

TOWN OF ORO VALLEY  
FORECAST THROUGH FY 2016/17

GENERAL FUND

	<u>FY 2011/12 BUDGETED</u>	<u>FY 2011/12 YE ESTIMATED</u>	<u>FY 2012/13 RECOMMENDED</u>	<u>FY 2013/14 PROJECTED</u>	<u>FY 2014/15 PROJECTED</u>	<u>FY 2015/16 PROJECTED</u>	<u>FY 2016/17 PROJECTED</u>
Beginning Fund Balance	\$ 11,007,138	\$ 11,007,138	\$ 10,963,621	\$ 11,034,643	\$ 10,736,462	\$ 10,702,291	\$ 10,495,252
<b>REVENUES</b>							
Local Sales Taxes	12,401,316	11,992,949	12,327,995	12,445,275	12,622,954	12,803,298	12,986,348
Licenses & Permits	1,126,894	872,598	936,469	771,083	771,527	771,973	772,419
State & Fed Grants	1,094,033	966,595	1,997,042	1,600,712	1,625,092	1,650,204	1,676,068
State Shared Revenues	8,187,264	8,187,264	9,175,117	9,568,546	10,180,709	10,847,850	11,156,763
Other Intergovernmental	591,160	591,160	613,413	30,000	30,000	30,000	30,000
Charges for Services	1,237,851	1,217,411	1,217,556	1,344,696	1,346,589	1,373,521	1,400,992
Fines	190,000	190,000	190,000	191,900	193,819	195,757	197,715
Interest Income	22,000	150,000	89,000	150,000	153,000	156,060	159,181
Miscellaneous	157,500	190,545	134,000	135,000	135,000	135,000	135,000
Other Financing Sources	<u>1,125,926</u>	<u>633,426</u>	<u>176,747</u>	<u>150,000</u>	<u>125,000</u>	<u>100,000</u>	<u>100,000</u>
<b>TOTAL REVENUES</b>	<b>\$ 26,133,944</b>	<b>\$ 24,991,948</b>	<b>\$ 26,857,339</b>	<b>\$ 26,387,211</b>	<b>\$ 27,183,692</b>	<b>\$ 28,063,663</b>	<b>\$ 28,614,486</b>

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	<u>FY 2011/12 BUDGETED</u>	<u>FY 2011/12 YE ESTIMATED</u>	<u>FY 2012/13 RECOMMENDED</u>	<u>FY 2013/14 PROJECTED</u>	<u>FY 2014/15 PROJECTED</u>	<u>FY 2015/16 PROJECTED</u>	<u>FY 2016/17 PROJECTED</u>
<b>EXPENDITURES</b>							
Personnel	19,560,099	18,905,731	19,528,236	19,727,764	20,503,616	21,347,176	22,255,638
Operations & Maintenance	5,910,996	5,343,065	5,360,545	5,389,725	5,335,708	5,145,402	5,009,696
Capital Outlay	469,497	467,694	908,799	1,283,706	1,095,706	1,380,706	1,226,706
Contingency (Grants)	150,000	-	270,000	150,000	150,000	150,000	150,000
Council-Designated Reserve	-	67,000	583,413	-	-	-	-
Transfers Out	<u>223,352</u>	<u>251,975</u>	<u>135,324</u>	<u>134,198</u>	<u>132,833</u>	<u>247,418</u>	<u>245,637</u>
<b>TOTAL EXPENDITURES</b>	<b>26,313,944</b>	<b>25,035,465</b>	<b>26,786,317</b>	<b>26,685,393</b>	<b>27,217,863</b>	<b>28,270,702</b>	<b>28,887,677</b>
<b>Surplus/(Deficit)</b>	<b>\$ (180,000)</b>	<b>\$ (43,517)</b>	<b>\$ 71,022</b>	<b>\$ (298,181)</b>	<b>\$ (34,171)</b>	<b>\$ (207,038)</b>	<b>\$ (273,191)</b>
Ending Fund Balance	\$ 10,827,138	\$ 10,963,621	\$ 11,034,643	\$ 10,736,462	\$ 10,702,291	\$ 10,495,252	\$ 10,222,061
<b>Contingency Reserve as % of Expenditures</b>	<b>41.1%</b>	<b>43.8%</b>	<b>41.2%</b>	<b>40.2%</b>	<b>39.3%</b>	<b>37.1%</b>	<b>35.4%</b>

**GENERAL FUND ASSUMPTIONS**

**REVENUES**

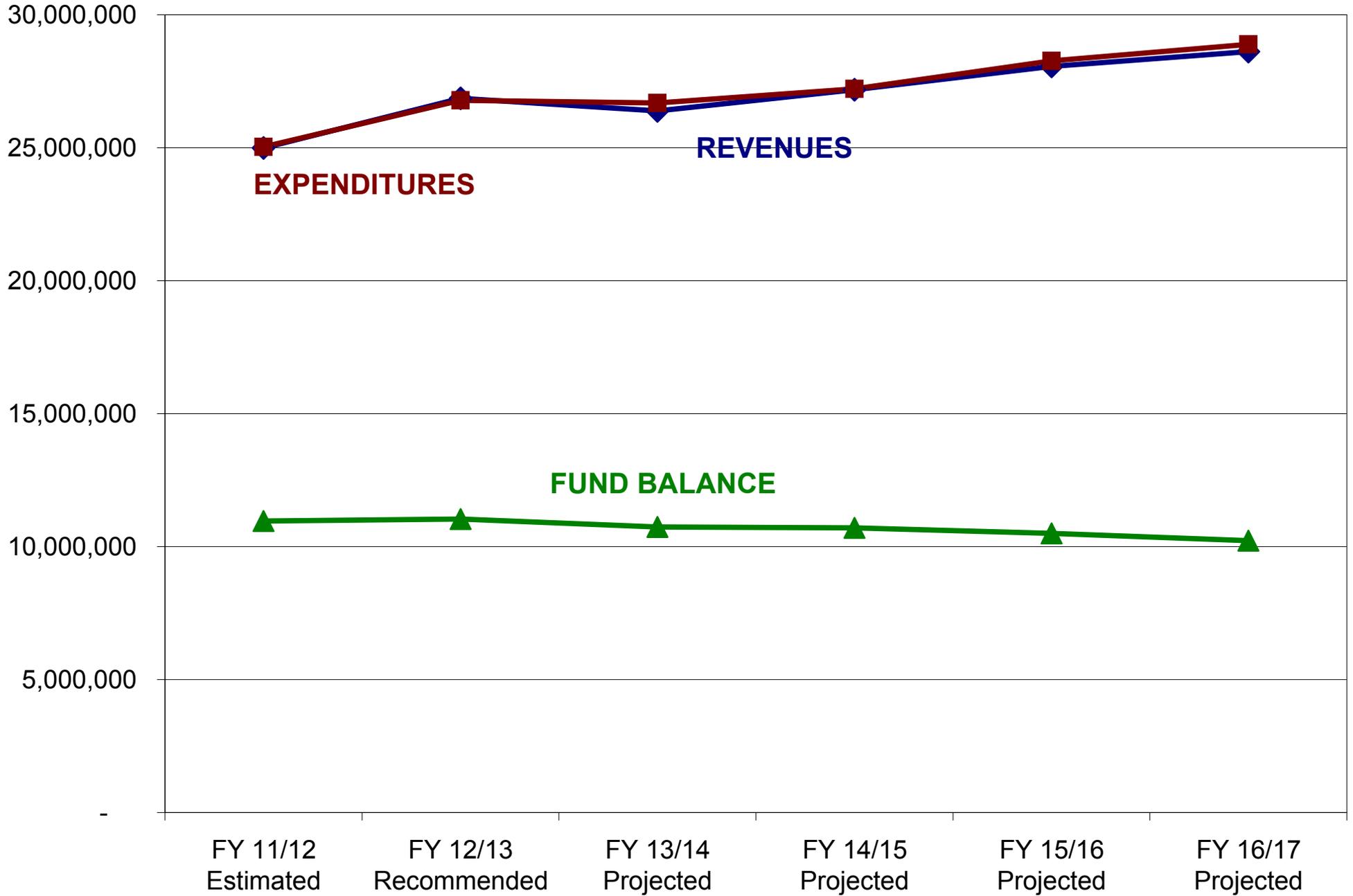
	<u>Fiscal Year</u>	<u>Projection</u>
<b><u>Local Sales Taxes</u></b>	FY 2012/13 FY 2013/14 - 2016/17	Roughly flat to FY 2011/12 budgeted based on current trends Growth of 1-2% per year
<b><u>Licenses &amp; Permits</u></b>	FY 2012/13 - 2016/17	Based on current trends; includes roughly 35 SFR permits per year and current forecast of commercial activity and projects
<b><u>Grant Revenues</u></b>	FY 2012/13 FY 2013/14 FY 2014/15 - 2016/17	Increase due to \$789K RTA Transit reimbursement, \$300K Transit vehicle grant and \$120K Parks grants Less \$300K Transit vehicle grant and \$120K Parks grants; 3% growth in RTA Transit reimbursement 3% growth in RTA Transit reimbursement per year
<b><u>State Shared Revenues</u></b>		
Income Tax	FY 2012/13 FY 2013/14 - 2016/17	21% known increase per Arizona Department of Revenue Growth of 3-8% each year per forecast from Arizona Department of Revenue
Sales Tax	FY 2012/13 FY 2013/14 - 2016/17	7% growth per forecast from Arizona Department of Revenue Growth of 7-8% each year per forecast from Arizona Department of Revenue
Vehicle License Tax	FY 2012/13 FY 2013/14 - 2016/17	4% decline per forecast from League of AZ Cities and Towns 2% growth per year
<b><u>Charges for Services</u></b>	FY 2012/13 FY 2013/14 - 2014-15 FY 2015/16 - 2016/17	Slight increases in court costs and Aquatics user fees; slight decrease in Recreation user fees Gradual increase in Aquatics user fees due to facility expansion and added events; 1% growth in all other revenues 2% growth per year
<b><u>Interest Income</u></b>	FY 2012/13 - 2013/14 FY 2014/15 - 2016/17	Based on observed actuals in FY 2011/12 2% growth per year
<b><u>Fines</u></b>	FY 2012/13 FY 2013/14 - 2016/17	Flat to projected FY 2011/12 1% growth per year
<b><u>Other Intergovernmental</u></b>	FY 2012/13 FY 2013/14 - 2016/17	Final Library reimbursement from Pima County under affiliate status \$30K per year - full reimbursement of Library janitorial costs from Pima County
<b><u>Miscellaneous</u></b>	FY 2012/13 - 2016/17	Flat at \$135K per year

**GENERAL FUND ASSUMPTIONS**

**EXPENDITURES**

	<u>Fiscal Year</u>	<u>Projection</u>
<b><u>Salaries and Benefits</u></b>	FY 2012/13	2.5% cost of living adjustment, 2.4% public safety pension increase, 1% non-public safety pension increase
	FY 2013/14 - 2014/15	3.5% pay increase, 2% public safety pension increase, .5% non-public safety pension increase
	FY 2015/16 - 2016/17	4% pay increase, 2% public safety pension increase, .5% non-public safety pension increase
<b><u>Operations &amp; Maintenance</u></b>	FY 2012/13	Roughly flat to FY 2011/12 estimates with removal of one-time expenditures No capacity for elections (every other year expenditure) Additional IT O&M for software maintenance and consulting costs Additional Transit O&M for expanded service Includes half-year capacity for Library O&M (through December 2012)
	FY 2013/14 - 2016/17	Includes \$110K (every other year) for elections 3% growth per year in retail sales tax rebates; Oracle Crossings rebate ends September 2015 2% growth per year in Parks and Rec and IT O&M based on observed actuals
<b><u>Fund Transfers</u></b>	FY 2012/13 - 2014/15	Transfer to Debt Service for Series 2007 and CREBS (unused construction funds to cover Series 2005 debt service)
	FY 2015/16 - 2016/17	Transfer to Debt Service for Series 2005, Series 2007 and CREBS
<b><u>CIP Funding</u></b>	FY 2012/13	No CIP Funding
	FY 2013/14	Total of \$500K - IT \$300K, Parks & Rec \$200K
	FY 2014/15	Parks & Rec \$200K
	FY 2015/16	Total of \$525K - IT \$250K, Parks & Rec \$275K
	FY 2016/17	Total of \$400K - IT \$250K, Parks & Rec \$150K
<b><u>Capital Asset Replacement</u></b>	FY 2012/13	Total of \$356K - IT \$151K, Police \$183K, Parks & Rec \$22K
	FY 2013/14	Total of \$538K - IT \$110K, Police \$400K, DIS \$28K
	FY 2014/15	Total of \$650K - IT \$230K, Police \$400K, Parks & Rec \$20K
	FY 2015/16	Total of \$610K - IT \$155K, Police \$400K, Parks & Rec \$30K, DIS \$25K
	FY 2016/17	Total of \$581K - IT \$101K, Police \$400K, Parks & Rec \$30K, DIS \$50K

# General Fund Revenues, Expenditures and Fund Balance



**TOWN OF ORO VALLEY  
FORECAST THROUGH FY 2016/17**

**HIGHWAY FUND**

	<b>FY 2011/12 BUDGETED</b>	<b>FY 2011/12 YE ESTIMATED</b>	<b>FY 2012/13 RECOMMENDED</b>	<b>FY 2013/14 PROJECTED</b>	<b>FY 2014/15 PROJECTED</b>	<b>FY 2015/16 PROJECTED</b>	<b>FY 2016/17 PROJECTED</b>
Beginning Fund Balance	\$ 3,654,948	\$ 3,654,948	\$ 2,761,958	\$ 2,438,517	\$ 1,855,081	\$ 1,242,645	\$ 241,915
<b>REVENUES</b>							
Construction Sales Tax	367,400	290,093	316,890	320,059	324,860	329,733	334,679
Highway User Tax	2,376,464	2,376,464	2,480,005	2,546,965	2,625,921	2,717,828	2,815,670
Federal & State Grants	487,000	286,710	260,000	-	100,000	150,000	125,000
Licenses & Permits	42,000	43,500	43,000	43,000	43,000	43,000	43,000
Charges for Services	15,000	15,000	229,493	223,240	227,563	232,854	238,754
Interest Income	10,700	7,000	7,000	5,121	3,896	2,610	2,610
Miscellaneous	10,000	25,000	10,000	10,000	10,000	10,000	10,000
<b>TOTAL REVENUES</b>	<b>\$ 3,308,564</b>	<b>\$ 3,043,767</b>	<b>\$ 3,346,388</b>	<b>\$ 3,148,385</b>	<b>\$ 3,335,239</b>	<b>\$ 3,486,025</b>	<b>\$ 3,569,713</b>
<b>EXPENDITURES</b>							
Personnel	1,980,044	1,878,355	1,931,872	1,986,935	2,057,783	2,144,497	2,241,195
O&M	900,983	845,952	712,897	797,897	800,000	800,000	800,000
Capital Outlay	12,250	7,250	12,250	12,250	12,250	12,250	12,250
Pavement Preservation	1,200,000	1,200,000	1,012,810	934,739	1,077,642	1,301,642	756,695
Contingency	-	5,200	-	-	-	-	-
Interfund Loan to TWDIF Fund	400,000	-	-	-	-	-	-
Transfer to Debt Service	-	-	-	-	-	228,366	227,741
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,493,277</b>	<b>\$ 3,936,757</b>	<b>\$ 3,669,829</b>	<b>\$ 3,731,821</b>	<b>\$ 3,947,675</b>	<b>\$ 4,486,755</b>	<b>\$ 4,037,881</b>
<b>Surplus/(Deficit)</b>	<b>\$ (1,184,713)</b>	<b>\$ (892,990)</b>	<b>\$ (323,441)</b>	<b>\$ (583,436)</b>	<b>\$ (612,436)</b>	<b>\$ (1,000,730)</b>	<b>\$ (468,168)</b>
Ending Fund Balance	\$ 2,470,235	\$ 2,761,958	\$ 2,438,517	\$ 1,855,081	\$ 1,242,645	\$ 241,915	\$ (226,253)

## HIGHWAY FUND ASSUMPTIONS

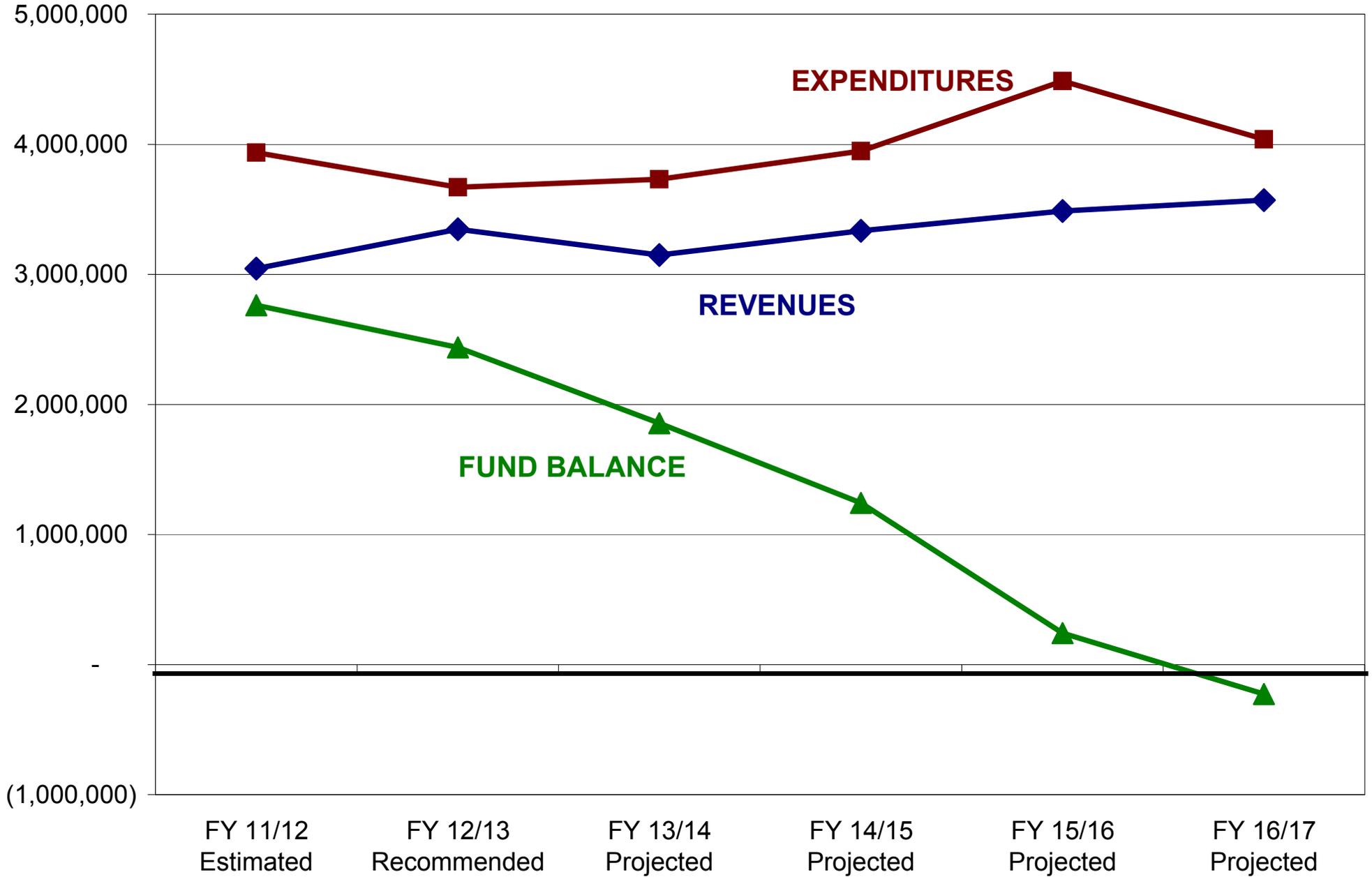
### REVENUES

<u>Local Sales Tax</u>	<u>Fiscal Year</u>	<u>Projection</u>
- Construction Sales Tax	FY 2012/13 FY 2013/14 - 2016/17	14% decline based on current trends of commercial and residential development Growth of 1-2% per year
<u>Highway User Tax</u>	FY 2012/13  FY 2013/14 - 2016/17	4% growth per forecast from League of AZ Cities & Towns Assumes continued sweeps by the State to fund DPS and MVD  Growth of 2.7-3.6% each year per forecast from Arizona Department of Transportation Assumes continued sweeps by the State to fund DPS and MVD
<u>Licenses and Permits</u>	FY 2012/13 - 2016/17	\$43K in road permits per year
<u>Charges for Services</u>	FY 2012/13 - 2016/17	Reimbursement from Stormwater Utility Fund for storm cleanup of streets
<u>Grant Revenues</u>	FY 2012/13 - 2016/17	PAG personnel reimbursements for design work - estimates per DIS Engineering Division Mgr
<u>Miscellaneous</u>	FY 2012/13 - 2016/17	Flat \$10K projected misc revenues
<u>Interest Income</u>	FY 2012/13  FY 2013/14 - 2016/17	Flat to FY 2011/12 at \$7K  Revenues based on current Local Government Investment Pool earnings rate of .21%

### EXPENDITURES

<u>Salaries and Benefits</u>	FY 2012/13  FY 2013/14 - 2014/15  FY 2015/16 - 2016/17	2.5% cost of living adjustment, 1% pension increase  3.5% pay increase, .5% pension increase  4% pay increase, .5% pension increase
<u>Operations &amp; Maintenance</u>	FY 2012/13 FY 2013/14 - 2016/17	No pavement striping for savings of \$85K Pavement striping included; expenditures held steady
<u>Fund Transfers</u>	FY 2012/13 - 2014/15  FY 2015/16 - 2016/17	No debt service transfer (unused construction funds to cover Series 2005 debt service)  Transfers to debt service for Series 2005
<u>Pavement Preservation</u>	FY 2012/13 - 2016/17	Funding maintains current OCI rating of 77

# Highway Fund Revenues, Expenditures and Fund Balance



**TOWN OF ORO VALLEY  
FORECAST THROUGH FY 2016/17**

**BED TAX FUND**

	<b>FY 2011/12 BUDGETED</b>	<b>FY 2011/12 YE ESTIMATED</b>	<b>FY 2012/13 RECOMMENDED</b>	<b>FY 2013/14 PROJECTED</b>	<b>FY 2014/15 PROJECTED</b>	<b>FY 2015/16 PROJECTED</b>	<b>FY 2016/17 PROJECTED</b>
Beginning Fund Balance	\$ 840,704	\$ 840,704	\$ 196,918	\$ 318,429	\$ 320,361	\$ 346,056	\$ 394,019
<b>REVENUES</b>							
Bed Taxes	899,626	711,016	782,283	850,106	858,007	865,987	874,047
Interest Income	1,800	9,500	5,700	9,500	9,690	9,884	10,081
<b>TOTAL REVENUES</b>	<b>\$ 901,426</b>	<b>\$ 720,516</b>	<b>\$ 787,983</b>	<b>\$ 859,606</b>	<b>\$ 867,697</b>	<b>\$ 875,871</b>	<b>\$ 884,128</b>
<b>EXPENDITURES</b>							
Economic Development							
Personnel	-	-	231,126	237,486	246,053	256,400	268,080
General O&M	-	-	9,555	9,550	9,550	9,550	9,550
TREG	41,011	41,011	41,011	41,421	41,835	42,254	42,676
MTCVB	74,970	59,251	74,970	70,842	71,501	72,166	72,837
Chamber of Commerce	-	-	25,000	25,000	25,000	25,000	25,000
Special Events	-	30,000	30,000	30,000	30,000	30,000	30,000
Local Econ Dev Marketing	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Sales Tax Rebates	60,000	40,614	-	-	-	-	-
Other Financing Uses							
Gen Fund Misc Allocation	675,000	375,000	-	-	-	-	-
Transit Subsidy	450,926	258,426	-	-	-	-	-
Tfr to Aquatics Ctr Proj Fund	-	500,000	-	-	-	-	-
Tfr to Debt Service Fund	-	-	18,063	233,375	233,063	232,538	231,800
Aquatics/Econ Dev Gen Fund Subsidy	-	-	176,747	150,000	125,000	100,000	100,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,361,907</b>	<b>\$ 1,364,302</b>	<b>\$ 666,472</b>	<b>\$ 857,674</b>	<b>\$ 842,002</b>	<b>\$ 827,907</b>	<b>\$ 839,943</b>
<b>Surplus/(Deficit)</b>	<b>\$ (460,481)</b>	<b>\$ (643,786)</b>	<b>\$ 121,511</b>	<b>\$ 1,932</b>	<b>\$ 25,695</b>	<b>\$ 47,964</b>	<b>\$ 44,185</b>
Ending Fund Balance	\$ 380,223	\$ 196,918	\$ 318,429	\$ 320,361	\$ 346,056	\$ 394,019	\$ 438,204

## BED TAX FUND ASSUMPTIONS

### REVENUES

<u>Local Sales Taxes</u>	<u>Fiscal Year</u>	<u>Projection</u>
- Bed Tax	FY 2012/13	13% decrease from FY 2011/12 budget, based on current trends
	FY 2013/14 - 2016/17	Conservative 1% growth forecasted and potential FY 13/14 annexation of additional hotel

<u>Interest Income</u>	FY 2012/13 - 2013/14 FY 2014/15 - 2016/17	Based on observed actuals in FY 2011/12 2% growth per year
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### EXPENDITURES

<u>Salaries and Benefits</u>	FY 2012/13	Economic Mgr salary and benefits budgeted in Bed Tax Fund (previously in Gen Fund) 2 new positions budgeted - Economic Development Specialist and Office Specialist 2.5% cost of living adjustment, 1% pension increase
	FY 2013/14 - 2014/15	3.5% pay increase, .5% pension increase
	FY 2015/16 - 2016/17	4% pay increase, .5% pension increase

<u>Operations &amp; Maintenance</u>	FY 2012/13	TREO - funded at \$1 per capita of Town population MTCVB - flat to FY 2011/12 budget Chamber of Commerce funded at \$25K Capacity of \$30K for special events Local economic development marketing budget flat at \$60K
	FY 2013/14 - 2016/17	TREO - funded at \$1 per capita of Town population (forecasted pop. growth of 1%/yr) MTCVB - funded at 1/2 of 1% of the 6% bed tax collections Chamber of Commerce funded at \$25K Capacity of \$30K for special events Local economic development marketing budget flat at \$60K

<u>Fund Transfers</u>	FY 2012/13	Transfer to Debt Service Fund for new Aquatics bonds \$177K transfer to General Fund to cover increased personnel and O&M costs for expanded Aquatics facility
	FY 2013/14 - 2016/17	Transfer to Debt Service Fund for Aquatics bonds Gradual reduction in transfer to General Fund to cover personnel and O&M costs for expanded Aquatics facility

# Bed Tax Fund

## Revenues, Expenditures and Fund Balance

