenance	404,543	492,775	492,775	563,000	14.3%
Capital Outlay	23,360	44,000	44,000	171,000	288.6%
Total Expenditures	\$ 821,150	\$ 998,745	\$ 998,745	\$ 1,127,043	12.8%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 14.9% due to the replacement of two full-time senior parks maintenance positions with contracted parks maintenance services.

Operations & Maintenance

Operations & Maintenance increased 14.3% due to the addition of contracted parks maintenance services, as referenced above.

Capital

Capital outlay increased 288.6% due to additional park improvements and maintenance equipment purchases planned for FY 2016.

Parks and Recreation – General Fund

Recreation

OVERVIEW

The Recreation Division is responsible for providing recreational programs, activities, classes, hikes, and special events for all ages, as well as ball field management and contracts.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Recreation & Cultural Svcs. Mgr.	-	0.80	0.80	0.80	-
Recreation Manager	0.80	-	-	-	-
Assistant Recreation Manager	1.00	1.00	1.00	1.00	-
Recreation Leader	0.40	0.40	0.80	1.80	1.40
Recreation Aide	1.50	1.50	1.75	1.75	0.25
Total FTEs	3.70	3.70	4.35	5.35	1.65

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 166,189	\$ 162,646	\$ 162,646	\$ 236,203	45.2%
Operations & Maintenance	63,855	93,650	93,650	107,400	14.7%
Total Expenditures	\$ 230,044	\$ 256,296	\$ 256,296	\$ 343,603	34.1%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 45.2% due to the addition of one new full-time recreation leader and seasonal recreation staff for programs.

Operations & Maintenance

Operations & Maintenance increased 14.7% due to capacity for special events, which was previously budgeted in the Administration Division.

Parks and Recreation – General Fund Trails

OVERVIEW

The Trails Division is responsible for insuring that the Town's Trails Plan, as well as the Pedestrian & Bicycle Plan, are implemented and followed. This section handles grant writing for the department, addresses trail issues, manages the Adopt-a-Trail program, and provides public information, safety and instructional programs. Additionally, Trails performs development review to insure that all "bike, ped & trails" issues are properly addressed when development occurs. *Beginning FY 15/16, all personnel and O&M have been moved to the Administration Division.*

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Multimodal Planner	1.00	1.00	1.00	-	(1.00)
Total FTEs	1.00	1.00	1.00	-	(1.00)

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 74,583	\$ 79,923	\$ 79,923	\$ -	-100.0%
Operations & Maintenance	3,235	4,810	4,810	-	-100.0%
Total Expenditures	\$ 77,818	\$ 84,733	\$ 84,733	\$ -	-100.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

The multimodal planner position has been moved to the Administration Division.

Operations & Maintenance

All operations and maintenance costs have been moved to the Administration Division.

Parks and Recreation – General Fund

Aquatics

OVERVIEW

The Aquatics Division is responsible for the safe operation, maintenance and management of the Oro Valley Aquatic Center. This facility was expanded in FY 2013 and includes an Olympic-sized swimming pool, a 25-yard pool, a splash pad for children and other family-friendly amenities. The facility serves as one of Southern Arizona's premier, competition-level facilities.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Aquatics Manager	1.00	1.00	1.00	1.00	-
Assistant Aquatics Manager	1.00	1.00	1.00	1.00	-
Office Assistant	-	-	0.75	0.75	0.75
Facility Supervisor	1.36	1.36	1.36	1.36	-
Shift Leader	4.08	4.08	3.40	3.40	(0.68)
Facility Attendant	5.76	5.76	5.76	5.76	-
Lifeguard/Swim Instructor	5.50	5.50	5.50	5.50	-
Total FTEs	18.70	18.70	18.77	18.77	0.07

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 578,448	\$ 589,378	\$ 589,378	\$ 604,202	2.5%
Operations & Maintenance	353,998	297,690	297,690	383,690	28.9%
Capital Outlay	13,713	-	-	-	0.0%
Total Expenditures	\$ 946,159	\$ 887,068	\$ 887,068	\$ 987,892	11.4%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 2.5% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 28.9% due primarily to contract personnel services for aquatics programs.

Parks and Recreation – General Fund

Cultural Resources

OVERVIEW

The Cultural Resources Division is responsible for the management of all town historic and cultural properties, such as Steam Pump Ranch. Additionally, this division is responsible for implementation and follow-through of master plans for town historic sites and cultural resources.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Recreation & Cultural Svcs. Mgr.	-	0.20	0.20	0.20	-
Recreation Manager	0.20	-	-	-	-
Total FTEs	0.20	0.20	0.20	0.20	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 14,549	\$ 14,882	\$ 14,882	\$ 15,260	2.5%
Operations & Maintenance	55,523	43,000	43,000	37,500	-12.8%
Capital Outlay	81,506	50,000	50,000	25,000	-50.0%
Total Expenditures	\$ 151,578	\$ 107,882	\$ 107,882	\$ 77,760	-27.9%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 2.5% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 12.8% due to savings in several areas, including grounds repair & maintenance, utilities and field supplies.

Capital

Budgeted capital is capacity for potential grant funding.

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Community Center & Golf Fund

OVERVIEW

The Community Center & Golf Fund is a new fund that will be used to manage the operations of the newly acquired El Conquistador Country Club, golf and tennis facilities. The Town is converting the country club to a community and recreation center for public use. Revenues include a dedicated 0.5% sales tax, as well as revenues from golf, food and beverage, fitness and recreation activities. Expenditures include operating and capital improvement costs for the facilities. Golf, food and beverage, tennis and a portion of the aquatics operations are managed by an outside contractor.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Recreation Facility Manager	-	-	1.00	1.00	1.00
Assistant Recreation Manager	-	-	-	1.00	1.00
Senior Office Specialist	-	-	-	1.00	1.00
Facilities Maint. Technician	-	-	-	2.00	2.00
Custodian	-	-	-	0.96	0.96
Facility Attendant	-	-	-	2.94	2.94
Recreation Leader	-	-	-	0.96	0.96
Recreation Aide	-	-	-	2.00	2.00
Fitness Instructor	-	-	-	1.50	1.50
Total FTEs	-	-	1.00	13.36	13.36

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ -	\$ -	\$ 10,000	\$ 462,517	0.0%
Operations & Maintenance	-	-	2,107,109	6,485,816	0.0%
Capital Outlay	-	-	5,000	1,115,000	0.0%
Other Financing Uses	-	-	-	120,000	0.0%
Total Expenditures	\$ -	\$ -	\$2,122,109	\$8,183,333	0.0%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Local Sales Taxes	\$ -	\$ -	\$ 200,000	\$ 2,000,000	0.0%
Charges for Services	-	-	1,718,547	5,400,763	0.0%
Other Financing Uses	-	-	1,200,000	-	0.0%
Total Revenues	\$ -	\$ -	\$3,118,547	\$7,400,763	0.0%

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Parks & Recreation Impact Fee Fund

OVERVIEW

This fund is used to manage the collection and expenditure of development impact fees dedicated to parks and recreation purposes. Parks & Recreation impact fees are assessed on residential development within the town.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ 11,833	\$ -	\$ -	\$ -	0.0%
Capital Outlay	272,145	-	-	-	0.0%
Total Expenditures	\$ 283,978	\$ -	\$ -	\$ -	0.0%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Impact Fees	\$ 122,754	\$ 307,772	\$ 115,560	\$ 171,200	-44.4%
Interest Income	669	-	54	-	0.0%
Total Revenues	\$ 123,423	\$ 307,772	\$ 115,614	\$ 171,200	-44.4%

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Naranja Park Fund

OVERVIEW

The Naranja Park Fund was used to account for capital improvements at Naranja Park, which is located on Naranja Drive, between First Avenue and La Cañada Drive in Oro Valley. Previous Council-approved improvements included two multi-use sports fields, a dog park, a parking lot and related infrastructure. In the future, capital projects at Naranja Park will be budgeted in the General Government CIP Fund.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Capital Outlay	\$ 1,271,940	\$ 600,000	\$ 600,000	\$ -	-100.0%
Total Expenditures	\$1,271,940	\$ 600,000	\$ 600,000	\$ -	-100.0%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Other Financing Sources	\$ 2,000,000	\$ -	\$ -	\$ -	0.0%
Miscellaneous	175	-	-	-	0.0%
Total Revenues	\$2,000,175	\$ -	\$ -	\$ -	0.0%

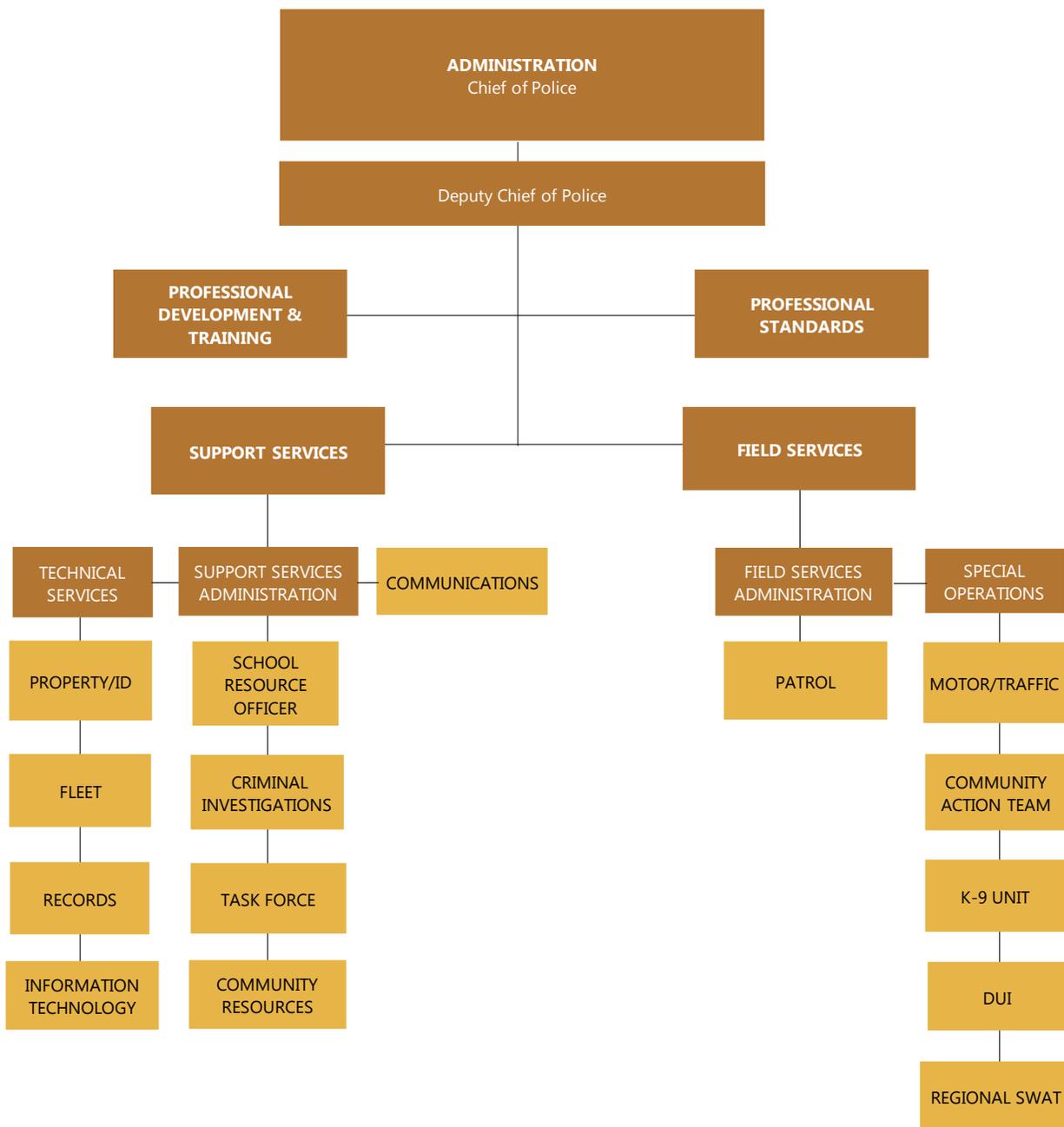
FY 2015/2016 Expenditure Changes

Capital Outlay

Capital outlay decreased 100%, as projects budgeted in this fund for FY 2015 were completed.

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Police



OVERVIEW

The Oro Valley Police Department (OVPD) is committed to providing public safety services to ensure a safe environment. This is accomplished through collaborative partnerships between our organization, our citizens, business owners/managers, schools, community organizations, media, and other government partners. OVPD members seek the highest amount of professional development with one S.E.R.V.I.C.E. vision in mind:

Seek Excellence Remain Vigilant Involve Community Enforcement

Police

2014-2015 ACCOMPLISHMENTS

- Town of Oro Valley survey noted the number one reason residents enjoy living in Oro Valley is safety and low crime
- Citizen volunteer assistants program members contributed 14,878 volunteer hours
- Continued utilizing seizure funds for the purchase of equipment, vehicles and the backfilling of three police positions
- Finalized and implemented Lexipol policies and procedures, and ensured current training is maintained in an effort to reduce liability to the Town
- Active Shooter Response training conducted for all Oro Valley Amphitheater District schools and staff
- Received Governor's Office of Highway Safety funding for five DUI breath detection devices and \$30,000 reimbursement for DUI enforcement overtime and employee related expenses
- Expanded the Axon body camera program to 12 officers after being the first organization in Southern Arizona to implement them
- Implemented coffee with a cop program and have hosted 20 events at Oro Valley restaurants and extended care facilities
- Assisted the Arizona Peace Officer Standards and Training Board in providing regional training on the initiative 'Below 100', a beneficial program as described at www.Below100.com
- 150 active businesses in the adopt-a-business program

2015-2016 OBJECTIVES

- Research and pursue alternatives for a new police evidence facility, land acquisition and architectural design
- Develop a strong partnership with Cenpatico Integrated Care, Pima County's new behavioral health provider, by understanding crisis protocols and available services, attending quarterly crisis system meetings, and by sharing the Cenpatico behavioral health services available to the community
- Conduct needs assessment and identify mental health service gaps affecting the youth in our community by collaborating with Amphitheater School District, Cenpatico Integrated Care, the University of Arizona, and other mental health service providers
- Continue with the department's vehicle fleet efficiency model, first implemented in 2002, which maximizes administrative vehicle use over an extensive length of time and reduces cost to the Town

Police

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Serve as the model for services and performance in providing basic town services	Respond to 100% of Priority I calls in less than five minutes	79%	78%	77%
		Respond to 100% of Priority II calls in less than eight minutes	87%	85%	84%
		Achieve 100% resident rating on OVPD citizen satisfaction survey for neighborhood walking safety during the day as reasonably safe or above	93%	91%	90%
		Achieve 100% resident rating on OVPD citizen satisfaction survey for neighborhood walking safety during the night as reasonably safe or above	80%	81%	84%
		Achieve 100% resident rating on OVPD resident satisfaction survey for above average police services (rating of a 7 or above on a scale of 1-10) *	92%	93%	96%

* of those who indicated they had contact with the Police Department during the last 12 months

Police

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
133.13	134.13	133.13	133.13

	Expenditures by Division				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Administration	\$ 1,090,938	\$ 1,127,749	\$ 1,127,749	\$ 1,127,753	0.0%
Support Services	6,172,507	6,649,247	6,524,626	6,803,569	2.3%
Field Services	6,186,660	7,041,782	6,956,946	7,193,484	2.2%
Professional Dev. & Training	200,253	197,762	197,762	233,401	18.0%
Professional Standards	126,522	129,274	129,274	136,388	5.5%
	\$ 13,776,880	\$ 15,145,814	\$ 14,936,357	\$ 15,494,595	2.3%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015		FY 2016 Budget	
		Budget	Projected		
Federal Grants	\$ 632,982	\$ 597,365	\$ 662,549	\$ 551,545	-7.7%
State Grants	56,057	202,300	127,300	127,300	-37.1%
Seizures & Forfeitures	76,457	233,385	150,549	216,958	-7.0%
Fingerprinting	20,490	20,700	20,200	20,200	-2.4%
Report Copying	5,710	4,650	5,200	5,200	11.8%
Impound Processing	31,800	26,610	36,000	34,000	27.8%
Other	24,038	19,800	18,910	18,814	-5.0%
	\$ 847,534	\$ 1,104,810	\$ 1,020,708	\$ 974,017	-11.8%

Police - Administration

OVERVIEW

The Oro Valley Police Department (OVPD) is a true community policing organization and understands community policing is a "way of life" for an organization. In Oro Valley, community policing is considered a core value that underlies all programs and initiatives. The Police Department Administration embodies this philosophy and guides all staff towards embracing this philosophy throughout the entire organization.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Police Chief	1.00	1.00	1.00	1.00	-
Deputy Police Chief	1.00	1.00	1.00	1.00	-
Lieutenant	1.00	1.00	1.00	1.00	-
Administrative Services Manager	1.00	1.00	1.00	1.00	-
Total FTEs	4.00	4.00	4.00	4.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 548,095	\$ 578,254	\$ 578,254	\$ 607,643	5.1%
Operations & Maintenance	542,843	549,495	549,495	520,110	-5.3%
Total Expenditures	\$1,090,938	\$1,127,749	\$1,127,749	\$1,127,753	0.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 5.1% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 5.3% due primarily to reduced capacity for department travel and training.

Police – Support Services

OVERVIEW

The Support Services Division (SSD) provides the necessary support and enhancement to the Field Services Division and Administration. SSD personnel are specially trained in law enforcement functions specific to the organization and community, which enhance our ability to provide service. SSD must consistently evaluate the service efforts of the department and make changes based upon these efforts. This is accomplished through technology, expertise, resource allocation, intelligence gathering and education.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Commander	1.00	1.00	1.00	1.00	-
Lieutenant	2.00	2.00	2.00	2.00	-
Emerg. Mgmt. & Safety Coord.	-	1.00	1.00	1.00	-
Emergency Response Planner	1.00	-	-	-	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Total FTEs	5.00	5.00	5.00	5.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 544,377	\$ 577,656	\$ 577,656	\$ 602,009	4.2%
Operations & Maintenance	105	800	800	500	-37.5%
Total Expenditures	\$ 544,482	\$ 578,456	\$ 578,456	\$ 602,509	4.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.2% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 37.5% due to memberships & subscriptions.

Police – School Resource Officer

OVERVIEW

The School Resource Officer (SRO) program is designed upon the "basic triad concept" of being a law enforcement officer, teacher, and counselor to the school community. This "community" includes the school administration, faculty and staff, parents, students, and the schools surrounding the Oro Valley community. An SRO provides this service in many ways while always taking a personal interest in students' lives, activities and problems. Officers are assigned to: Canyon del Oro High School, Ironwood Ridge High School, Copper Creek Elementary, Painted Sky Elementary, and Wilson K-8.

Within the SRO Unit is the Explorers Program, which consists of young men and women, ages 14 to 21, who are interested in a career in law enforcement. Police officers are the Explorer advisors and assist in weekly instruction and training. Explorers dedicate themselves to community service and assist the department during special events.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
School Resource Officer	7.00	8.00	7.00	7.00	(1.00)
Total FTEs	8.00	9.00	8.00	8.00	(1.00)

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 792,075	\$ 935,388	\$ 860,388	\$ 877,450	-6.2%
Operations & Maintenance	136	11,500	11,500	14,500	26.1%
Total Expenditures	\$ 792,211	\$ 946,888	\$ 871,888	\$ 891,950	-5.8%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs decreased 6.2% due to removal of capacity related to potential grant funding.

Operations & Maintenance

Operations & Maintenance increased 26.1% due to field supplies and travel & training.

Police - Communications

OVERVIEW

The Communications Center is the primary answering point for all 9-1-1 emergency calls in Oro Valley. The center operates 24 hours a day, 7 days a week. Public Safety Communications is skilled emergency service work that involves receiving emergency and non-emergency requests for police assistance, determining the nature and the urgency of calls, initiating police or other emergency service personnel action and maintaining close contact with field units to monitor response and needed support requirements.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Police Communications Mgr.	-	1.00	1.00	1.00	-
Communications Supervisor	1.00	-	-	-	-
Lead Dispatcher	3.00	3.00	3.00	3.00	-
Dispatcher	9.00	9.00	9.00	9.00	-
Total FTEs	13.00	13.00	13.00	13.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 830,272	\$ 945,070	\$ 945,070	\$ 988,951	4.6%
Operations & Maintenance	3,823	3,350	3,350	3,300	-1.5%
Total Expenditures	\$ 834,095	\$ 948,420	\$ 948,420	\$ 992,251	4.6%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.6% due to health insurance premiums and merit increases.

Police – Records

OVERVIEW

The Records Unit is responsible for processing, distributing, and maintaining all public law enforcement records generated by OVPD. The Records Unit adheres to the release policy mandated by state law. The Unit is also responsible for the handling of impound releases of vehicles, verifying the required documentation through the Motor Vehicle Division, preparing the proper paperwork, and collecting the necessary fees.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Records Supervisor	1.00	1.00	1.00	1.00	-
Records Specialist	5.00	5.00	5.00	5.00	-
Office Assistant	1.25	1.25	1.25	1.25	-
Total FTEs	7.25	7.25	7.25	7.25	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 366,034	\$ 396,713	\$ 396,713	\$ 416,028	4.9%
Operations & Maintenance	1,427	3,250	3,250	3,250	0.0%
Total Expenditures	\$ 367,461	\$ 399,963	\$ 399,963	\$ 419,278	4.8%

FY 2015/2016 Expenditure Changes

Personnel

Personnel costs increased 4.9% due to health insurance premiums and merit increases.

Police – Criminal Investigations

OVERVIEW

The Criminal Investigations Unit (CIU) is the primary investigative arm of the OVPD and is responsible for investigating all major crimes that occur in Oro Valley. These crimes include crimes against person(s) - homicide, sexual assault, aggravated assault, etc., and crimes against property - burglary, larceny, auto theft, etc.

Detectives are cross-trained to investigate the various types of crimes committed in Oro Valley and many of them network with task force groups outside Oro Valley to enhance service within our community.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
Detective	6.00	6.00	6.00	6.00	-
Total FTEs	7.00	7.00	7.00	7.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 801,759	\$ 800,691	\$ 800,691	\$ 833,440	4.1%
Operations & Maintenance	8,470	11,875	11,875	7,800	-34.3%
Total Expenditures	\$ 810,229	\$ 812,566	\$ 812,566	\$ 841,240	3.5%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.1% due to health insurance premiums and step increases.

Operations & Maintenance

Operations & Maintenance decreased 34.3% due to reduced capacity for outside professional services and travel & training.

Police – Information Technology

OVERVIEW

The Information Technology Unit (ITU) provides support service to the department and is responsible for planning, acquiring, implementing and developing information technology solutions to facilitate the department's mission. The ITU also evaluates and acquires emerging technologies, information systems and networks that have law enforcement applications.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Detective/IT Manager	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 109,087	\$ 114,095	\$ 114,095	\$ 116,988	2.5%
Operations & Maintenance	91,932	183,352	183,352	189,140	3.2%
Capital Outlay	127,940	68,000	68,000	14,000	-79.4%
Total Expenditures	\$ 328,959	\$ 365,447	\$ 365,447	\$ 320,128	-12.4%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 2.5% due to health insurance premiums and step increases.

Operations & Maintenance

Operations & Maintenance increased 3.2% due to software maintenance & licensing costs.

Capital

Capital decreased 79.4% due to equipment purchases completed in FY 2015.

Police – Fleet

OVERVIEW

Fleet Maintenance assists with the procurement, outfitting, assigning and maintenance of all vehicles in the OVPD fleet. Fleet Maintenance ensures that all warranty work is performed and the fleet is maintained to manufacturer specifications at the most competitive rates available. It is further tasked with preventative safety equipment maintenance.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Fleet Control Specialist	-	1.00	1.00	1.00	-
Fleet Maint. Mechanic III	1.00	-	-	-	-
Reserve Officer	0.48	0.48	0.48	0.48	-
Total FTEs	1.48	1.48	1.48	1.48	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 94,476	\$ 98,258	\$ 98,258	\$ 102,534	4.4%
Operations & Maintenance	826,184	952,953	903,003	1,015,389	6.6%
Total Expenditures	\$ 920,660	\$1,051,211	\$1,001,261	\$1,117,923	6.3%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.4% due to health insurance premiums, merit increases and step increases.

Operations & Maintenance

Operations & Maintenance increased 6.6% due to vehicle reserve and replacement charges.

Police – Community Resources

OVERVIEW

The Community Resource Unit (CRU) is dedicated to preventing crime through public education and offers a wide range of presentations and programs.

Neighborhood Watch Program - Consists of a cohesive body of concerned citizens addressing issues that affect their neighborhood. OVPD has two officers who organize, train, and provide valuable information to these neighborhoods in order to reduce and prevent crime. Neighborhood Watch provides communities a direct liaison with the OVPD and quarterly newsletters are distributed.

Crime Free Multi-Housing Program - This program is similar to Neighborhood Watch but for apartment complexes. It encourages neighbors to interact with one another but also holds apartment managers to strict criteria when signing new tenants.

Citizen Volunteer Assistants Program (C.V.A.P.) - This program provides the opportunity for citizens to serve their community by assisting the Police department. The volunteers become an extra set of eyes and ears and assist in many different areas. Volunteers patrol residential neighborhoods, business complexes, shopping centers and assist with scene security at accidents or crime scenes.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
Officer/Special Events Coord.	1.00	1.00	1.00	1.00	-
Officer	1.00	1.00	1.00	1.00	-
Total FTEs	3.00	3.00	3.00	3.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 299,396	\$ 322,892	\$ 322,892	\$ 334,415	3.6%
Operations & Maintenance	49,095	42,740	42,740	32,040	-25.0%
Total Expenditures	\$ 348,491	\$ 365,632	\$ 365,632	\$ 366,455	0.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.6% due to health insurance premiums and step increases.

Operations & Maintenance

Operations & Maintenance decreased 25.0% due to reduced capacity for office lease costs.

Police – Task Force Operations

OVERVIEW

The OVPD is actively involved in multi-jurisdictional joint task forces across southern Arizona.

Counter Narcotics Alliance (CNA) is a multi-jurisdictional drug task force consisting of 18 participating agencies to include local law enforcement, prosecuting agencies, the Arizona High Intensity Drug Trafficking Area (AZHIDTA), and the Davis-Monthan Air Force Base (DMAFB) operating in the Pima County metro area. Each agency compliments the task force with staffing and administrative processes.

Drug Enforcement Agency (DEA) has numerous multi-jurisdictional task force groups that include federal agents, prosecuting agencies, and state and local law enforcement agencies. Each task force takes on a different segment of trafficking, production and use crimes to combat this national epidemic.

Joint Terrorism Task Force (JTTF) are small cells of highly trained, locally based investigators, analysts, linguists, SWAT experts, and other specialists from dozens of U.S. law enforcement and intelligence agencies. It is a multi-agency effort led by the Justice Department and FBI designed to combine the resources of federal, state, and local law enforcement.

The **Gang and Immigration Intelligence Team Enforcement Mission (GIITEM)** is a multi-jurisdictional task force that focuses on street gang crime as well as U.S. border and immigration crimes. GIITEM strives to accomplish its mission through a task force concept involving personnel from tribal, federal, state, county, and municipal law enforcement agencies.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
Officer	7.00	7.00	7.00	7.00	-
Total FTEs	8.00	8.00	8.00	8.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 800,713	\$ 838,963	\$ 838,963	\$ 867,860	3.4%
Operations & Maintenance	-	-	-	19,500	0.0%
Capital Outlay	134,297	48,399	48,728	30,000	-38.0%
Total Expenditures	\$ 935,010	\$ 887,362	\$ 887,691	\$ 917,360	3.4%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.4% due to health insurance premiums and step increases.

Operations & Maintenance

Operations & Maintenance budgeted in FY 2016 is for grant-funded travel & training.

Capital

Budgeted capital is for grant-funded equipment and/or vehicles.

Police – Property and ID

OVERVIEW

The Property and ID Unit is staffed with skilled technicians that locate, collect, secure and preserve a variety of critical, physical and sometimes fragile evidence at crime scenes. Technicians must write accurate narratives, follow up on collected evidence for scientific analysis, liaison with other agencies to complete related casework, and prepare testimony for court proceedings.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Crime Scene Tech Supervisor	-	1.00	1.00	1.00	-
Lead IT Forensic Technician	1.00	-	-	-	-
Crime Scene Technician	-	2.00	2.00	2.00	-
Property/ID Technician	2.00	-	-	-	-
Reserve Officer	0.48	0.48	0.48	0.48	-
Total FTEs	3.48	3.48	3.48	3.48	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 233,275	\$ 253,102	\$ 253,102	\$ 264,875	4.7%
Operations & Maintenance	47,456	40,200	40,200	69,600	73.1%
Capital Outlay	10,178	-	-	-	0.0%
Total Expenditures	\$ 290,909	\$ 293,302	\$ 293,302	\$ 334,475	14.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.7% due to health insurance premiums, merit increases and step increases.

Operations & Maintenance

Operations & Maintenance increased 73.1% due to a required one-time field supply purchase planned for FY 2016.

Police – Field Services

OVERVIEW

The Field Services Division (FSD) is the largest division of the Police Department and is comprised of officers and supervisors who provide the "front line" service to the community. FSD must continually monitor crime trends, deployment methods, beat structure, business and neighborhood issues and response times to ensure that the department is providing the most efficient and effective services.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Commander	1.00	1.00	1.00	1.00	-
Lieutenant	2.00	2.00	2.00	2.00	-
Crime Analyst	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Office Specialist	1.00	1.00	1.00	1.00	-
Total FTEs	6.00	6.00	6.00	6.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 515,413	\$ 646,224	\$ 646,224	\$ 673,715	4.3%
Operations & Maintenance	717	1,500	1,500	1,500	0.0%
Total Expenditures	\$ 516,130	\$ 647,724	\$ 647,724	\$ 675,215	4.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.3% due to health insurance premiums and merit increases.

Police – Patrol

OVERVIEW

The Patrol Division consists of six squads and one motorcycle squad, providing 24/7 police service to town citizens, schools, business owners, employees and visitors. OVPD divides the town into four separate geographical patrol areas. Patrol deployment methods are based on a variety of factors, including response times, call loads, crime statistics and neighborhood issues. The Patrol Division focuses on high visibility patrol and strict enforcement to deter crime from our community. Programs like adopt-a-business allow patrol officers to work cooperatively and proactively with businesses to solve issues before they become problems. K-9 and DUI officers are incorporated within the Patrol Division, providing service seven days a week.

K-9 - Three K-9 teams (handler/canine) are deployed throughout the week. Two teams are "dual purpose" and are trained in patrol/handler protection and narcotics detection. The remaining team is trained to detect explosives and an accelerant component used to make explosive devices, and is a member of the Pima Regional Bomb Squad. Two separate canine breeds are used: german shepherd and belgium malinois.

DUI - The DUI Unit is comprised of two officers whose primary function is to actively seek impaired drivers. Patrol officers with special skills in the area of drug recognition and phlebotomy supplement them in their task. DUI officers assume the lead investigative role in impairment investigations initiated by patrol officers and are well versed in the field of impaired driver investigations. OVPD is a participant in the Southern Arizona DUI Task Force and participates in task force deployments annually.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	6.00	6.00	6.00	6.00	-
Lead Officer	7.00	7.00	7.00	7.00	-
K-9 Officer	2.00	2.00	2.00	2.00	-
DUI Officer	2.00	2.00	2.00	2.00	-
Officer	30.00	30.00	30.00	30.00	-
Reserve Officer	1.92	1.92	1.92	1.44	(0.48)
Total FTEs	48.92	48.92	48.92	48.44	(0.48)

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 4,455,131	\$ 4,799,198	\$ 4,716,362	\$ 4,815,383	0.3%
Operations & Maintenance	17,305	16,690	16,690	13,600	-18.5%
Capital Outlay	10,368	10,000	10,000	12,000	20.0%
Total Expenditures	\$4,482,804	\$4,825,888	\$4,743,052	\$4,840,983	0.3%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

One reserve officer was moved to Professional Development & Training.

Operations & Maintenance

Operations & Maintenance decreased 18.5% due primarily to equipment repair & maintenance savings.

Capital

Budgeted capital is for a replacement canine.

Police – Motor/Traffic

OVERVIEW

The goals of the Oro Valley Motor Unit are: to respond to citizens traffic concerns; be highly visible to the public and; enforce traffic laws. By staying proactive and achieving these goals, the Motor Unit is able to deter criminal behavior from residing in or targeting Oro Valley. The three measures deploying the Motor Unit are: highest collision intersections, special events, and citizen traffic concerns.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
Lead Officer	1.00	1.00	1.00	1.00	-
Motorcycle Officer	7.00	7.00	7.00	7.00	-
Total FTEs	9.00	9.00	9.00	9.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 781,932	\$ 937,360	\$ 937,360	\$ 987,093	5.3%
Operations & Maintenance	11,720	14,700	12,700	14,700	0.0%
Total Expenditures	\$ 793,652	\$ 952,060	\$ 950,060	\$1,001,793	5.2%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 5.3% due to health insurance premiums and step increases.

Police – C.A.T. Squad

OVERVIEW

The Community Action Team (C.A.T.) serves as one of OVPD's most proactive and successful community policing initiatives. The primary premise of C.A.T. is to focus on the root-causes of problems and identify which crimes lead to secondary crimes and how they are associated. C.A.T. members spend a great deal of time gathering information on specific issues through various connections with other law enforcement organizations and the public. These partnerships foster trust between the community and our organization and has been paramount in our ability to combat crime.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
Lead Officer	1.00	1.00	1.00	1.00	-
Officer	4.00	4.00	4.00	4.00	-
Total FTEs	6.00	6.00	6.00	6.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 393,892	\$ 615,110	\$ 615,110	\$ 675,493	9.8%
Operations & Maintenance	182	1,000	1,000	-	-100.0%
Total Expenditures	\$ 394,074	\$ 616,110	\$ 616,110	\$ 675,493	9.6%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 9.8% due to routine officer reassignments within the department, as well as health insurance premiums and step increases.

Operations & Maintenance

Operations & Maintenance decreased 100% due to non-capitalized equipment purchases completed in FY 2015.

Police –

Professional Development & Training

OVERVIEW

Professional Development & Training is tasked to ensure that members provide the most efficient and effective public safety service to the community in support of a community policing philosophy. Personnel are trained to deliver a high level of service that not only meets community expectations but also allows our staff to maintain professional certifications. Professional Development & Training focuses on developing the skills, abilities, knowledge, and talents of the OVPD to maintain professional and expert service. This program is also responsible for new-hire recruit officer orientation. This orientation is provided to prepare new officers for the stresses of attending a police academy along with orienting them to Oro Valley.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Training Officer	1.00	1.00	1.00	1.00	-
Reserve Officer	-	-	-	0.48	0.48
Total FTEs	1.00	1.00	1.00	1.48	0.48

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 93,944	\$ 100,712	\$ 100,712	\$ 131,601	30.7%
Operations & Maintenance	106,309	97,050	97,050	101,800	4.9%
Total Expenditures	\$ 200,253	\$ 197,762	\$ 197,762	\$ 233,401	18.0%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 30.7% due to reallocation of a reserve officer from Patrol.

Operations & Maintenance

Operations & Maintenance increased 4.9% due to office lease costs.

Police – Professional Standards

OVERVIEW

It is the policy of the OVPD to thoroughly investigate all complaints against its employees in order to preserve public confidence in our willingness to oversee and control the actions of our employees. The Office of Professional Standards (O.P.S.) is managed by a sergeant who oversees and investigates citizen complaints and internally ordered inspections. O.P.S. also maintains records of use of force incidences, vehicle pursuits and policy revisions. Finally, O.P.S. conducts the hiring process and background investigations for interested Police Department applicants.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Sergeant	1.00	1.00	1.00	1.00	-
Total FTEs	1.00	1.00	1.00	1.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 117,264	\$ 122,624	\$ 122,624	\$ 126,738	3.4%
Operations & Maintenance	9,258	6,650	6,650	9,650	45.1%
Total Expenditures	\$ 126,522	\$ 129,274	\$ 129,274	\$ 136,388	5.5%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 3.4% due to health insurance premiums and step increases.

Operations & Maintenance

Operations & Maintenance increased 45.1% due to outside professional services.

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Police Impact Fee Fund

OVERVIEW

This fund is used to manage the collection and expenditure of development impact fees dedicated to public safety purposes. Police impact fees are assessed on both residential and commercial development within the town.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ 11,959	\$ -	\$ -	\$ -	0.0%
Capital Outlay	-	-	-	-	0.0%
Total Expenditures	\$ 11,959	\$ -	\$ -	\$ -	0.0%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Impact Fees	\$ 118,056	\$ 133,996	\$ 47,517	\$ 66,917	-50.1%
Interest Income	361	-	201	-	0.0%
Total Revenues	\$ 118,417	\$ 133,996	\$ 47,718	\$ 66,917	-50.1%

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Water Utility

2015-2016 OBJECTIVES

- Acquire additional groundwater extinguishment credits
- Utilize full allocation of CAP water for direct use and recharge
- Conduct long-term planning for future CAP water delivery
- Partner with Tucson Water to amend the reclaimed water intergovernmental agreement
- Complete the final phase of the advanced metering infrastructure project
- Implement a consumer education program to use the AquaHawk customer portal for early leak detection and water conservation
- Conduct a water rates analysis to ensure appropriate cost recovery

STRATEGIC PLAN PROGRAM PERFORMANCE					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Community Infrastructure & Services	Continue our commitment to environmental stewardship	Number of voluntary water conservation audits	132	107	115
		Maintain a minimum of three years' worth of reserves in groundwater storage accounts	3.6	4.1	4.3
		Maintain compliance with Arizona Department of Water Resources assured water supply requirements for service area	Yes	Yes	Yes
	Deliver a safe and reliable water system to all Water Utility customers	Maintain compliance with all Arizona Department of Environmental Quality and Arizona Department of Water Resources regulations	Yes	Yes	Yes
		Replace 100% of broken valves within 45 days after identified as broken	100%	100%	100%
		Repair or replace 100% of broken fire hydrants within 7 days after identified as broken	100%	100%	100%

Water Utility

STRATEGIC PLAN PROGRAM PERFORMANCE (CONTINUED)					
Council Strategic Plan Focus Area	Goal/Strategy	Performance Measure	FY 2014 Actual	FY 2015 Estimate	FY 2016 Projected
Fiscal Responsibility	Maintain long-term financial health through diversified revenue sources while strategically investing in community initiatives	Maintain cash reserves in the Water Utility operating fund of at least 20% of the combined total budgeted amounts for personnel, O&M and debt service	91.8%	82.6%	64.2%
		Maintain debt service coverage (annual net operating revenue divided by annual debt service) for water revenue bonds of at least 1.3	1.9	1.9	1.7

Water Utility

Total FTEs			
FY 2014 Actual	FY 2015		FY 2016 Budget
	Budget	Projected	
37.00	37.48	37.48	38.48

	Expenditures by Division				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
Administration	\$ 9,432,059	\$ 12,930,066	\$ 12,888,236	\$ 12,760,346	-1.3%
Engineering & Planning	1,346,843	2,045,795	1,751,795	2,342,476	14.5%
Production	2,846,786	2,769,296	2,762,479	2,788,464	0.7%
Distribution	666,424	1,040,485	1,040,485	928,884	-10.7%
	\$ 14,292,112	\$ 18,785,642	\$ 18,442,995	\$ 18,820,170	0.2%

	Revenue Sources				
	FY 2014 Actual	FY 2015		FY 2016 Budget	Variance to Budget
		Budget	Projected		
Charges for Services	\$ 3,315,859	\$ 3,189,200	\$ 3,143,500	\$ 3,184,200	-0.2%
Interest Income	61,338	51,150	75,000	59,520	16.4%
Miscellaneous	11,831	-	21,024	-	0.0%
WIFA Loan Proceeds	-	2,200,000	2,200,000	1,800,000	-18.2%
Water Sales	12,169,375	12,078,800	11,793,000	12,160,500	0.7%
Other Financing Sources	400,000	-	-	-	0.0%
	\$ 15,958,403	\$ 17,519,150	\$ 17,232,524	\$ 17,204,220	-1.8%

Water Utility – Administration

OVERVIEW

The Administration Division is responsible for the overall management of the Utility, customer service, meter reading, water utility billings, collection of water revenues, administration of the department's budget, implementation of water rates, fees and charges, water conservation and strategic planning.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Water Utility Director	1.00	1.00	1.00	1.00	-
Water Utility Administrator	1.00	1.00	1.00	1.00	-
Senior Office Specialist	1.00	1.00	1.00	1.00	-
Customer Service Supervisor	1.00	1.00	1.00	1.00	-
Meter Operations Supervisor	1.00	1.00	1.00	1.00	-
Water Utility Operator I	5.00	5.00	5.00	5.00	-
Customer Service Specialist	-	-	-	4.00	4.00
Customer Service Representative	4.00	4.48	4.48	0.48	(4.00)
Water Conservation Specialist	1.00	1.00	1.00	1.00	-
Total FTEs	15.00	15.48	15.48	15.48	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 1,003,815	\$ 1,138,952	\$ 1,137,122	\$ 1,211,924	6.4%
Operations & Maintenance	3,105,081	4,382,743	4,382,743	4,627,725	5.6%
Capital Outlay	1,619,262	2,434,720	2,394,720	1,918,800	-21.2%
Debt Service	3,700,723	4,970,532	4,970,532	4,968,867	0.0%
Other Financing Uses	3,178	3,119	3,119	33,030	959.0%
Total Expenditures	\$9,432,059	\$ 12,930,066	\$ 12,888,236	\$ 12,760,346	-1.3%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 6.4% due to position reclasses, health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 5.6% due to purchase, delivery & capital charges for CAP water, and administrative charges for services provided by the Town's General Fund.

Capital

Capital decreased 21.2% due to projects completed in FY 2015.

Other Financing Uses

The FY 2016 increase in Other Financing Uses is due to a budgeted transfer out to the General Government CIP Fund for potential water-related general Town projects.

Water Utility – Engineering & Planning

OVERVIEW

The Engineering and Planning Division is responsible for the planning of additional water resources, managing design and construction of the capital improvement program and new development, construction inspection and the geographic information mapping system.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Engineering Division Manager	1.00	1.00	1.00	1.00	-
Water Resources & Planning Mgr	-	-	-	1.00	1.00
Project Manager	1.00	1.00	1.00	1.00	-
Engineering Design Reviewer	1.00	1.00	1.00	1.00	-
Construction Inspector	2.00	2.00	2.00	2.00	-
Civil Engineering Technician	1.00	1.00	1.00	1.00	-
Total FTEs	6.00	6.00	6.00	7.00	1.00

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 513,848	\$ 550,145	\$ 550,145	\$ 718,041	30.5%
Operations & Maintenance	266,322	165,650	181,650	204,435	23.4%
Capital Outlay	566,673	1,330,000	1,020,000	1,420,000	6.8%
Total Expenditures	\$1,346,843	\$ 2,045,795	\$ 1,751,795	\$ 2,342,476	14.5%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 30.5% due to the addition of a new water resources & planning manager position, as well as health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance increased 23.4% due to outside professional services.

Capital

Capital increased 6.8% due to additional projects planned for FY 2016.

Water Utility - Production

OVERVIEW

The Production Division oversees the operation and maintenance of all potable and reclaimed water production facilities to include wells, boosters, reservoirs and metering stations. Responsibilities include disinfection systems, security systems, preventative maintenance and on-call/24 hour Supervisory Control & Data Acquisition (SCADA) staffing.

Personnel	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Water Production Superintendent	1.00	1.00	1.00	1.00	-
Lead Water Utility Operator	1.00	1.00	1.00	1.00	-
Electric & Control Technician	1.00	1.00	1.00	1.00	-
Water Utility Operator III	5.00	5.00	5.00	5.00	-
Water Utility Operator II	-	-	-	-	-
Total FTEs	8.00	8.00	8.00	8.00	-

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel	\$ 646,513	\$ 581,616	\$ 556,899	\$ 614,413	5.6%
Operations & Maintenance	1,956,836	2,133,680	2,133,680	2,001,851	-6.2%
Capital Outlay	243,437	54,000	71,900	172,200	218.9%
Total Expenditures	\$2,846,786	\$ 2,769,296	\$ 2,762,479	\$ 2,788,464	0.7%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 5.6% due to health insurance premiums and merit increases.

Operations & Maintenance

Operations & Maintenance decreased 6.2% due to savings in utility and CAP water purchasing costs.

Capital

The increase in budgeted capital is primarily for vehicle replacements.

Water Utility - Distribution

OVERVIEW

The Distribution Division oversees the operation and maintenance of potable and reclaimed water distribution systems, to include, water mains, fire hydrants, air release valves and pressure reducing valves. Responsibilities include water quality, backflow prevention, preventative maintenance and construction of minor water main projects.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Personnel					
Water Distrib. Superintendent	1.00	1.00	1.00	1.00	-
Lead Water Utility Operator	3.00	3.00	3.00	3.00	-
Water Utility Operator III	2.00	1.00	1.00	2.00	1.00
Water Utility Operator II	2.00	3.00	3.00	2.00	(1.00)
Total FTEs	8.00	8.00	8.00	8.00	-

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Personnel	\$ 495,720	\$ 603,815	\$ 603,815	\$ 628,644	4.1%
Operations & Maintenance	147,103	228,370	228,370	235,440	3.1%
Capital Outlay	23,601	208,300	208,300	64,800	-68.9%
Total Expenditures	\$ 666,424	\$ 1,040,485	\$ 1,040,485	\$ 928,884	-10.7%

FY 2015/2016 Expenditure and Staffing Changes

Personnel

Personnel costs increased 4.1% due to health insurance premiums and merit increases.

Capital

Capital decreased 68.9% due to vehicle and equipment purchases made in FY 2015.

Water Utility – Alternative Water Resource Development

OVERVIEW

The Alternative Water Resources Development Impact Fee Fund accounts for expenditures for alternative water resource capital costs and any related debt service. Revenues are received from impact fees. Specific activities include analysis, planning, design and construction of infrastructure required to deliver alternative water resources (Central Arizona Project (CAP) and reclaimed water) to the town.

Expenditures	FY 2014	FY 2015	FY 2015	FY 2016	Variance to Budget
	Actual	Budget	Projected	Budget	
Operations & Maintenance	\$ 314,658	\$ 31,500	\$ 39,127	\$ 30,820	-2.2%
Capital Outlay	867,297	300,000	113,764	-	-100.0%
Debt Service	1,027,470	-	-	-	0.0%
Other Financing Uses	400,000	-	-	-	0.0%
Total Expenditures	\$2,609,425	\$ 331,500	\$ 152,891	\$ 30,820	-90.7%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Impact Fees	\$ 2,376,682	\$ 1,409,646	\$ 767,425	\$ 1,331,323	-5.6%
Interest Income	22,208	17,050	20,000	19,840	16.4%
Total Revenues	\$2,398,890	\$1,426,696	\$ 787,425	\$1,351,163	-5.3%

FY 2015/2016 Expenditure Changes

Capital Outlay

Capital outlay decreased 100%, as projects budgeted in this fund for FY 2015 were completed.

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Water Utility – Potable Water System Development

OVERVIEW

The Potable Water System Development Impact Fee Fund accounts for expenditures for potable water capital improvements that are growth-related and debt service. Revenues are received from impact fees which are collected and used for repayment of bonds sold to finance the capital projects. Specific activities include design and construction of infrastructure required to deliver potable water to meet the needs of future customers.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Capital Outlay	\$ -	\$ -	\$ -	\$ -	0.0%
Debt Service	483,021	327,424	327,474	331,478	1.2%
Total Expenditures	\$ 483,021	\$ 327,424	\$ 327,474	\$ 331,478	1.2%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Impact Fees	\$ 1,413,047	\$ 707,691	\$ 443,075	\$ 663,207	-6.3%
Interest Income	30,673	17,050	20,000	19,840	16.4%
Total Revenues	\$1,443,720	\$ 724,741	\$ 463,075	\$ 683,047	-5.8%

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Municipal Debt Service Fund

OVERVIEW

The Municipal Debt Service Fund allocates money for principal and interest payments on the issuance of tax-exempt bonds. The Town has issued bonds for the acquisition of land and construction of buildings to support Town services. This fund also allocates money for principal and interest payments on the Town's Clean Renewable Energy Bonds (CREBS). Repayment of debt is pledged with excise sales tax, state shared revenue and other permit and fee revenues.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ 5,900	\$ 10,000	\$ 16,800	\$ 10,000	0.0%
Debt Service	826,641	847,433	847,433	881,632	4.0%
Total Expenditures	\$ 832,541	\$ 857,433	\$ 864,233	\$ 891,632	4.0%

	Revenue Sources				
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Other Financing Sources	\$ 430,152	\$ 329,627	\$ 329,627	\$ 655,750	98.9%
Federal Grants	68,988	67,877	67,877	58,238	-14.2%
Miscellaneous	92,375	83,000	90,000	90,000	8.4%
Interest Income	39	-	29	-	0.0%
Total Revenues	\$ 591,554	\$ 480,504	\$ 487,533	\$ 803,988	67.3%

FY 2015/2016 Expenditure Changes

Debt Service

Debt service increased 4% due to increased principal and interest payments on the Town's outstanding debt.

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Oracle Road Improvement District

OVERVIEW

The Oracle Road Improvement District Debt Service Fund allocates money for principal and interest payments on the issuance of Improvement District Bonds. The Town issued bonds in 2005 to finance the widening of Oracle Road along the Rooney Ranch development. The bonds are repaid by the assessments levied on the property owners in the improvement district.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ 2,155	\$ 2,050	\$ 2,050	\$ 3,000	46.3%
Debt Service	1,460,020	175,918	175,918	175,153	-0.4%
Total Expenditures	\$1,462,175	\$ 177,968	\$ 177,968	\$ 178,153	0.1%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Interest Repayments	\$ 81,572	\$ 45,918	\$ 45,918	\$ 40,153	-12.6%
Principal Repayments	1,380,697	130,000	130,000	135,000	3.8%
Penalty	37	-	-	-	0.0%
Other Financing Sources	-	2,000	2,000	3,000	50.0%
Total Revenues	\$1,462,306	\$ 177,918	\$ 177,918	\$ 178,153	0.1%

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Library Impact Fee Fund

OVERVIEW

The Library Impact Fee Fund is used to manage the expenditure of development impact fees dedicated to the Oro Valley Public Library. Library operations were assumed by Pima County effective January 1, 2013; therefore, these fees are no longer collected.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Operations & Maintenance	\$ -	\$ -	\$ -	\$ -	0.0%
Capital Outlay	-	20,000	20,000	113,000	465.0%
Total Expenditures	\$ -	\$ 20,000	\$ 20,000	\$ 113,000	465.0%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Miscellaneous	\$ -	\$ -	\$ -	\$ 30,000	0.0%
Total Revenues	\$ -	\$ -	\$ -	\$ 30,000	0.0%

FY 2015/2016 Expenditure Changes

Capital Outlay

Budget capital in FY 2016 is for Library parking lot improvements.

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General Government CIP Fund

OVERVIEW

The General Government CIP Fund was a new fund in FY 2015 and is used to account for Capital Improvement Program (CIP) projects that serve a general government or Town-wide purpose. These projects were previously budgeted among various General Fund departments. A separate fund established for this purpose allows for more efficient tracking of project costs and funding.

Expenditures	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Capital Outlay	\$ -	\$ 3,090,000	\$ 2,695,000	\$ 2,580,000	-16.5%
Total Expenditures	\$ -	\$3,090,000	\$2,695,000	\$2,580,000	-16.5%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Other Financing Sources	\$ 1,500,000	\$ 2,730,000	\$ 2,610,000	\$ 1,114,000	-59.2%
State Grants	-	-	-	81,000	0.0%
Total Revenues	\$1,500,000	\$2,730,000	\$2,610,000	\$1,195,000	-56.2%

FY 2015/2016 Expenditure Changes

Capital Outlay

Capital outlay decreased 16.5% due to projects completed in FY 2015.

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Benefit Self Insurance Fund

OVERVIEW

The Benefit Self Insurance Fund is used to manage costs related to the Town's self-funding of health and dental insurance, the employee onsite health clinic and Affordable Care Act (ACA) compliance fees.

	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	Variance to Budget
Expenditures					
Operations & Maintenance	\$ 2,196,187	\$ 2,507,200	\$ 2,792,847	\$ 2,860,400	14.1%
Total Expenditures	\$2,196,187	\$2,507,200	\$2,792,847	\$2,860,400	14.1%

	Revenue Sources				Variance to Budget
	FY 2014 Actual	FY 2015 Budget	FY 2015 Projected	FY 2016 Budget	
Self Insurance Premiums	\$ 2,117,316	\$ 2,410,200	\$ 2,410,200	\$ 2,718,400	12.8%
Miscellaneous	95,978	21,000	20,000	142,000	576.2%
Total Revenues	\$2,213,294	\$2,431,200	\$2,430,200	\$2,860,400	17.7%

FY 2015/2016 Expenditure Changes

Operations & Maintenance

Operations & Maintenance increased 14.1% due to premium increases, ACA compliance fees, and the first full year of budgeted costs for the employee onsite health clinic.

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CAPITAL IMPROVEMENT PROGRAM

Program Overview
Projects by Fund
Map of Projects
Project Descriptions



Capital Improvement Program (CIP)

Overview

Providing infrastructure is a primary function of a local government. Maintaining public safety, town services, parks and recreation facilities, adequate transportation systems, and the community's quality of life are all heavily dependent on how the Town handles infrastructure issues.

The Capital Improvement Program (CIP) is a comprehensive, fifteen-year plan of capital projects that will support the continued growth and development of the town. The CIP is used in implementing the General Plan and supporting the Town's adopted Strategic Plan by developing a prioritized schedule of short-range and long-range community capital needs, evaluating projects, and analyzing the community's ability and willingness to pay for them in the most cost-effective way. The Town uses the CIP as its method in determining future infrastructure requirements and planning the financing of facilities and equipment to maintain the service levels provided to town citizens.

The Town identifies capital projects as those which:

- Cost \$50,000 or more;
- Have an expected useful life of five or more years; and
- Becomes, or preserves, an asset of the Town

The Town uses the CIP as an avenue of communication to the public. Through the CIP document, residents and businesses are provided with an accurate and concise view of the Town's long term direction for capital investment and the Town's need for stable revenue sources to fund large multi-year capital projects.

CIP Process and Timeline

The FY 2015/16 CIP process began in December. Project requests were submitted, reviewed and analyzed by Finance staff and the Town Manager's Office. An internal, cross-departmental review and ranking of all project requests was completed in order to prepare the proposed fifteen-year CIP. Meetings convened in January and February for project presentation and ranking evaluation. The fifteen-year recommendation was submitted to Council for approval and adoption with the Town's final budget in June. A summary of the process and timeline is provided below:

December:	CIP request forms provided to department directors Department requests due Cost analysis performed, forms edited
January:	CIP packets and evaluation forms distributed Meeting scheduled to present and evaluate project requests
February:	Project rankings due Meeting scheduled to evaluate project rankings CIP recommendations finalized
April:	Budget study sessions to present Budget and CIP to Mayor and Council
May:	Adoption of Tentative Budget and CIP
June:	Adoption of Final Budget and CIP

Capital Improvement Program

Project Evaluation Criteria

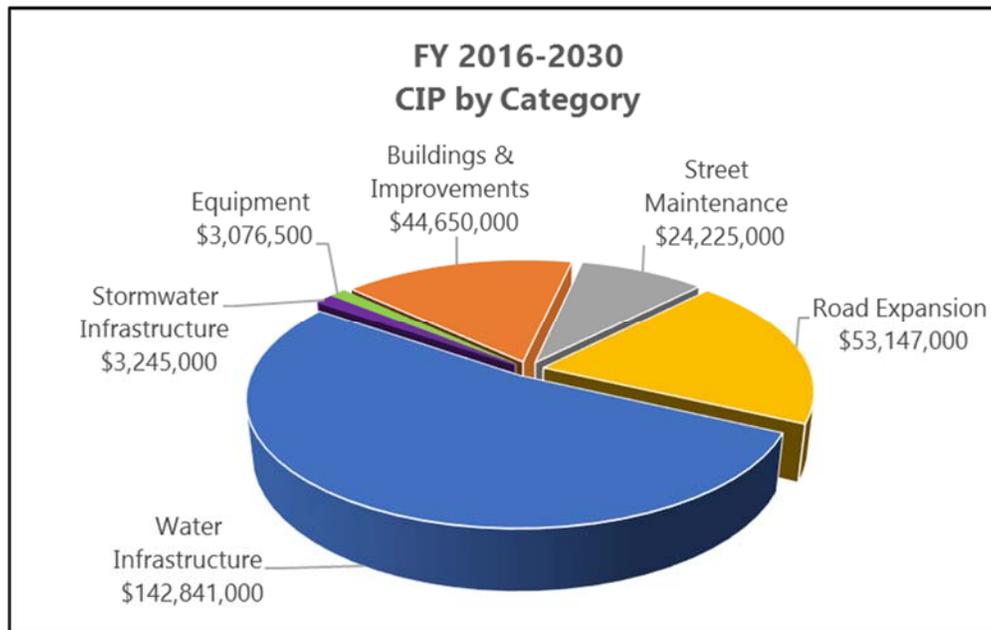
Critical to the selection of the CIP projects are the criteria by which projects are assessed and evaluated. The evaluation criteria guide the review and ranking committee in their selection of the projects to be funded. The evaluation criteria areas are as follows:

- Public Health, Safety and Welfare
- Supports Stated Community Goals
- Fiscal Impact
- Service Level Impact
- Legal Ramifications
- Relationship to Other Projects

Only projects budgeted in the General Government CIP Fund are subject to the evaluation criteria. These projects receive their funding from the General Fund. Projects funded from the remaining Town Funds, such as the Highway Fund, impact fee funds and the Water Utility Fund are deemed vital and necessary to the Town's infrastructure. Furthermore, these funds are either self-sustaining, receive funding from outside sources, such as the Pima Association of Governments (PAG) and other governmental agencies and jurisdictions, or have dedicated revenues that specify the use of the funds.

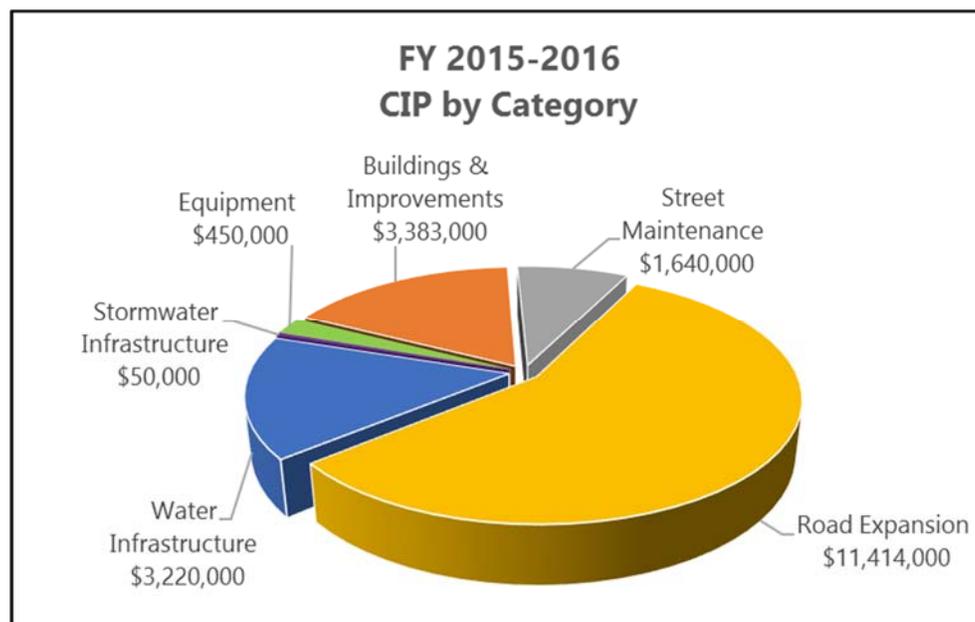
Capital Improvement Program Summary

The cumulative fifteen-year CIP for the Town of Oro Valley totals \$271,184,500 for fiscal years 2015-16 through 2029-30. The graph below shows the allocations by category for the given years:



Capital Improvement Program

The amount allocated for CIP projects in the FY 15/16 budget is \$20,157,000. The graph below shows the allocations by category for FY 15/16. The projects included in the FY 15/16 CIP reflect the needs of the Town based on goals established in both the General and Strategic Plans. The projects represent a significant investment in the infrastructure of the Town and attempt to meet the needs of the community.



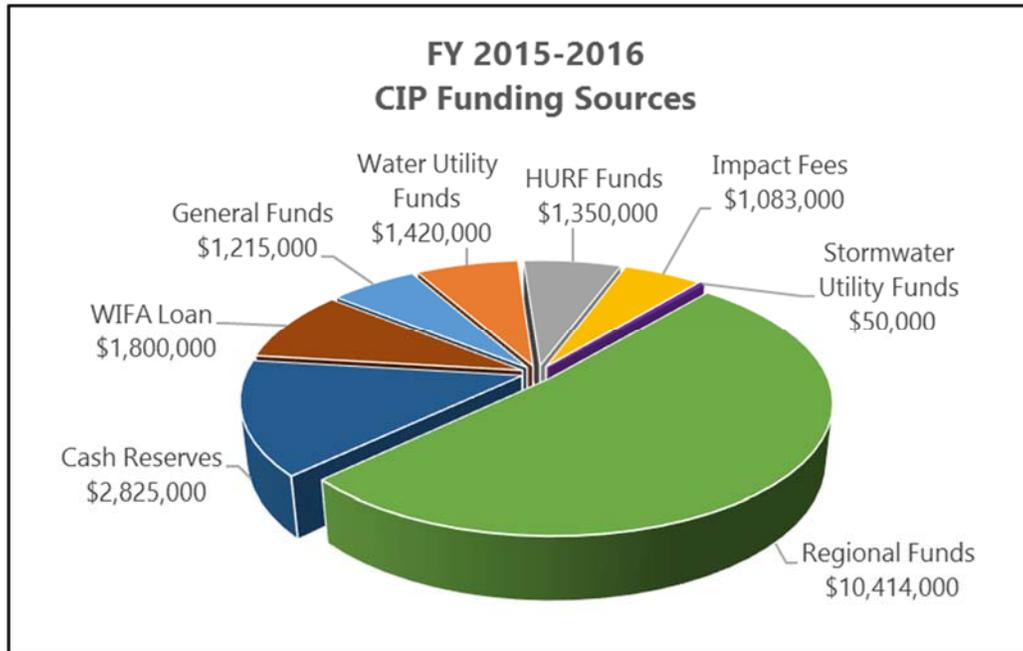
Financing the Capital Improvement Program

Over the years, the Town of Oro Valley has financed a substantial portion of capital improvements through operating revenue and use of cash reserves. The “pay-as-you-go” financing method has been the preferred method for funding CIP projects in the past. Revenues deemed one-time in nature, such as large commercial and residential permitting and associated construction sales taxes, are dedicated towards one-time capital projects. The following options are considered when analyzing potential funding sources for CIP projects:

- Pay-as-you-go financing
- Bonds
- Loans
- Certificates of participation
- Lease-purchase agreements
- Improvement districts
- Development impact fee ordinances
- Federal and state grants
- Donations and intergovernmental agreements
- User fees

Capital Improvement Program

Funding for the FY 15/16 CIP totals \$20,157,000 and is derived from a variety of sources as depicted in the chart below:



Significant funding is generated through local taxes, development fees and intergovernmental grants. The Town has relied heavily on income related to development to fund capital projects, and a continuing challenge for the Town is the development of funding sources to supplement this income as construction activity fluctuates.

Impact on the Operating Budget

The Town of Oro Valley's operating budget is directly affected by the CIP. When certain types of capital projects are developed and completed, they also have ongoing financial impacts on the Town's operating budgets. For example, if the Town were to construct a new park or ball field, the operating budget for the Parks and Recreation Department would increase to include the routine maintenance of the new park or field. Also, the Town would need to include capacity in the operating budget to account for any new staff, equipment, utilities, etc. that would be necessary to maintain and operate the new facility.

In the FY 2016-2030 CIP, the individual projects include an estimated future operating budget impact, if it is possible to identify the cost at this time in the project's lifecycle. These costs are estimates provided by the professionals in each department that are responsible for the completion of the project.

The Town carefully considers these operating costs when deciding which projects move forward in the CIP, as it is not sustainable for the Town to fund concurrently several large-scale projects that have significant operating budget impacts. Current economic conditions place an even greater emphasis on the desire for self-sustaining projects with neutral operating impacts.

Capital Improvement Program

The table below summarizes the projected annual impact of the FY 15/16 CIP on the Town's operating budget:

Project	Impact	Impact \$ Annually
Transit Scheduling Software/Mobility Data System	Maintenance savings	(\$600)
Infrastructure Asset Management Software	Software licensing and personnel costs	\$37,500
Aquatic Center Parking Lot Lighting	Electricity and maintenance costs	\$10,000
Calle Concordia Fiber-Optic Connection	Net avoidance of future circuit lease costs	(\$29,000)
Improvements at Steam Pump Ranch	Supply savings	(\$500)
New Restroom at Naranja Park	Utilities, supplies and personnel costs	\$8,000
Property/ID & Southern Substation Building	Net decrease due to savings in rental costs	(\$18,800)
AMI Meter Replacement (Phase 4)	WIFA loan debt service (all phases)	\$408,000
Energy Efficiency Booster Upgrades	Electricity savings	(\$2,000)
Main Valve Replacement Program	Maintenance savings	(\$2,000)
Reservoir Water Quality Control Program	Electricity costs	\$500
Hydropneumatic (HP) Tank Replacement (Wells)	Maintenance savings	(\$1,000)
West Lambert Lane 12" Main Relocation	Maintenance savings	(\$500)
Total		\$409,600

Note: This list represents projects that were approved for funding in FY 15/16 that have a known and quantifiable impact on the Town's operating budget. For a complete list of funded projects, please see the Project Descriptions section of this document.

Summary

Projects included in the FY 15/16 CIP reflect the combined efforts of all Town departments as well as the Town Council and Oro Valley residents. The plan recognizes the added benefits the projects will bring to the Town, while understanding the fiscal requirements and obligations each of these projects will entail. The CIP is updated annually, and new projects may be included should additional funding sources be identified.

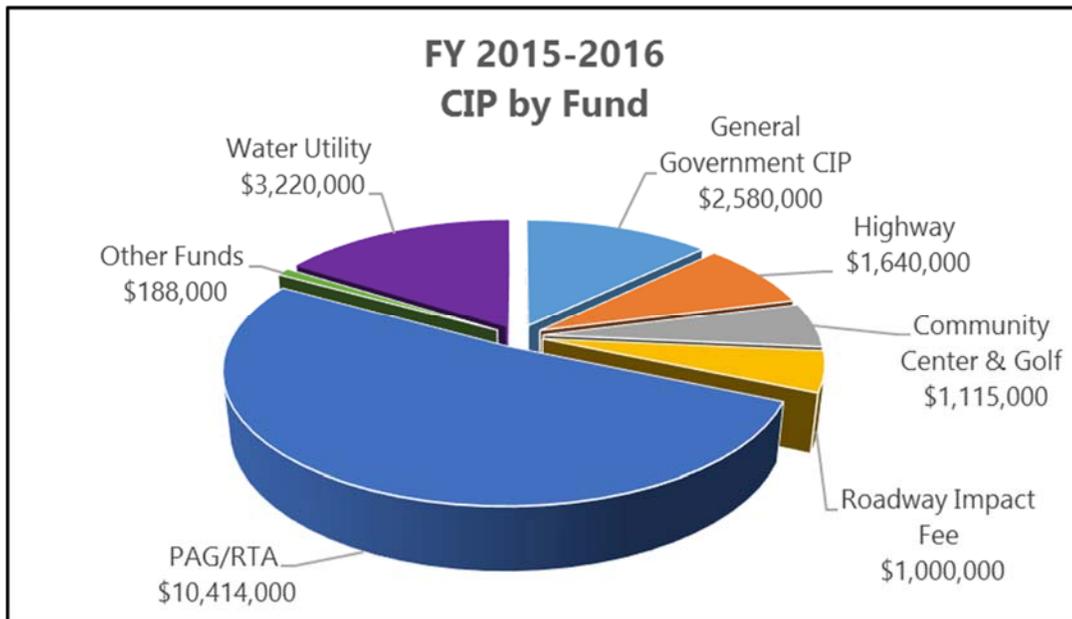
The FY 15/16 CIP attempts to meet the priority needs of the community, at the same time maintaining financial sustainability in future years. The plan as submitted is financially feasible and many of the projects included can be expected to be complete before the end of the fiscal year. As Town priorities and policies change, it is imperative that the CIP remain fluid and undergo continual evaluation to ensure the projects and funding sources are in accordance with the Town Council priorities and policies.

The documents provided on the following pages offer an in-depth view into the CIP budget and provide detailed information on the projects and the impact they have on the operating budget.

Capital Improvement Program

Table 1 below shows the fifteen-year CIP by fund:

Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
General Government CIP	\$ 2,580,000	\$ 1,960,000	\$ 1,350,000	\$ 6,635,000	\$ 4,385,000	\$ 3,741,500
Highway	1,640,000	1,750,000	1,500,000	6,685,000	6,740,000	5,910,000
Community Center & Golf	1,115,000	1,255,000	1,248,500	4,313,500	730,000	-
Roadway Impact Fee	1,000,000	1,700,000	1,300,000	-	-	-
PAG/RTA	10,414,000	17,233,000	18,200,000	3,150,000	75,000	75,000
Library Impact Fee	83,000	-	-	-	-	-
Fleet	55,000	100,000	-	-	-	-
Water Utility	3,220,000	2,325,000	980,000	7,860,000	9,360,000	6,286,000
Alternative Water Resource Impact Fee	-	-	400,000	9,310,000	31,150,000	49,000,000
Potable Water System Impact Fee	-	-	-	2,250,000	2,550,000	18,150,000
Stormwater Utility	50,000	380,000	680,000	1,170,000	525,000	440,000
County Bond	-	-	9,000,000	9,175,000	-	-
Total All Funds	\$20,157,000	\$26,703,000	\$34,658,500	\$50,548,500	\$55,515,000	\$83,602,500



Capital Improvement Program

Table 2 below identifies the General Government CIP Fund projects for Fiscal Years 2016-2030:

General Government CIP Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Facilities Expansion & Improvements	\$ -	\$ 50,000	\$ -	\$ 125,000	\$ -	\$ -
Transit Scheduling Software and Mobility Data System	90,000	-	-	-	-	-
Infrastructure Asset Management Software	40,000	-	-	-	-	-
Aquatic Center Parking Lot Lighting	200,000	-	-	-	-	-
Replacement Phone System	-	-	-	-	300,000	-
Town Backups	-	-	-	200,000	-	-
Server Room Expansion	-	150,000	-	-	-	-
Server Operating System Upgrade	-	-	-	50,000	60,000	70,000
Network Storage Upgrade	-	-	50,000	-	60,000	72,000
Database Licensing	-	-	-	80,000	85,000	93,500
Upgrade Desktop Operating System	-	-	150,000	-	200,000	220,000
Virtual Server Host System Replacement	60,000	-	-	60,000	60,000	66,000
Replace Network Infrastructure Hardware	-	-	-	50,000	200,000	-
Fiber-Optic Connection - Calle Concordia	50,000	-	-	-	-	-
IT Townwide Facility Improvements	50,000	-	-	-	-	-
IT Regulatory Compliance	-	50,000	-	100,000	50,000	50,000
New Court/Prosecution Building	-	-	-	3,500,000	-	-
Courtroom Remodel and Bench Redesign	165,000	-	-	-	-	-
Court/Prosecution Building Lobby Expansion	-	-	-	250,000	-	-
Two Additional Soccer Fields at Naranja Park	-	-	600,000	-	-	-
New Playground at Naranja Park	-	-	-	395,000	-	-
Playground Additions/Upgrades at Riverfront Park	-	-	-	200,000	-	-
Renovate Upper Soccer Field at Riverfront Park	-	-	-	200,000	-	-
Convert Lower Soccer Field to Softball at Riverfront Park	-	-	-	200,000	-	-
Playground Upgrade at JDK Park	-	-	-	200,000	-	-
New Park Ramadas	-	-	100,000	200,000	-	-
Expand and Upgrade Green Field at JDK Park	-	-	-	150,000	-	-
Honeybee Canyon Park Upgrades	-	-	-	150,000	-	-
Improvements at Steam Pump Ranch (Rollover)	50,000	-	-	-	-	-
Procter/Leiber House Renovation at Steam Pump Ranch	-	400,000	100,000	-	-	-
New Restroom/Modular at Naranja Park (Rollover)	145,000	-	-	-	-	-
Town Hall Parking Lot Landscaping	-	-	-	75,000	-	-
Mobile Stage	-	-	-	150,000	-	-
El Conquistador Country Club & Golf Course Acquisition	300,000	350,000	350,000	-	-	-
Property/ID and Southern Substation Building	1,220,000	960,000	-	-	-	-
Taser Replacement	86,000	-	-	-	-	-
Mobile Data Computer (MDC) Replacement	124,000	-	-	-	-	-
New Substation and Training Facility at MOC	-	-	-	-	3,170,000	-
Substation and Training Facility (Arroyo Grande)	-	-	-	-	-	3,170,000
Replace Command Post	-	-	-	300,000	-	-
Expand Communications Infrastructure	-	-	-	-	200,000	-
Total	\$ 2,580,000	\$ 1,960,000	\$ 1,350,000	\$ 6,635,000	\$ 4,385,000	\$ 3,741,500

Capital Improvement Program

Table 3 below identifies the Highway Fund projects for Fiscal Years 2016-2030:

Highway Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Skidsteer (Bobcat) with Attachments - Replacement	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -
Small Asphalt Laydown Machine	-	125,000	-	-	-	-
Excavator - Expansion	-	325,000	-	-	-	-
10 Wheel Tractor w/Day Cab - Expansion	-	-	-	115,000	-	-
4000 Gallon Water Truck - Replacement	-	-	-	110,000	-	110,000
Belly Dump - Expansion	-	-	-	75,000	-	-
Belly Dump - (Rock End Dump) - Expansion	-	-	-	75,000	-	-
10 Ton Smooth Drum Roller - Replacement	-	-	-	75,000	-	-
Low Boy Trailer - Expansion	-	-	-	75,000	-	-
Rubber Tire Pneumatic Roller - Replacement	-	-	-	80,000	-	-
Smaller Asphalt Laydown Machine - Expansion	-	-	-	-	125,000	-
Gannon & Mower - Replacement	-	-	-	80,000	-	-
Crack Seal Unit Replacement with Auto Feed	-	-	-	-	90,000	100,000
Blade/Motor Grader - Replacement	-	-	-	-	350,000	-
Steel Roller - Replacement	-	-	-	-	65,000	-
Vermeer - Wood Chipper - Replacement	-	-	-	-	110,000	-
4.5 Cubic Loader 938G - Replacement	-	-	-	-	250,000	-
Crack Sealing Machine - Replacement	-	-	-	-	-	100,000
ADC Vehicle	-	-	50,000	-	-	-
Pavement Preservation Program	1,350,000	1,250,000	1,250,000	5,000,000	5,000,000	5,000,000
Rancho Vistoso Boulevard Street Lights	-	-	-	200,000	-	-
Tangerine Access to Safeway (1st Ave) - Safety (Rollover)	180,000	-	-	-	-	-
Infrastructure Asset Management Software	60,000	50,000	-	-	-	-
Illuminated Street Signs	50,000	-	50,000	200,000	50,000	-
Sidewalk Safety Program	-	-	150,000	600,000	600,000	600,000
Total	\$ 1,640,000	\$ 1,750,000	\$ 1,500,000	\$ 6,685,000	\$ 6,740,000	\$ 5,910,000

Table 4 below identifies the Community Center & Golf Fund projects for Fiscal Years 2016-2030:

Community Center & Golf Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Community Center & Golf Course Facility Improvements	\$ 1,115,000	\$ 1,255,000	\$ 1,248,500	\$ 4,313,500	\$ 730,000	\$ -
Total	\$ 1,115,000	\$ 1,255,000	\$ 1,248,500	\$ 4,313,500	\$ 730,000	\$ -

Capital Improvement Program

Table 5 below identifies the Roadway Impact Fee Fund projects for Fiscal Years 2016-2030:

Roadway Impact Fee Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Lambert Lane from La Cañada to La Cholla	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Tangerine Road from La Cañada to Shannon	1,000,000	-	-	-	-	-
La Cholla Blvd from Lambert to Tangerine	-	-	800,000	-	-	-
Traffic Light at La Cañada and Moore	-	700,000	-	-	-	-
Naranja Drive Two-Way Left Turn (at Naranja Park)	-	-	500,000	-	-	-
Total	\$ 1,000,000	\$ 1,700,000	\$ 1,300,000	\$ -	\$ -	\$ -

Table 6 below identifies the PAG/RTA Fund projects for Fiscal Years 2016-2030:

PAG/RTA Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Lambert Lane from La Cañada to La Cholla	\$ 4,050,000	\$ 2,033,000	\$ -	\$ -	\$ -	\$ -
Lambert Lane Multi-Use Path	75,000	-	-	-	-	-
Palisades Road Multi-Use Path	284,000	-	-	-	-	-
RV and Vistoso Highlands Traffic Signal - ROLLOVER	50,000	-	-	-	-	-
Sidewalk - Vist Highlands to Morning Vista - ROLLOVER	20,000	-	-	-	-	-
Transportation Art by Youth Program (PAG Funded)	75,000	-	-	150,000	75,000	75,000
HAWK Crosswalk Signals - La Cañada	-	200,000	200,000	-	-	-
Naranja Drive from La Cholla to Shannon	2,000,000	-	-	-	-	-
Tangerine Road from La Cañada to Shannon	1,860,000	-	3,000,000	-	-	-
La Cholla Blvd from Lambert to Tangerine	2,000,000	15,000,000	15,000,000	3,000,000	-	-
Total	\$ 10,414,000	\$ 17,233,000	\$ 18,200,000	\$ 3,150,000	\$ 75,000	\$ 75,000

Table 7 below identifies the Library Impact Fee Fund projects for Fiscal Years 2016-2030:

Library Impact Fee Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Library Parking Lot Enhancements	\$ 83,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 83,000	\$ -	\$ -	\$ -	\$ -	\$ -

Table 8 below identifies the Fleet Fund projects for Fiscal Years 2016-2030:

Fleet Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Calle Concordia Fueling Facility Upgrade	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Service Truck	-	100,000	-	-	-	-
Total	\$ 55,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -

Capital Improvement Program

Table 9 below identifies the Pima County Bond Fund projects for Fiscal Years 2016-2030:

Pima County Bond Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Carlos' House Renovation at Steam Pump Ranch	\$ -	\$ -	\$ -	\$ 175,000	\$ -	\$ -
Steam Pump Ranch Master Plan Implementation	-	-	-	5,000,000	-	-
New Park at Naranja Park Site	-	-	9,000,000	-	-	-
JDK Park Upgrades	-	-	-	3,000,000	-	-
Softball Fields at Riverfront Park	-	-	-	1,000,000	-	-
Total	\$ -	\$ -	\$ 9,000,000	\$ 9,175,000	\$ -	\$ -

Table 10 below identifies the Water Utility Fund existing system improvement projects for Fiscal Years 2016-2030:

Water Utility - Existing System Improvements	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
24-Inch Reclaimed Main Relocation Tangerine Rd	\$ 350,000	\$ 700,000	\$ -	\$ -	\$ -	\$ -
AMI Meter Replacement - Oro Valley	1,800,000	-	-	-	-	-
Energy Efficiency Booster Upgrades	100,000	-	-	-	-	-
Well Meter Replacement	-	-	-	200,000	-	50,000
Main Valve Replacement Program	50,000	50,000	50,000	100,000	-	-
Steel Tank Safety Railings	80,000	-	-	-	-	-
Reservoir Water Quality Control Program	60,000	60,000	70,000	-	-	-
Tangerine Potable Main Extension	80,000	-	-	-	-	-
Steam Pump Well Drill and Construct	-	-	-	1,600,000	-	-
Steam Pump Solar - 10,000 Watt System	-	-	-	50,000	-	-
On Call Service Truck	-	90,000	-	-	110,000	-
Big Wash Reservoir Coating	-	100,000	-	-	-	-
Hydropneumatic (HP) Tank Replacement (Wells)	50,000	50,000	50,000	50,000	-	-
Hydropneumatic (HP) Tank Replacement (Boosters)	-	60,000	60,000	60,000	-	-
Construction Equipment - Backhoe	-	-	-	-	-	140,000
SCADA Legacy Replacement	-	-	-	100,000	100,000	100,000
W. Lambert Lane 12" Main Relocation	450,000	-	-	-	-	-
Rancho Verde Hydrants	-	200,000	-	-	-	-
Relocate 3 Pressure Reducing Valves in OV Area	-	100,000	-	-	-	-
System Connection Upgrades	100,000	-	-	-	-	-
Reclaimed Booster and Pump Replacements	-	200,000	-	-	-	-
Replace Well Pumps	-	75,000	-	175,000	200,000	200,000
Deer Run Booster Pressure Reduce Valve Install	-	40,000	-	-	-	-
Well E2 Upgrade	-	100,000	-	-	-	-
El Con Storage - Operational Improvements	-	-	50,000	-	-	-
El Con Patio Homes and Casitas Main Replace	-	-	-	1,400,000	-	-
SCADA Servers and Monitors	-	-	-	50,000	50,000	50,000
Wall Upgrades and Improvements	-	-	-	75,000	100,000	100,000
Golf Course Metering Stations Modifications	-	-	-	50,000	-	-
Replace Crimson Canyon Booster Station	-	-	-	250,000	-	-
El Con Tennis Club La Cañada Main Replacement	-	-	-	600,000	-	-
High Mesa E and F Zone Booster Station	-	-	-	50,000	-	-
D Zone Well Replacement	-	-	700,000	900,000	1,700,000	1,700,000
La Cholla - Lambert to Tangerine Main Relocation	100,000	500,000	-	-	-	-
Linda Vista Citrus Tracts Main Replacement	-	-	-	500,000	250,000	-
Instrumentation Replacement	-	-	-	250,000	-	-
Deer Run D and E Zone Booster Station	-	-	-	-	1,500,000	-
Pusch Ridge Estates Main Replacement	-	-	-	-	1,000,000	-
Monte Del Oro Main Replacement	-	-	-	-	1,200,000	-
Rancho Verde Main Replacement	-	-	-	-	-	1,600,000
Rancho Felix Main Replacement	-	-	-	-	-	800,000
Total	\$ 3,220,000	\$ 2,325,000	\$ 980,000	\$ 6,460,000	\$ 6,210,000	\$ 4,740,000

Capital Improvement Program

Table 11 below identifies the Water Utility Fund reclaimed water improvement projects for Fiscal Years 2016-2030:

Water Utility - Reclaimed Improvements	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
12-Inch Main Extension to serve Riverfront Park	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -	\$ -
12-Inch Main Extension to Serve Hilton	-	-	-	300,000	2,900,000	-
Reclaimed Water Metering Station to Serve Hilton	-	-	-	-	250,000	-
12-Inch Main Extension to Serve Pusch Ridge HS	-	-	-	-	-	1,024,000
12-Inch Main Extension to Serve JDK Park	-	-	-	-	-	522,000
Total	\$ -	\$ -	\$ -	\$ 1,400,000	\$ 3,150,000	\$ 1,546,000

Table 12 below identifies the Alternative Water Resources Development Impact Fee Fund projects for Fiscal Years 2016-2030:

Alternative Water Resources Impact Fee Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Central Arizona Project (CAP) Water Improvements						
CAP Blending Booster Station - Naranja	\$ -	\$ -	\$ -	\$ 700,000	\$ -	\$ -
Wheeling Tucson Water Naranja 1000 Acre Ft/Year	-	-	400,000	400,000	-	-
Tucson Water Oasis Booster Station Upgrades	-	-	-	130,000	-	-
Tucson Water 12-Inch Pipe	-	-	-	880,000	-	-
Tucson Water 16-Inch Pipe Oasis Rd	-	-	-	1,100,000	-	-
24-Inch Pipe - Naranja La Cholla to Tangerine	-	-	-	2,800,000	-	-
Tucson Water Naranja Booster Station Upgrade	-	-	-	1,200,000	-	-
Wheeling Tucson Water Naranja 500 Acre Ft/Year	-	-	-	800,000	-	-
E-C Pressure Reducing Valve Naranja Reservoir	-	-	-	100,000	-	-
24-Inch Pipe - La Cholla/Tangerine to La Canada	-	-	-	-	2,500,000	-
Big Wash D-E Booster Station	-	-	-	-	800,000	-
Inlet Outlet Modifications at Allied Signal Reservoir	-	-	-	-	50,000	-
Steam Pump C-D Booster Station	-	-	-	1,200,000	-	-
5000 Acre Ft/Year CAP	-	-	-	-	500,000	-
Lower Santa Cruz Recov Wells (1500 Acre Ft/Year)	-	-	-	-	900,000	-
Water Treatment R&R, Chlorination	-	-	-	-	1,400,000	1,000,000
Delivery, Storage, A-C and C-E Booster Stations	-	-	-	-	16,000,000	20,000,000
16-Inch Main Tangerine/La Canada to 1st Ave	-	-	-	-	3,000,000	700,000
PRV Feed to E Zone Tangerine/La Canada	-	-	-	-	50,000	-
PRV Feed to E Zone Tangerine and 1st Ave	-	-	-	-	50,000	-
3 Recov Wells & Delivery to Water Treatment Plant	-	-	-	-	4,000,000	500,000
E-F Zone Booster Station La Canada Reservoir	-	-	-	-	1,400,000	-
7 Recovery Wells	-	-	-	-	500,000	5,500,000
16-Inch Main Naranja/La Cholla to Reservoir	-	-	-	-	-	2,300,000
Concentrate Management CAP Water	-	-	-	-	-	13,000,000
Water Treatment and Reverse Osmosis	-	-	-	-	-	6,000,000
Total	\$ -	\$ -	\$ 400,000	\$ 9,310,000	\$ 31,150,000	\$ 49,000,000

Capital Improvement Program

Table 13 below identifies the Potable Water System Development Impact Fee Fund projects for Fiscal Years 2016-2030:

Potable Water System Impact Fee Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Expansion Related Improvements						
Property Acquisition C Zone Reservoir	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -
Booster Station C Zone	-	-	-	450,000	-	-
1.0 MG Reservoir C Zone	-	-	-	1,150,000	500,000	-
New 16" Main C Zone Connection	-	-	-	150,000	1,500,000	-
Property Acquisition F Zone Reservoir (Oracle Rd)	-	-	-	-	250,000	-
New 16" Main N. Oracle Rd. F Zone Connection	-	-	-	-	300,000	3,000,000
1.0 MG F Zone Reservoir - N. Oracle Rd.	-	-	-	-	-	2,750,000
N. Oracle Rd. H Zone Booster Station	-	-	-	-	-	750,000
New 12" H Zone Main Sun City	-	-	-	-	-	1,650,000
New 16" G Zone Main	-	-	-	-	-	2,200,000
Property Acquisition Tortolita G Zone Reservoir	-	-	-	-	-	250,000
Property Acquisition Chalk Creek H Zone Reservoir	-	-	-	-	-	200,000
2.0 MG Reservoir Tortolita G Zone	-	-	-	-	-	2,250,000
Booster Station G-H Zone Tortolita	-	-	-	-	-	550,000
0.5 MG Reservoir H Zone Chalk Creek	-	-	-	-	-	1,150,000
New 16" H Zone Main	-	-	-	-	-	2,200,000
New 16" Chalk Creek H Zone Main	-	-	-	-	-	1,200,000
Total	\$ -	\$ -	\$ -	\$ 2,250,000	\$ 2,550,000	\$ 18,150,000

Table 14 below identifies the Stormwater Utility Fund projects for Fiscal Years 2016-2030:

Stormwater Utility Fund	Fiscal Year					
	15/16	16/17	17/18	18/19 - 21/22	22/23 - 25/26	26/27 - 29/30
Side Cast Sweeper - Replacements	\$ -	\$ -	\$ -	\$ 85,000	\$ 85,000	\$ -
Street Sweeper - Broom Bear - Replacement (2)	-	-	240,000	240,000	240,000	-
Dozer w/Ripper & Angle Dozer - Lease Payment	-	50,000	50,000	225,000	-	-
4.5 Cubic Yard Wheel Loader - Lease Payment	50,000	50,000	50,000	-	-	-
10 Wheel End Dump Truck - Replacement	-	-	-	110,000	-	-
Neff Property Improvements - Wash Behind Fry's	-	80,000	-	-	-	-
<i>UNFUNDED - UNPROGRAMMED</i>						
Shadow Mountain Estate Wash Repair	-	200,000	-	-	-	-
Naranja Drainage Improvement (East of Shannon Rd)	-	-	340,000	-	-	-
Carmack Wash Drainage Improvements	-	-	-	200,000	-	-
Moore Road Drainage Improvements	-	-	-	160,000	-	-
Pistachio/Pomegrante Drainage Improvements	-	-	-	30,000	-	-
Peglar Wash Drainage Improvements	-	-	-	-	200,000	-
Lambert at Casas Entrance Drainage Improvements	-	-	-	120,000	-	-
Shannon Road Drainage Improvements	-	-	-	-	-	140,000
Drainage Improvement Project (Annexed Area)	-	-	-	-	-	300,000
Total	\$ 50,000	\$ 380,000	\$ 680,000	\$ 1,170,000	\$ 525,000	\$ 440,000

CIP – Project Descriptions

The following are detailed descriptions of all the projects budgeted for Fiscal Year 2015-2016:

PROJECT TITLE: Transit Scheduling Software and Mobility Data System

DEPARTMENT: Development and Infrastructure Svcs

FY 15-16 PROJECT BUDGET: \$90,000
(Equipment \$67K; implementation and license \$23K)

PRIMARY FUNDING: Arizona Dept of Transportation
5310 Grant (\$81,000)

ADDITIONAL FUNDING: General Fund (\$9,000)

PROJECT DESCRIPTION: Upgrade scheduling software and purchase mobility data system to improve overall performance, customer service and efficiency of transit service delivery

PROJECT JUSTIFICATION: Supports the strategy of improving transportation infrastructure as outlined in the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: Potential for increased Transit revenues due to improved scheduling

Operating Costs: \$ -

Operating Savings: \$ 600 in maintenance savings



PROJECT TITLE: Infrastructure Asset Management Software

DEPARTMENT: Development and Infrastructure Svcs

FY 15-16 PROJECT BUDGET: \$100,000; implementation and licensing (General Fund \$40K; Highway Fund \$60K)

TOTAL ESTIMATED PROJECT BUDGET: \$150,000

PRIMARY FUNDING: Highway Fund (\$110,000)

ADDITIONAL FUNDING: General Fund (\$40,000)

PROJECT DESCRIPTION: Upgrade software to improve overall performance in tracking, federally mandated inspections, mapping, web interaction, workforce management and infrastructure inventory

PROJECT JUSTIFICATION: Supports the strategies of improving Town resources and processes and prioritizing investments in capital infrastructure as outlined in the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -

Operating Costs: \$ 37,500 (\$25K for software licensing and \$12.5K for part-time data entry personnel)

Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Aquatic Center Parking Lot Lighting

DEPARTMENT: Development and Infrastructure Svcs

FY 15-16 PROJECT BUDGET: \$200,000
(Design \$10K; site prep \$10K; construction \$22K; equipment \$158K)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Add lighting for the recently constructed parking capacity at the Aquatic Center

PROJECT JUSTIFICATION: Lighting will increase safety and enhance use of the facility, supporting cultural, entertainment and sporting venues as outlined in the Strategic Plan



ANNUAL OPERATING IMPACT:

Operating Revenue:	Potential increase due to higher patronage and more scheduled events
Operating Costs:	\$ 10,000 in electricity and maintenance costs
Operating Savings:	\$ -

PROJECT TITLE: Virtual Server Host System Replacement

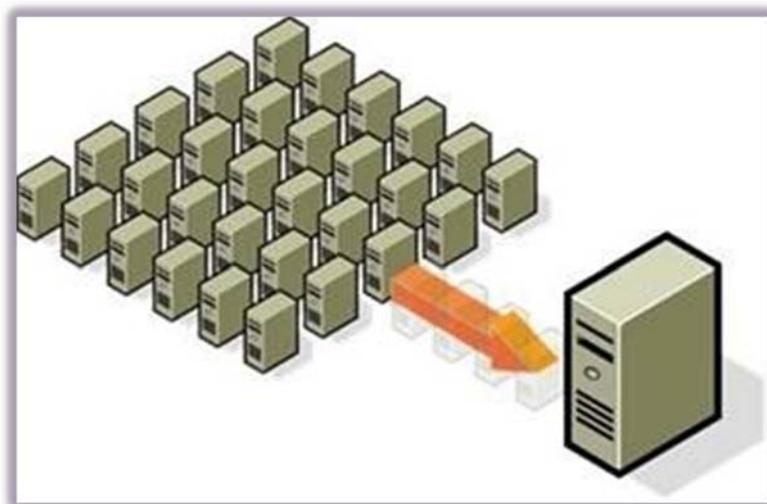
DEPARTMENT: Information Technology

FY 15-16 PROJECT BUDGET: \$60,000
(Equipment)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Five-year upgrade and replacement for hardware that supports multiple servers and systems

PROJECT JUSTIFICATION: Improves communication and service to the community by enabling and increasing information sharing, thereby supporting Strategic Plan strategies within the focus areas of Communication and Community Infrastructure & Services. Increases reliability and supportability, and sustains public service levels.



ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ -

CIP – Project Descriptions

PROJECT TITLE: Fiber-Optic Connection – Calle Concordia

DEPARTMENT: Information Technology

FY 15-16 PROJECT BUDGET: \$50,000
(Infrastructure)

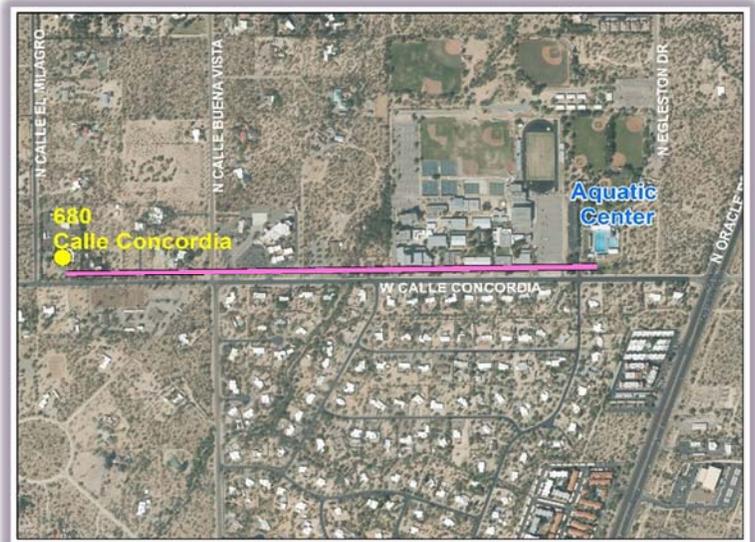
PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Establish a Town-owned fiber-optic connection between the Aquatic Center and 680 West Calle Concordia

PROJECT JUSTIFICATION: The current data connection is over-capacity, impacting employee productivity. This project will improve efficiency and resist outages. Supports the strategy of improving Town resources and processes as outlined in the Strategic Plan.

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ 2,500 in lease costs for Tucson Electric Power pole space
Operating Savings:	\$ 31,500 in future circuit lease costs



PROJECT TITLE: IT Townwide Facility Improvements

DEPARTMENT: Information Technology

FY 15-16 PROJECT BUDGET: \$50,000 (Equipment)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Complete various IT improvements to numerous Town facilities

PROJECT JUSTIFICATION: Improves Town resources and processes and prioritizes investments in capital infrastructure per strategies outlined in the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ -



CIP – Project Descriptions

PROJECT TITLE: Courtroom Remodel and Bench Redesign

DEPARTMENT: Court

FY 15-16 PROJECT BUDGET: \$165,000 (\$20K design; remainder construction)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Replace courtroom seating and remodel the bench area to accommodate space, function and access needs.

PROJECT JUSTIFICATION: Current courtroom seating is in disrepair. Bench area remodel will improve assess and allow space for computers, courtroom recording equipment and printers. Supports the strategy of prioritizing investments in capital infrastructure as outlined in the Strategic Plan.



ANNUAL OPERATING IMPACT:

Operating Revenue:	Potential increase in collection of fines with updated and remodeled courtroom
Operating Costs:	\$ -
Operating Savings:	\$ -

PROJECT TITLE: Improvements at Steam Pump Ranch (Rollover)

DEPARTMENT: Parks and Recreation

FY 15-16 PROJECT BUDGET: \$50,000

TOTAL ESTIMATED PROJECT BUDGET: \$125,000 (\$10K design; \$95K construction; \$20K rehab)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Historic preservation, building stabilization and rehabilitation improvements at Steam Pump Ranch

PROJECT JUSTIFICATION: Continued restoration and preservation of Steam Pump Ranch facilities, as well as continued development of the property, are specific strategies outlined in the Strategic Plan. The project preserves, protects and prevents further deterioration of this historic asset and allows for greater use of the property.



ANNUAL OPERATING IMPACT:

Operating Revenue:	Potential increase due to greater use of property and scheduled events
Operating Costs:	\$ -
Operating Savings:	\$ 500 savings in supplies that will no longer be needed

CIP – Project Descriptions

PROJECT TITLE: New Restroom/Modular at Naranja Park (Rollover)

DEPARTMENT: Parks and Recreation

FY 15-16 PROJECT BUDGET: \$145,000

TOTAL ESTIMATED PROJECT BUDGET: \$250,000
(\$15K planning/design; \$30K site prep; \$60K septic system; \$125K construction; \$15K equipment)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Construct 30x30 site-built restroom and septic system at Naranja Park

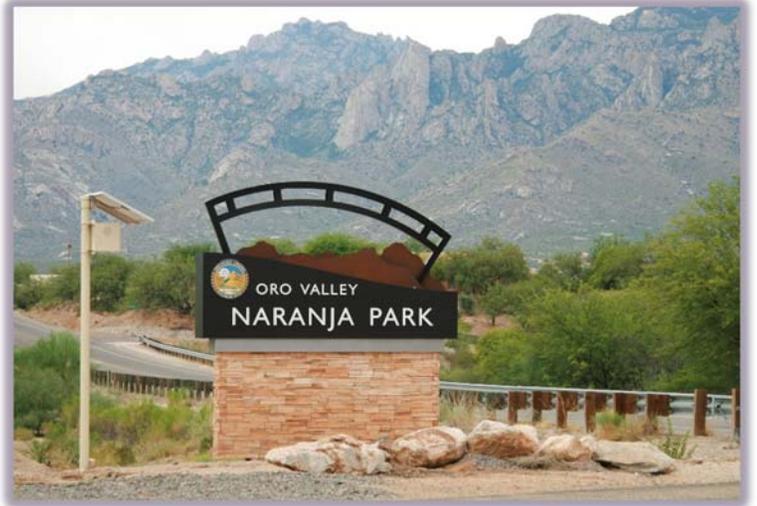
PROJECT JUSTIFICATION: Permanent restroom will enhance overall site aesthetics, cleanliness and safety. It will also provide opportunity to bid on area tournament play that will have a positive local economic impact. Project furthers the Strategic Plan strategy of supporting cultural, entertainment and sporting venues for economic development.

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -

Operating Costs: \$ 10,500 for cleaning costs, water, septic system maintenance, electricity and supplies

Operating Savings: \$ 2,500 savings in portable restroom lease costs that will no longer be incurred



PROJECT TITLE: El Conquistador Country Club & Golf Course Acquisition

DEPARTMENT: Parks and Recreation

FY 15-16 PROJECT BUDGET: \$300,000
(real estate acquisition)

TOTAL ESTIMATED PROJECT BUDGET:
\$1,000,000 (real estate acquisition)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Purchase of El Conquistador Country Club, golf course and tennis facilities for conversion to a Town community and recreation center (year 1 of 3-yr purchase plan)

PROJECT JUSTIFICATION: Addresses elements eight and nine of the 2005 adopted General Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ 7,400,763 (FY 15-16 Budgeted Revenues)

Operating Costs: \$ 8,183,333 (FY 15-16 Budgeted Expenditures)

Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Property/ID and Southern Substation Building

DEPARTMENT: Police

FY 15-16 PROJECT BUDGET: \$1,220,000 (\$200K design; remainder TBD pending site selection)

TOTAL ESTIMATED PROJECT BUDGET: \$2,180,000 (\$200K design; remainder TBD pending site selection)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Plan and construct Property/ID and Southern Substation building for evidence storage and police personnel

PROJECT JUSTIFICATION: Current evidence storage is not in compliance with state and federal occupational safety and health regulations. Project mitigates liabilities due to staff safety hazards by providing a safe and secure evidence storage facility and needed space for public safety personnel.

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ 37,500 in facility operating costs (utilities, supplies, etc.)
Operating Savings:	\$ 56,300 in rental lease costs



PROJECT TITLE: Taser Replacement

DEPARTMENT: Police

FY 15-16 PROJECT BUDGET: \$86,000 (Equipment)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Replacement of Tasers that are no longer manufactured, serviced or repairable

PROJECT JUSTIFICATION: Current Tasers are ten years old and have malfunctioned during testing. Project promotes public safety and continues to provide a reliable, less lethal option for police officers.

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ -



CIP – Project Descriptions

PROJECT TITLE: Mobile Data Computer (MDC) Replacement

DEPARTMENT: Police

FY 15-16 PROJECT BUDGET: \$124,000
(Equipment)

PRIMARY FUNDING: General Fund 100%

PROJECT DESCRIPTION: Replace mobile data computers that will no longer be in compliance with state regulations as of January 2016

PROJECT JUSTIFICATION: Current MDCs are more than five years old and will be non-compliant with state regulations as of January 2016. The replacement of the current MDCs will keep the Town in compliance with the regulations.

ANNUAL OPERATING IMPACT:

Operating Revenue: \$
 Operating Costs: \$ -
 Operating Savings: \$-



PROJECT TITLE: Pavement Preservation Program (Annual Surface Treatments)

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$1,350,000
(Construction)

PRIMARY FUNDING: Highway Fund 100%

PROJECT DESCRIPTION: Perform annual roadway surface treatments as per the Town’s pavement preservation and management program

PROJECT JUSTIFICATION: Funding reflects the Strategic Plan strategies of prioritizing investments in capital infrastructure and improving transportation infrastructure. This program enhances and improves the roadway system as a core service to town residents and maintains the town’s current overall condition index (OCI) rating.

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
 Operating Costs: \$ -
 Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Tangerine Access to Safeway (1st Ave) – Safety (Rollover)

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$180,000
(\$30K design; \$150K construction)

TOTAL ESTIMATED PROJECT BUDGET:
\$200,000 (\$50K design; \$150K construction)

PRIMARY FUNDING: Highway Fund 100%

PROJECT DESCRIPTION: Address traffic safety issue at intersection by constructing a new entrance to shopping center

PROJECT JUSTIFICATION: Mitigation of acute traffic safety issue based on completed intersection safety study

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -

Operating Costs: \$ -

Operating Savings: \$ -



PROJECT TITLE: Illuminated Street Signs

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$50,000
(Equipment)

TOTAL ESTIMATED PROJECT BUDGET:
\$400,000 (Equipment)

PRIMARY FUNDING: Highway Fund 100%

PROJECT DESCRIPTION: Replace current street signs with illuminated signs at 18 light intersections throughout town. The FY 15-16 budget provides capacity for two intersections.

PROJECT JUSTIFICATION: Enhances safety and appearance of the Town's infrastructure as per the General Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -

Operating Costs: \$ -

Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Community Center & Golf Course Facility Improvements

DEPARTMENT: Parks and Recreation

FY 15-16 PROJECT BUDGET: \$1,115,000 (Design and Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$8,662,000 (10-year projection)

PRIMARY FUNDING: Community Center & Golf Fund Revenues (Charges for Services and Dedicated .05% Local Sales Tax)

PROJECT DESCRIPTION: Various capital improvements to newly acquired community center, including ADA and code compliance life safety issues, facility restoration, facility interior and golf course improvements

PROJECT JUSTIFICATION: Immediate improvements address ADA and code compliance items, while continued, longer-term improvements will enhance use, safety and enjoyment of facility. Capital investment in this facility furthers multiple strategies outlined in the Strategic Plan for cultural development and recreation.

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ Potential for increase as improvements occur
 Operating Costs: \$ To be determined as improvements occur
 Operating Savings: \$ To be determined as improvements occur



PROJECT TITLE: Tangerine Rd from La Cañada to Shannon

DEPARTMENT: Development and Infrastructure Svcs

FY 15-16 PROJECT BUDGET: \$2,860,000 (Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$5,860,000 (Construction)

PRIMARY FUNDING: Regional Transportation Authority Funds (\$4,860,000)

ADDITIONAL FUNDING: Roadway Impact Fees (\$1,000,000)

PROJECT DESCRIPTION: Widen Tangerine Road to four lanes with landscaped medians, install turn lanes and signalization at key intersections and upgrade conditions to avoid closures due to flooding

PROJECT JUSTIFICATION: As per the adopted Regional Transportation Authority Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
 Operating Costs: \$ -
 Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Lambert Lane from La Cañada to La Cholla

DEPARTMENT: Development and Infrastructure Svcs

FY 15-16 PROJECT BUDGET: \$4,050,000 (Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$7,500,000 (Design \$375K; remainder construction)

PRIMARY FUNDING: Pima Association of Governments Regional Funds (\$6,500,000)

ADDITIONAL FUNDING: Roadway Impact Fees (\$1,000,000)

PROJECT DESCRIPTION: Widening Lambert Lane to four lanes to include bicycle lanes



PROJECT JUSTIFICATION: Reinforces the Oro Valley brand through excellence in infrastructure design and maintenance and promotes Oro Valley's bicycle-friendly community as per the Strategic Plan

ANNUAL OPERATING IMPACT: None

PROJECT TITLE: Lambert Lane Multi-Use Path

DEPARTMENT: Development and Infrastructure Svcs

FY 15-16 PROJECT BUDGET: \$75,000 (Design \$20K; Construction \$55K)

PRIMARY FUNDING: Regional Transportation Authority Funds 100%

PROJECT DESCRIPTION: Constructing a shared-use path along Lambert Lane providing pedestrian and bicycle access

PROJECT JUSTIFICATION: Promotes Oro Valley as a bicycle-friendly community and provides a safe avenue for walking

ANNUAL OPERATING IMPACT: None



CIP – Project Descriptions

PROJECT TITLE: Palisades Road Multi-Use Path

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$284,000
(\$74K Design; \$210K Construction)

PRIMARY FUNDING: Regional Transportation Authority Funds 100%

PROJECT DESCRIPTION: Constructing a shared-use path south of Palisades Road from 1st Avenue to east end of terminus providing pedestrian and bicycle access

PROJECT JUSTIFICATION: Promotes Oro Valley as a bicycle-friendly community and provides a safe avenue for walking

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ -



PROJECT TITLE: Rancho Vistoso and Vistoso Highlands Traffic Signal (Rollover)

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$50,000
(Construction)

TOTAL ESTIMATED PROJECT BUDGET:
\$700,000 (Design \$100K; remainder construction)

PRIMARY FUNDING: Regional Transportation Authority Funds 100%

PROJECT DESCRIPTION: Construct a traffic signal at Rancho Vistoso and Vistoso Highlands Drive

PROJECT JUSTIFICATION: Per the Transportation Improvement Program as adopted by the Pima Association of Governments

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ -



CIP – Project Descriptions

PROJECT TITLE: Sidewalk – Vistoso Highlands to Morning Vista (Rollover)

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$20,000 (Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$150,000 (Design \$20K; remainder construction)

PRIMARY FUNDING: Regional Transportation Authority Funds 100%

PROJECT DESCRIPTION: Construct a six-foot sidewalk from Vistoso Highlands to West Morning Vista Drive

PROJECT JUSTIFICATION: Per the Transportation Improvement Program as adopted by the Pima Association of Governments

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -

Operating Costs: \$ -

Operating Savings: \$ -



PROJECT TITLE: Transportation Art by Youth Program

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$75,000 (Design, supplies and construction; managed via contract with Southern Arizona Arts & Cultural Alliance)

TOTAL ESTIMATED PROJECT BUDGET: \$375,000 (15-year projection)

PRIMARY FUNDING: Pima Association of Governments Regional Funds 100%

PROJECT DESCRIPTION: Design and construction of public art on Town right-of-ways by local youth

PROJECT JUSTIFICATION: Implementation of public/private partnerships for enhanced cultural development is a specific action item outlined in the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -

Operating Costs: \$ -

Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Naranja Drive from La Cholla to Shannon

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$2,000,000
(Construction)

TOTAL ESTIMATED PROJECT BUDGET:
\$4,300,000
(\$100K design; remainder construction)

PRIMARY FUNDING: Pima Association of Governments Regional Funds (\$4,200,000)

ADDITIONAL FUNDING: Roadway Impact Fees
(\$100K)

PROJECT DESCRIPTION: Widen Naranja Drive to three lanes, including drainage and install a 6-ft sidewalk and 10-ft multi-use path

PROJECT JUSTIFICATION: Reduce traffic delays, improve public safety, mitigate flood hazards and provide a safe avenue for pedestrians and bicyclists

ANNUAL OPERATING IMPACT: None



PROJECT TITLE: La Cholla Boulevard from Lambert to Tangerine

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$2,000,000
(Design)

TOTAL ESTIMATED PROJECT BUDGET: \$35.8 million, subject to change (multi-year, multi-jurisdictional project)

PRIMARY FUNDING: Regional Transportation Authority Funds (\$35 million)

ADDITIONAL FUNDING: Roadway Impact Fees
(\$800K)

PROJECT DESCRIPTION: Widen La Cholla Blvd to four lanes, make drainage improvements and add multi-use lanes

PROJECT JUSTIFICATION: As per the adopted Regional Transportation Authority Plan

ANNUAL OPERATING IMPACT: None



CIP – Project Descriptions

PROJECT TITLE: Library Parking Lot Enhancements

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$83,000
(Construction)

PRIMARY FUNDING: Library Impact Fees (\$53K)

ADDITIONAL FUNDING: Friends of Oro Valley Library donation (\$30K)

PROJECT DESCRIPTION: Increase parking capacity and improve lighting at the Oro Valley branch library

PROJECT JUSTIFICATION: Enhances service to the community by providing additional parking spots and lighting for increased safety

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
Operating Costs: \$ -
Operating Savings: \$ -



PROJECT TITLE: Calle Concordia Fueling Facility Upgrade

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$55,000
(Equipment)

PRIMARY FUNDING: Fleet Fund 100%

PROJECT DESCRIPTION: Purchase new 10,000 gallon fuel tank and convert current 6,000 gallon tank to diesel

PROJECT JUSTIFICATION: Ability to purchase larger amounts of gasoline at a reduced cost and ensure police/support vehicles and equipment are ready for use by having additional fuel stores available

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
Operating Costs: \$ -
Operating Savings: Potential fuel, maintenance and personnel savings



CIP – Project Descriptions

PROJECT TITLE: 24-Inch Reclaimed Main Relocation Tangerine Road

DEPARTMENT: Water

FY 15-16 PROJECT BUDGET: \$350,000 (Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$1,150,000 (\$150K design; remainder construction)

PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Relocate 24-inch reclaimed main on Tangerine Road in coordination with Regional Transportation Authority project

PROJECT JUSTIFICATION: Supports the overall Strategic Plan strategy of delivering a safe and reliable water system to all Water Utility customers

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
 Operating Costs: \$ -
 Operating Savings: \$ -



PROJECT TITLE: Automated Meter Infrastructure (AMI) Meter Replacement (Phase 4)

DEPARTMENT: Water

FY 15-16 PROJECT BUDGET: \$1,800,000 (\$250K labor; remainder equipment)

TOTAL ESTIMATED PROJECT BUDGET: \$6.1 million; all phases (labor and equipment)

PRIMARY FUNDING: Financed through a Water Infrastructure Finance Authority (WIFA) loan

ADDITIONAL FUNDING: Water Utility Fund (for debt service payments)

PROJECT DESCRIPTION: Replacement of approximately 4,800 aging water meters with new technology - electronic meters and transceivers - 4th and final phase of entire project

PROJECT JUSTIFICATION: Improved customer service and early leak detection, thereby continuing our commitment to environmental stewardship and improving Town processes as per the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: Potential increase due to improved meter accuracy
 Operating Costs: \$ 408,000 (debt service for all phases)
 Operating Savings: Potential personnel, fuel and vehicle repair savings



CIP – Project Descriptions

PROJECT TITLE: Energy Efficiency Booster Upgrades

DEPARTMENT: Water

FY 15-16 PROJECT BUDGET: \$100,000
(Equipment)

TOTAL ESTIMATED PROJECT BUDGET: \$400,000
(Equipment)

PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Install efficient electric motors at various booster pump locations; install energy efficient controls and instruments

PROJECT JUSTIFICATION: Project is a specific action item outlined in the Strategic Plan; improves energy efficiency and system reliability, and reduces electric power consumption

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ 2,000 in electricity savings



PROJECT TITLE: Main Valve Replacement Program

DEPARTMENT: Water

FY 15-16 PROJECT BUDGET: \$50,000
(Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$350,000
(Construction)

PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Identify and replace non-working valves, including main valves, air release valves and drain valve assemblies

PROJECT JUSTIFICATION: Supports the strategy of delivering a safe and reliable water supply to all water utility customers as per the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ 2,000 in maintenance savings



CIP – Project Descriptions

PROJECT TITLE: Steel Tank Safety Railings

DEPARTMENT: Water

FY 15-16 PROJECT BUDGET: \$80,000
(Construction)

PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Install safety railings on top of steel storage tanks and extend safety railings by 8-ft on either side for fall protection

PROJECT JUSTIFICATION: Provide fall protection and increased safety for personnel maintaining and inspecting tanks

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
Operating Costs: \$ -
Operating Savings: \$ -



PROJECT TITLE: Reservoir Water Quality Control Program

DEPARTMENT: Water

FY 15-16 PROJECT BUDGET: \$60,000 (Construction)

TOTAL ESTIMATED PROJECT BUDGET: \$190,000 (Construction)

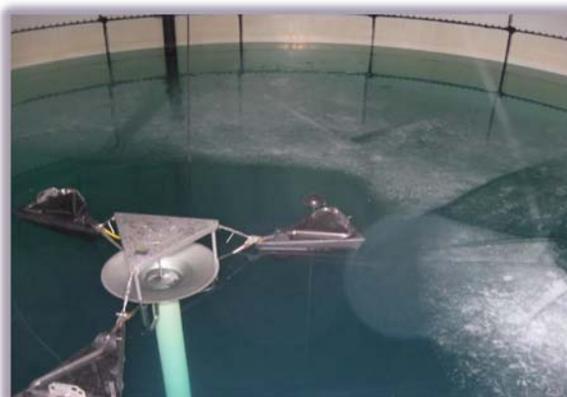
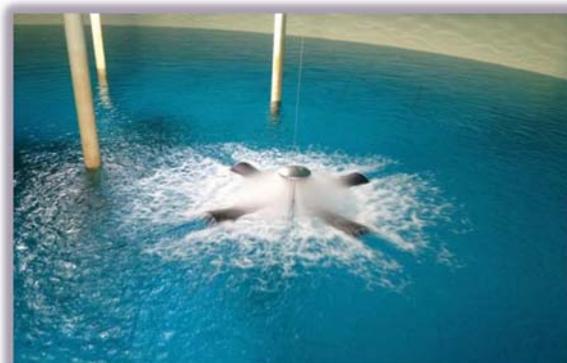
PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Install five system units which maintain chlorine residual, reduce trihalomethanes, prevent water stagnation/stratification and assist with blending of CAP water

PROJECT JUSTIFICATION: Supports the strategy of delivering a safe and reliable water supply to all water utility customers as per the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
Operating Costs: \$ 500 in electricity costs
Operating Savings: \$ -



CIP – Project Descriptions

PROJECT TITLE: Tangerine Road Potable Main Extension

DEPARTMENT: Water Utility

FY 15-16 PROJECT BUDGET: \$80,000
(Construction)

PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Extend existing "E" Zone water main west on Tangerine Road for future development

PROJECT JUSTIFICATION: Supports the strategy of delivering a safe and reliable water supply to all water utility customers as per the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
Operating Costs: \$ -
Operating Savings: \$ -



PROJECT TITLE: Hydropneumatic (HP) Tank Replacement (Wells)

DEPARTMENT: Water Utility

FY 15-16 PROJECT BUDGET: \$50,000
(Construction)

TOTAL ESTIMATED PROJECT BUDGET:
\$200,000 (Construction)

PRIMARY FUNDING: Water Utility Fund 100%

PROJECT DESCRIPTION: Inspect tanks for recertification and repair or replace to protect system integrity

PROJECT JUSTIFICATION: Supports the strategy of delivering a safe and reliable water supply to all water utility customers as per the Strategic Plan

ANNUAL OPERATING IMPACT:

Operating Revenue: \$ -
Operating Costs: \$ -
Operating Savings: \$ 1,000 in anticipated maintenance savings



CIP – Project Descriptions

PROJECT TITLE: West Lambert Lane 12-Inch Main Relocation

DEPARTMENT: Water Utility

FY 15-16 PROJECT BUDGET: \$450,000
(\$125K design; remainder construction)

PRIMARY FUNDING: Water Utility Fund
100%

PROJECT DESCRIPTION: Relocate and install approximately 2,800 feet of a new 12-inch water main on Lambert Lane from La Cañada to Rancho Sonora

PROJECT JUSTIFICATION: Work is being completed in coordination with planned Lambert Lane roadway project

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ 500 in anticipated maintenance savings



PROJECT TITLE: System Connection Upgrades

DEPARTMENT: Water Utility

FY 15-16 PROJECT BUDGET: \$100,000
(\$30K design; \$70K construction)

TOTAL ESTIMATED PROJECT BUDGET:
\$200,000 (\$60K design; \$140K construction)

PRIMARY FUNDING: Water Utility Fund
100%

PROJECT DESCRIPTION: Small system improvements to enhance water flow in "E" Zone

PROJECT JUSTIFICATION: Improve system reliability and reduce water outages in an emergency

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs:	\$ -
Operating Savings:	\$ -



CIP – Project Descriptions

PROJECT TITLE: La Cholla – Lambert to Tangerine Main Relocation

DEPARTMENT: Water Utility

FY 15-16 PROJECT BUDGET: \$100,000
(Design)

TOTAL ESTIMATED PROJECT BUDGET:
\$600,000 (\$100K design; \$500K construction)

PRIMARY FUNDING: Water Utility Fund
100%

PROJECT DESCRIPTION: Relocate existing potable mains on La Cholla Boulevard from Lambert Lane to Tangerine Road

PROJECT JUSTIFICATION: Work is being completed in coordination with planned La Cholla roadway project

ANNUAL OPERATING IMPACT: None



PROJECT TITLE: 4.5 Cubic Yard Wheel Loader Lease Payment

DEPARTMENT: Development and Infrastructure Services

FY 15-16 PROJECT BUDGET: \$50,000
(Equipment lease payment)

TOTAL ESTIMATED PROJECT BUDGET:
\$275,000 (Equipment)

PRIMARY FUNDING: Stormwater Utility Fund
100%

PROJECT DESCRIPTION: Lease payment for loader, which provides capacity needed for monsoon storm clean-up and emergencies

PROJECT JUSTIFICATION: Loader provides for monsoon storm preparation and clean-up, ensuring drainageways and streets are maintained for safe public use

ANNUAL OPERATING IMPACT:

Operating Revenue:	\$ -
Operating Costs :	\$ -
Operating Savings:	\$ Potential for savings from ability to perform work in-house

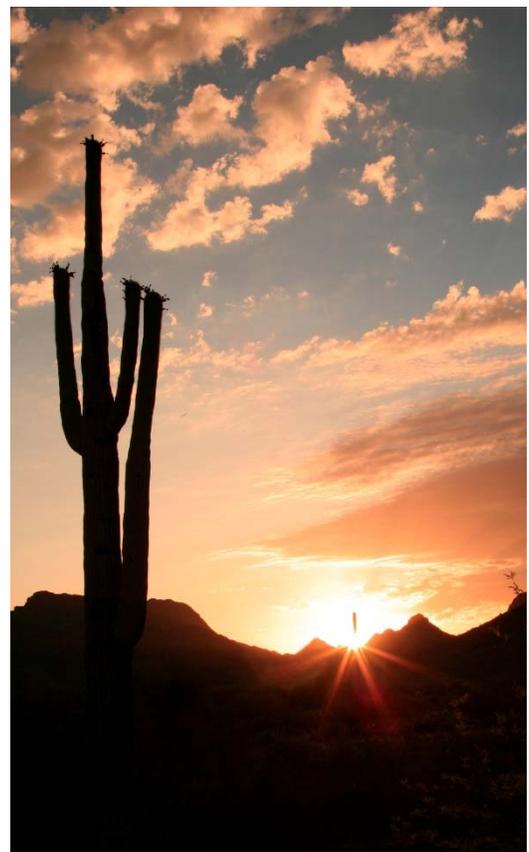


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APPENDIX

Resolution Adoption
Auditor General Statements
Glossary



RESOLUTION NO. (R)15-43

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, APPROVING THE ADOPTION OF THE BUDGET OF THE TOWN OF ORO VALLEY FOR THE FISCAL YEAR 2015-2016

WHEREAS, on May 20, 2015, in accordance with Arizona Revised Statutes §§ 42-17101 and 42-17102, the Town authorized an estimate of the different amounts required to meet the public expenditures for the ensuing year, an estimate of revenues from sources other than direct taxation and the amount to be raised by taxation upon real and personal property of the Town of Oro Valley; and

WHEREAS, after notice of a public hearing in accordance with Arizona Revised Statutes §§ 42-17103, 42-17104 and 42-17105, the Council met on June 3, 2015 at which time any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures or tax levies before the Council adopted the estimates of the proposed expenditures, constituting the budget of the Town of Oro Valley for the Fiscal Year 2015-2016; and

WHEREAS, the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed the primary property tax levy limits as calculated in accordance with Arizona Revised Statutes § 42-17051(A); and

WHEREAS, it is in the best interest of the Town of Oro Valley to approve the estimates and expenditures/expenses shown on the accompanying schedules for the Fiscal Year 2015-2016.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, Arizona, that the said estimates of revenues and expenditures/expenses shown on the accompanying schedules, as now increased, reduced or changed, are hereby adopted and approved as the budget of the Town of Oro Valley for the Fiscal Year 2015-2016 in the amount of \$119,687,709.

BE IT FURTHER RESOLVED that the Mayor and Council of the Town of Oro Valley are hereby authorized to take such steps as are necessary to execute and implement the budget for the Fiscal Year 2015-2016.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona this 3rd day of June, 2015.

TOWN OF ORO VALLEY, ARIZONA



Dr. Satish I. Hiremath, Mayor

ATTEST:



Julie K. Bower, Town Clerk

Date: 6/4/15

APPROVED AS TO FORM:



Tobin Sidles, Legal Services Director

Date: 6/4/15



Town of Oro Valley

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CITY/TOWN OF Oro Valley
 Summary Schedule of Estimated Revenues and Expenditures/Expenses
 Fiscal Year 2016

Fiscal Year	S c h	FUNDS							Total All Funds
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	
2015	E	38,309,033	10,007,809	1,180,694	21,736,550	0	30,785,307	5,065,545	107,084,938
2015	E	29,285,230	7,853,130	1,042,201	6,436,754	0	19,451,727	4,183,619	68,252,661
2016		9,856,616	4,605,252	157,459	13,836,503		10,894,044	482,792	39,832,666
2016	B								0
2016	B								0
2016	C	31,857,264	12,012,427	323,391	13,246,859	0	16,226,470	4,388,632	78,055,043
2016	D	0	0	0	0	0	1,800,000	0	1,800,000
2016	D	0	0	0	0	0	0	0	0
2016	D	305,000	0	658,750	1,574,696	0	0	0	2,538,446
2016	D	1,281,810	762,910	0	460,696	0	33,030	0	2,538,446
2016									
LESS:									0
									0
									0
2016		40,737,070	15,854,769	1,139,600	28,197,362	0	28,887,484	4,871,424	119,687,709
2016	E	40,737,070	15,854,769	1,139,600	28,197,362	0	28,887,484	4,871,424	119,687,709

EXPENDITURE LIMITATION COMPARISON

	2015	2016
1. Budgeted expenditures/expenses	\$ 107,084,938	\$ 119,687,709
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	107,084,938	119,687,709
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 107,084,938	\$ 119,687,709
6. EEC expenditure limitation	\$ 107,084,938	\$ 119,687,709

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

CITY/TOWN OF Oro Valley
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 15,136,905	\$ 14,802,467	\$ 14,780,654
Cable Franchise Tax	540,000	560,000	570,000
Licenses and permits			
Licenses	182,000	188,000	192,000
Permits	1,567,547	1,234,226	1,516,000
Fees	56,000	66,000	56,000
Intergovernmental			
State/County Shared	10,303,762	10,303,762	10,428,531
State Grants	1,607,300	1,422,155	1,434,300
Federal Grants	597,365	662,549	551,545
Other	15,000	15,000	105,000
Charges for services			
Reimbursements	192,500	122,000	122,000
Fees	851,700	1,037,449	1,008,100
Other	644,795	635,180	743,734
Fines and forfeits			
Fines	180,000	120,000	120,000
Interest on investments			
Interest Income	81,125	90,000	94,400
Miscellaneous			
Miscellaneous	135,000	135,000	135,000
Total General Fund	\$ 32,090,999	\$ 31,393,788	\$ 31,857,264

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF Oro Valley
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway User Fuel Tax	\$ 2,754,947	\$ 2,882,445	\$ 2,985,464
Permits	52,000	58,882	51,000
Interest Income	19,250	25,000	22,400
Charges for Services	129,493	129,493	134,000
Other	10,000	10,000	10,000
	<u>\$ 2,965,690</u>	<u>\$ 3,105,820</u>	<u>\$ 3,202,864</u>
Bed Tax Fund			
Local Sales Tax	\$ 944,571	\$ 944,571	\$ 945,000
Interest Income	4,125	6,000	4,800
	<u>\$ 948,696</u>	<u>\$ 950,571</u>	<u>\$ 949,800</u>
Seizures & Forfeitures - State Fund			
Seizures and Forfeitures	\$ 175,000	\$ 98,037	\$ 175,000
Interest Income		1,469	
	<u>\$ 175,000</u>	<u>\$ 99,506</u>	<u>\$ 175,000</u>
Seizures & Forfeitures - Federal Fund			
Seizures and Forfeitures	\$ 250,000	\$ 15,224	\$ 250,000
Interest Income		1,026	
	<u>\$ 250,000</u>	<u>\$ 16,250</u>	<u>\$ 250,000</u>
Impound Fee Fund			
Fees	\$ 26,610	36,000	\$ 34,000
	<u>\$ 26,610</u>	<u>\$ 36,000</u>	<u>\$ 34,000</u>
Community Center & Golf Fund			
Local Sales Tax	\$	\$ 200,000	\$ 2,000,000
Charges for Services		1,718,547	5,400,763
	<u>\$</u>	<u>\$ 1,918,547</u>	<u>\$ 7,400,763</u>
Total Special Revenue Funds	<u>\$ 4,365,996</u>	<u>\$ 6,126,694</u>	<u>\$ 12,012,427</u>
DEBT SERVICE FUNDS			
Municipal Debt Service Fund			
Federal Grants	\$ 67,877	\$ 67,877	\$ 58,238
Interest Income		29	
Miscellaneous	83,000	90,000	90,000
	<u>\$ 150,877</u>	<u>\$ 157,906</u>	<u>\$ 148,238</u>
Oracle Road Improvement District			
Special Assessments	\$ 175,918	\$ 175,918	\$ 175,153
	<u>\$ 175,918</u>	<u>\$ 175,918</u>	<u>\$ 175,153</u>
Total Debt Service Funds	<u>\$ 326,795</u>	<u>\$ 333,824</u>	<u>\$ 323,391</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF Oro Valley
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
CAPITAL PROJECTS FUNDS			
Alternative Water Resources Development Impact Fee Fund			
Development Impact Fees	\$ 1,409,646	\$ 767,425	\$ 1,331,323
Interest Income	17,050	20,000	19,840
	<u>\$ 1,426,696</u>	<u>\$ 787,425</u>	<u>\$ 1,351,163</u>
Potable Water System Development Impact Fee Fund			
Development Impact Fees	\$ 707,691	\$ 443,075	\$ 663,207
Interest Income	17,050	20,000	19,840
	<u>\$ 724,741</u>	<u>\$ 463,075</u>	<u>\$ 683,047</u>
Townwide Roadway Development Impact Fee Fund			
State Grants	\$ 4,060,000	\$ 2,654,446	\$
Development Impact Fees	900,666	347,642	424,532
Interest Income	3,000	2,473	2,000
Other	22,500	22,925	\$
	<u>\$ 4,986,166</u>	<u>\$ 3,027,486</u>	<u>\$ 426,532</u>
Parks & Recreation Impact Fee Fund			
Development Impact Fees	\$ 307,772	\$ 115,560	\$ 171,200
Interest Income	\$	54	\$
	<u>\$ 307,772</u>	<u>\$ 115,614</u>	<u>\$ 171,200</u>
Police Impact Fee Fund			
Development Impact Fees	\$ 133,996	\$ 47,718	\$ 66,917
Interest Income	\$	\$	\$
	<u>\$ 133,996</u>	<u>\$ 47,718</u>	<u>\$ 66,917</u>
General Government Impact Fee Fund			
Development Impact Fees	\$	\$	\$
Interest Income	\$	2	\$
	<u>\$</u>	<u>\$ 2</u>	<u>\$</u>
General Government CIP Fund			
State Grants	\$	\$	\$ 81,000
	<u>\$</u>	<u>\$</u>	<u>\$ 81,000</u>
PAG/RTA Fund			
State Grants	\$	\$	\$ 10,414,000
Other	\$	\$	22,500
Interest Income	\$	\$	500
	<u>\$</u>	<u>\$</u>	<u>\$ 10,437,000</u>
Library Impact Fee Fund			
Donations	\$	\$	\$ 30,000
	<u>\$</u>	<u>\$</u>	<u>\$ 30,000</u>
Total Capital Projects Funds	<u>\$ 7,579,371</u>	<u>\$ 4,441,320</u>	<u>\$ 13,246,859</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF Oro Valley
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
ENTERPRISE FUNDS			
Oro Valley Water Utility Fund			
Water Sales	\$ 12,078,800	\$ 11,793,000	\$ 12,160,500
Charges for Services	3,189,200	3,143,500	3,184,200
Interest Income	51,150	75,000	59,520
	<u>\$ 15,319,150</u>	<u>\$ 15,011,500</u>	<u>\$ 15,404,220</u>
Stormwater Utility Fund			
State Grants	\$	\$	\$ 35,000
Charges for Services	789,300	789,300	787,000
Interest Income	1,000	250	250
	<u>\$ 790,300</u>	<u>\$ 789,550</u>	<u>\$ 822,250</u>
Total Enterprise Funds	<u>\$ 16,109,450</u>	<u>\$ 15,801,050</u>	<u>\$ 16,226,470</u>
INTERNAL SERVICE FUNDS			
Fleet Fund			
Fleet Services	\$ 1,467,800	\$ 1,390,772	\$ 1,333,903
Miscellaneous	151,313	175,981	194,329
State Grants	308,000		
	<u>\$ 1,927,113</u>	<u>\$ 1,566,753</u>	<u>\$ 1,528,232</u>
Benefit Self Insurance Fund			
Miscellaneous	\$ 2,431,200	\$ 2,430,200	\$ 2,860,400
	<u>\$ 2,431,200</u>	<u>\$ 2,430,200</u>	<u>\$ 2,860,400</u>
Total Internal Service Funds	<u>\$ 4,358,313</u>	<u>\$ 3,996,953</u>	<u>\$ 4,388,632</u>
TOTAL ALL FUNDS	<u>\$ 64,830,924</u>	<u>\$ 62,093,629</u>	<u>\$ 78,055,043</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY/TOWN OF Oro Valley
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Tfr to Municipal Debt Service Fund	\$	\$	\$	\$ 194,810
Tfr to Oracle Road Improvement District Fund				3,000
Tfr to General Government CIP Fund				1,084,000
Tfr from Bed Tax Fund			185,000	
Tfr from Community Center & Golf Fund			120,000	
Total General Fund	\$	\$	\$ 305,000	\$ 1,281,810
SPECIAL REVENUE FUNDS				
Bed Tax Fund	\$	\$	\$	\$ 414,544
Highway User Revenue Fund				228,366
Community Center & Golf Fund				120,000
Total Special Revenue Funds	\$	\$	\$	\$ 762,910
DEBT SERVICE FUNDS				
Municipal Debt Service Fund	\$	\$	\$ 655,750	\$
Oracle Road Improvement District Fund			3,000	
Total Debt Service Funds	\$	\$	\$ 658,750	\$
CAPITAL PROJECTS FUNDS				
General Government CIP Fund	\$	\$	\$ 1,114,000	\$
Townwide Roadway Dev Impact Fee Fund				460,696
PAG/RTA Fund			460,696	
Total Capital Projects Funds	\$	\$	\$ 1,574,696	\$ 460,696
ENTERPRISE FUNDS				
Oro Valley Water Utility Fund	\$ 1,800,000	\$	\$	\$ 33,030
Total Enterprise Funds	\$ 1,800,000	\$	\$	\$ 33,030
TOTAL ALL FUNDS	\$ 1,800,000	\$	\$ 2,538,446	\$ 2,538,446

CITY/TOWN OF Oro Valley
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
GENERAL FUND				
Clerk	\$ 497,102	\$	\$ 391,102	\$ 407,900
Council	207,022		207,022	211,995
Development & Infrastructure Svcs	4,564,803		4,303,182	4,596,216
Finance	748,060		737,182	779,760
General Administration	1,867,600		1,805,600	1,804,970
Human Resources	371,998		371,998	366,775
Information Technology	1,432,374		1,432,374	1,571,326
Legal	756,855		743,405	764,837
Magistrate Court	789,826		789,826	837,629
Town Manager's Office	721,724		721,724	769,521
Parks and Recreation	2,722,617		2,722,617	3,004,988
Police	14,885,819		14,759,198	15,250,016
Contingency Reserve	10,133,233	(1,390,000)	300,000	10,371,137
Total General Fund	\$ 39,699,033	\$ (1,390,000)	\$ 29,285,230	\$ 40,737,070
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 6,798,419	\$	\$ 4,354,328	\$ 5,901,151
Seizures & Forfeitures - State Fund	582,353		413,561	387,846
Seizures & Forfeitures - Federal Fund	564,398		328,365	287,609
Bed Tax Fund	836,029		608,157	950,226
Impound Fee Fund	26,610		26,610	50,736
Community Center & Golf Fund		1,200,000	2,122,109	8,277,201
Total Special Revenue Funds	\$ 8,807,809	\$ 1,200,000	\$ 7,853,130	\$ 15,854,769
DEBT SERVICE FUNDS				
Municipal Debt Service Fund	\$ 1,002,640	\$	\$ 864,233	\$ 961,216
Oracle Road Improvement District Fund	178,054		177,968	178,384
Total Debt Service Funds	\$ 1,180,694	\$	\$ 1,042,201	\$ 1,139,600
CAPITAL PROJECTS FUNDS				
Townwide Roadway Dev Impact Fee Fund	\$ 7,037,558	\$	\$ 2,641,439	\$ 3,143,049
Naranja Park Fund	608,821		600,000	137,056
Alternative Water Rscs Dev Impact Fee Fund	4,284,831		152,891	5,321,796
Potable Water System Dev Impact Fee Fund	4,840,758		327,424	5,324,333
Parks & Recreation Impact Fee Fund	307,852			308,369
Library Impact Fee Fund	114,798		20,000	124,798
Police Impact Fee Fund	302,238			320,571
General Government Impact Fee Fund	3,504			3,504
Recreation In Lieu Fee Fund	6,190			6,190
General Government CIP Fund	4,040,000	190,000	2,695,000	2,610,000
PAG/RTA Fund				10,897,696
Total Capital Projects Funds	\$ 21,546,550	\$ 190,000	\$ 6,436,754	\$ 28,197,362
ENTERPRISE FUNDS				
Oro Valley Water Utility Fund	\$ 29,545,566	\$	\$ 18,439,876	\$ 27,784,061
Stormwater Utility Fund	1,239,741		1,011,851	1,103,423
Total Enterprise Funds	\$ 30,785,307	\$	\$ 19,451,727	\$ 28,887,484
INTERNAL SERVICE FUNDS				
Fleet Fund	\$ 2,047,943	\$	\$ 1,390,772	\$ 1,789,162
Benefit Self Insurance Fund	3,017,602		2,792,847	3,082,262
Total Internal Service Funds	\$ 5,065,545	\$	\$ 4,183,619	\$ 4,871,424
TOTAL ALL FUNDS	\$ 107,084,938	\$	\$ 68,252,661	\$ 119,687,709

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY/TOWN OF Oro Valley
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Clerk:				
General Fund	\$ 497,102	\$	\$ 391,102	\$ 407,900
Department Total	\$ 497,102	\$	\$ 391,102	\$ 407,900
Council:				
General Fund	\$ 207,022	\$	\$ 207,022	\$ 211,995
Department Total	\$ 207,022	\$	\$ 207,022	\$ 211,995
Development & Infrastructure Svcs:				
General Fund	\$ 4,564,803	\$	\$ 4,303,182	\$ 4,596,216
Highway Fund	6,798,419		4,354,328	5,901,151
Townwide Roadway Dev Impact Fee Fund	7,037,558		2,641,439	3,143,049
Stormwater Utility Fund	1,239,741		1,011,851	1,103,423
Fleet Fund	2,047,943		1,390,772	1,789,162
PAG/RTA Fund				10,897,696
Department Total	\$ 21,688,464	\$	\$ 13,701,572	\$ 27,430,697
Finance:				
General Fund	\$ 748,060	\$	\$ 737,182	\$ 779,760
Department Total	\$ 748,060	\$	\$ 737,182	\$ 779,760
General Administration:				
General Fund	\$ 1,867,600	\$	\$ 1,805,600	\$ 1,804,970
General Fund - Contingency Reserve	10,133,233	(1,390,000)	300,000	10,371,137
Municipal Debt Service Fund	1,002,640		864,233	961,216
Oracle Road Improvement District Fund	178,054		177,968	178,384
Benefit Self Insurance Fund	3,017,602		2,792,847	3,082,262
General Government Impact Fee Fund	3,504			3,504
General Government CIP Fund	4,040,000	190,000	2,695,000	2,610,000
Library Impact Fee Fund	114,798		20,000	124,798
Department Total	\$ 20,357,431	\$ (1,200,000)	\$ 8,655,648	\$ 19,136,271
Human Resources:				
General Fund	\$ 371,998	\$	\$ 371,998	\$ 366,775
Department Total	\$ 371,998	\$	\$ 371,998	\$ 366,775
Information Technology:				
General Fund	\$ 1,432,374	\$	\$ 1,432,374	\$ 1,571,326
Department Total	\$ 1,432,374	\$	\$ 1,432,374	\$ 1,571,326
Legal:				
General Fund	\$ 756,855	\$	\$ 743,405	\$ 764,837
Department Total	\$ 756,855	\$	\$ 743,405	\$ 764,837
Magistrate Court:				
General Fund	\$ 789,826	\$	\$ 789,826	\$ 837,629
Department Total	\$ 789,826	\$	\$ 789,826	\$ 837,629
Town Manager's Office:				
General Fund	\$ 721,724	\$	\$ 721,724	\$ 769,521
Bed Tax Fund	836,029		608,157	950,226
Department Total	\$ 1,557,753	\$	\$ 1,329,881	\$ 1,719,747
Parks and Recreation:				
General Fund	\$ 2,722,617	\$	\$ 2,722,617	\$ 3,004,988
Parks & Recreation Impact Fee Fund	307,852			308,369
Naranja Park Fund	608,821		600,000	137,056
Recreation In Lieu Fee Fund	6,190			6,190
Community Center & Golf Fund		1,200,000	2,122,109	8,277,201
Department Total	\$ 3,645,480	\$ 1,200,000	\$ 5,444,726	\$ 11,733,804

CITY/TOWN OF Oro Valley
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Police:				
General Fund	\$ 14,885,819	\$	\$ 14,759,198	\$ 15,250,016
Seizures & Forfeitures - State Fund	582,353		413,561	387,846
Seizures & Forfeitures - Federal Fund	564,398		328,365	287,609
Police Impact Fee Fund	302,238			320,571
Impound Fee Fund	26,610		26,610	50,736
Department Total	\$ 16,361,418	\$	\$ 15,527,734	\$ 16,296,778
Water Utility:				
Oro Valley Water Utility Fund	\$ 29,545,566	\$	\$ 18,439,876	\$ 27,784,061
Alternative Water Rscs Dev Impact Fee Fund	4,284,831		152,891	5,321,796
Potable Water System Dev Impact Fee Fund	4,840,758		327,424	5,324,333
Department Total	\$ 38,671,155	\$	\$ 18,920,191	\$ 38,430,190

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY/TOWN OF Oro Valley
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
GENERAL FUND	270.54	\$ 16,301,577	\$ 2,484,311	\$ 1,878,739	\$ 1,775,446	\$ 22,440,073
SPECIAL REVENUE FUNDS						
Highway Fund	23.48	\$ 1,406,310	\$ 159,221	\$ 205,577	\$ 166,045	\$ 1,937,153
Bed Tax Fund	3.00	198,828	22,806	12,297	16,270	250,201
Impound Fee Fund	0.50	22,773	2,612	390	1,846	27,621
Seizures & Forfeitures - State Fund	2.00	100,586	21,626	8,198	14,229	144,639
Seizures & Forfeitures - Federal Fund	1.00	50,293	10,813	4,099	7,114	72,319
Community Center & Golf Fund	13.36	383,746	23,117	16,182	39,472	462,517
Total Special Revenue Funds	43.34	\$ 2,162,536	\$ 240,195	\$ 246,743	\$ 244,976	\$ 2,894,450
CAPITAL PROJECTS FUNDS						
PAG/RTA Fund	1.00	\$ 45,908	\$ 5,266	\$ 9,403	\$ 4,218	\$ 64,795
Total Capital Projects Funds	1.00	\$ 45,908	\$ 5,266	\$ 9,403	\$ 4,218	\$ 64,795
ENTERPRISE FUNDS						
Oro Valley Water Utility Fund	38.48	\$ 2,390,176	\$ 272,323	\$ 282,143	\$ 228,380	\$ 3,173,022
Stormwater Utility Fund	3.85	254,967	29,245	39,467	22,941	346,620
Total Enterprise Funds	42.33	\$ 2,645,143	\$ 301,568	\$ 321,610	\$ 251,321	\$ 3,519,642
INTERNAL SERVICE FUND						
Fleet Fund	1.15	\$ 62,586	\$ 7,179	\$ 7,999	\$ 6,554	\$ 84,318
Total Internal Service Fund	1.15	\$ 62,586	\$ 7,179	\$ 7,999	\$ 6,554	\$ 84,318
TOTAL ALL FUNDS	358.36	\$ 21,217,750	\$ 3,038,519	\$ 2,464,494	\$ 2,282,515	\$ 29,003,278



Town of Oro Valley

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Glossary

ADOPTED BUDGET: Formal action made by Town Council that sets the spending limits for the fiscal year.

ALLOCATION: Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.

AMORTIZATION: The systematic and rational distribution of the cost of an intangible capital asset over its estimated useful life.

BALANCED BUDGET: A budget in which recurring revenues equal recurring expenditures.

BOND: A municipality will issue this debt instrument and agree to repay the face amount of the bond on the designated maturity date. Bonds are primarily used to finance capital projects.

BUDGET: A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.

CAPITAL EXPENDITURE: Those items valued over \$1000 with a life expectancy of at least five years.

CAPITAL IMPROVEMENT PROGRAM (CIP): A comprehensive fifteen-year plan consisting of items costing \$50,000 or more which will support the continued growth and development of the Town.

CAPITAL PROJECT FUND: Fund used to account for financial resources used for acquisition or construction of major assets.

CARRYFORWARD: Year-end savings that may be re-appropriated in the following fiscal year to cover one-time expenditures.

CENTRAL ARIZONA PROJECT (CAP): The system of aqueducts, tunnels, pumping plants and pipelines responsible for bringing Colorado River water to Arizona's Pima, Pinal, and Maricopa counties.

CENTRAL ARIZONA WATER CONSERVATION DISTRICT (CAWCD): a state agency with the primary responsibility of managing the Central Arizona Project (CAP).

CLEAN RENEWABLE ENERGY BONDS (CREBS): Bonds issued to finance certain renewable energy or "clean coal" facilities. Projects funded with CREBS must generate electricity and must be created from clean and/or renewable sources.

CONTINGENCY: Monies set aside as carryover to the following fiscal year, but which can be used to finance unforeseen expenditures of the various operating funds.

DEBT SERVICE: Principal and interest payments on outstanding bonds.

DEBT SERVICE FUND: Fund used to account for accumulation of resources that will be used to pay general long-term debt.

DEPARTMENT: A major administrative division of the Town that indicates overall management responsibility for an operation or group of related operations within a functional area.

DEPRECIATION: The systematic and rational distribution of the cost of a tangible capital asset (less salvage value) over its estimated useful life.

DIVISION: A functional unit of a department.

ENTERPRISE FUND: Accounts for expenses of programs or services, which are intended to be self-sustaining. User fees primarily cover the cost of services.

Glossary

ESTIMATED REVENUE: The amount of projected revenue to be collected during the fiscal year.

EXPENDITURE: The use of government funds to acquire goods or services.

EXPENDITURE LIMITATION: The Arizona State Legislature imposed constitutional amendment that limits the annual expenditures of all municipalities. The Economic Estimates Commission sets the annual limit based on population growth and inflation. All municipalities have the option of (Home Rule Option) proposing an alternative expenditure limitation to its voters. Oro Valley citizens approved the Home Rule Option in 2010.

FISCAL YEAR: Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Oro Valley, this period begins July 1 and ends June 30.

FULL ACCRUAL: Basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

FULL TIME EQUIVALENT (FTE): A position, permanent or temporary, based on 2,080 hours per year. Part-time positions are converted for budget purposes to a decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time employee working 20 hours per week would be equivalent to a 0.5 FTE.

FUND: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources.

FUND BALANCE: The difference between assets and liabilities reported in a governmental fund.

GENERAL FUND: A fund used to account for all general purpose transactions of the Town that do not require a special type of fund.

GENERAL OBLIGATION BONDS: Bonds that are guaranteed by the full taxing power of a city or town. These bonds are usually retired from property tax funds.

GENERAL PLAN: A plan approved by Town Council and ratified by the voters that provides the fundamental policy direction and guidance on development decisions in the Town. The General Plan is the "constitution" for growth and development in the community.

GIS: Geographic Information System(s). A geographic information system is an integrated hardware, software and data system that allows for the capturing and analyzing of geographic information in forms such as maps and globes.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

GOVERNMENTAL FUNDS: Funds generally used to account for tax-supported activities. Examples include the general fund, special revenue funds, debt service funds, and capital projects funds.

GRANT: A contribution by the state or federal government or other agency to support a particular function.

HIGHWAY USERS REVENUE FUND (HURF): This revenue source consists of the gasoline tax collected by the state and distributed to counties and cities based on the county of origin and population. These revenues are to be used for street and highway purposes.

HOME RULE OPTION: An alternative expenditure limitation that allows a municipality to expend what it anticipates in revenues each fiscal year. This limitation must be approved by the voters and is effective for four fiscal years.

IMPACT FEES: The fees charged to offset the cost of town improvements that are required due to growth-related development.

Glossary

IMPROVEMENT DISTRICT BONDS: Bonds that are issued to finance projects in a designated area within a town or city. The majority of property owners in this district must approve the formation of the district and the amount of indebtedness. The bonds are then repaid by the assessments levied on the property in the district.

INFRASTRUCTURE: Facilities that support the continuance and growth of a community.

INTERFUND TRANSFER: Movement of resources between two funds.

INTERNAL SERVICE FUND: Used to report any activity that provides goods or services to other funds, departments or agencies on a cost-reimbursement basis.

LONG TERM DEBT: Debt with a maturity of more than one year after date of issuance.

MODIFIED ACCRUAL: Basis of accounting that reports those transactions, events, and interfund activity that affect inflows and outflows of financial resources in the near future.

MUNICIPAL PROPERTY CORPORATION BONDS: Bonds that are issued by a non-profit corporation formed by the Town for the purpose of financing the construction or acquisition of capital improvement projects. These bonds may be issued without voter approval.

OBJECTIVE: A statement of specific measurable outcomes that contribute toward accomplishing the departmental goal.

OPERATING BUDGET: Appropriations for the day-to-day costs of delivering Town services.

PAG: Pima Association of Governments. Pima County's federally designated metropolitan planning organization that oversees long-range transportation planning and serves as the region's water quality, air quality and solid waste management and planning agency. PAG also manages the RTA of Pima County.

PER CAPITA: A unit of measure that indicates the amount of some quantity per person.

PERFORMANCE MEASURES: Indicators that measure how well an organization is performing on progress towards organizational objectives.

PROGRAM: A group of related functions or activities performed by a division where there is a desire to budget and identify expenditures independently of other activities within the division.

PROPRIETARY FUNDS: Funds that either (1) operate largely on fees and charges for services to external customers or (2) operate on a cost recovery basis with internal customers, such as other government departments, divisions or programs. Enterprise Funds and Internal Service Funds are the two types of proprietary funds.

RESERVES: To set aside a portion of a fund balance to protect against economic downturns or emergencies.

REVENUE: Amounts estimated to be received from taxes and other sources during the fiscal year.

RTA: Regional Transportation Authority. The government entity that manages the \$2.1 billion, 20-year regional transportation plan approved by Arizona's Pima County voters on May 16, 2006.

SPECIAL REVENUE FUND: Fund used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government.

STATE SHARED REVENUE: Includes the Town's portion of state sales tax revenues, state income tax receipts, and Motor Vehicle taxes.

Glossary

STRATEGIC PLAN: A plan updated and approved every two years by Town Council that provides short-term (2 to 5-year) policy direction and guidance for decision-making and budgeting by the Town and its staff.

USER FEES: Fees charged for the direct receipt of a public service to the party or parties who benefit from the service.

WATER INFRASTRUCTURE FINANCE

AUTHORITY BONDS (WIFA): WIFA is a state agency that has specific programs that can improve a city or town's ability to use bonding as a revenue source. WIFA is charged to assist smaller to medium sized communities' pool their bond issues together to help lower the costs of issuing debt. They also have monies set aside to help secure the debt and allow the bonds to be issued at the lowest interest rate possible.